

GALENA PARK

Independent School District



Annual Comprehensive Financial Report

For the Fiscal Year Ended August 31, 2025

Annual Comprehensive Financial Report

**For the Fiscal Year Ended
August 31, 2025**

GALENA PARK INDEPENDENT SCHOOL DISTRICT

14705 Woodforest Blvd., Houston, Texas 77015

Prepared by the Business Services Department:

**Ben Pape
Chief Financial Officer**

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

**Christopher Young, RTSBA
Director of Accounting**

GALENA PARK INDEPENDENT SCHOOL DISTRICT

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INTRODUCTORY SECTION



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Principal Officials and Advisors

As of August 31, 2025

Board of Trustees

Name	Office	Term Expires	Length of Service	Occupation
Ramon Garza	President	2028	15 years	Insurance Agent
Linda Clark Sherrard	Vice President	2028	4 years	Retired
Jose Jimenez	Secretary	2026	3 years	Insurance Agent
Adrian Stephens	Trustee	2027	8 years	Sales
Amanda Erebia	Trustee	2027	2 years	SVP
Noe Esparza	Trustee	2026	7 years	Sales
Norma Hernandez	Trustee	2026	7 years	Retired Educator

Administrative Officials

Name	Position	Length of Service
Dr. John Moore	Superintendent	34
Dr. Wanna Giacona	Chief Administrative Officer	31
Ben Pape	Chief Financial Officer	2
Dr. Mechelle Epps	Assistant Superintendent for Student Support Services	28
Mike McKay	Assistant Superintendent for Operations	26
Hollice Malloy	Assistant Superintendent for Curriculum & Instruction and Professional Development	11
Jerid Link	Assistant Superintendent for Human Resource Services	9

Consultants and Advisors

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

GALENA PARK INDEPENDENT SCHOOL DISTRICT

CERTIFICATE OF BOARD

<u>Galena Park Independent School District</u>	<u>Harris</u>	<u>101-910</u>
Name of School District	County	Co.– Dist. No.

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and approved for the year ended August 31, 2025, at a meeting of the board of trustees of such school district on January 12, 2026.

<u><i>Ramon Garza</i></u>	<u><i>Jose Jimenez</i></u>
President of the Board	Secretary of the Board

GALENA PARK INDEPENDENT SCHOOL DISTRICT



GALENA PARK INDEPENDENT SCHOOL DISTRICT

A Texas Recognized School District

14705 Woodforest Blvd.

Houston, TX 77015

832-386-1204

January 12, 2026

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

The Texas Education Code requires that all school districts file a complete set of financial statements with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the Galena Park Independent School District (the "District") for the fiscal year ended August 31, 2025.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. The District's financial statements have been audited by Whitley Penn, LLP, CPAs, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended August 31, 2025 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion and that the District's financial statements for the period ended August 31, 2025, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

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

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Profile of the District

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

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

The District’s 15 elementary schools, 5 middle schools, 2 high schools, 1 early college high school, and 1 alternative high school campuses are well-known for innovative programs and academic accomplishments. At present there are no charter schools in the District. Current enrollment is 20,682 and the District projects this enrollment to remain steady or decline slightly in the future. The District educates children from diverse backgrounds. The student body reflects the cultural diversity of Texas. Of the approximately 20,000 students enrolled, 83% are Hispanic, 14% are African American, 2% are White, and 1% identify themselves as Asian/Pacific Islander, American Indian or of more than one ethnicity.

The prior seven years marks the completion of replacement campuses at Jacinto City Elementary, Cloverleaf Elementary, Galena Park Elementary, North Shore Elementary, Woodland Acres Elementary, and Pyburn Elementary Phase 1, as well as a Galena Park High School Phase 1 (14 classroom addition), North Shore Senior High Welding addition, and North Shore Senior High 10th Grade Center building. Galena Park High School Phase 2 Infrastructure (roadway and sewer lines) was also completed. As of August 2025, Pyburn Elementary Phase 2 building replacement and Galena Park High School Phase 2 consisting of a new dining commons, kitchen, and Career and Technology classroom building, were substantially completed. There are two active construction projects currently underway, North Shore 9th Grade chiller replacement which is in Construction and North Shore 9th Grade Campus Renovations which includes fenestration of existing building. Note 4 in the Notes to the Financial Statements discusses these projects and the value of construction in progress. When these projects are completed, six of the oldest campuses will have been completely replaced, and significant additions made to two high schools. The age of school buildings ranges from newly constructed to 82 years old. Table 19 in the Statistical Section lists the opening date of each building, in addition to the square footage, enrollment, and capacity.

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

The District maintains budgetary controls throughout its financial systems. The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the official budget adopted by the Board. The Board adopts an official appropriations budget at the functional expenditure level for the general fund, debt service fund and the food service program included in the special revenue fund. Budgetary control is maintained at the organizational level by the

GALENA PARK INDEPENDENT SCHOOL DISTRICT

encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Outstanding encumbrances at the end of the fiscal year are treated as assigned fund balance and are recorded as expenditures in the subsequent year upon receipt of the goods and services.

Factors Affecting Financial Condition

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

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

A cornerstone of the area economy, Port Houston centered along the 52 mile-long Houston Ship Channel, consists of diversified public and private facilities designed for handling general cargo, containers, grain and other dry bulk materials, project and heavy-lift cargo, and other types of cargo. Overall, more than 1.54 million jobs throughout Texas are directly and indirectly related to the diverse global trade and commerce activities at the port. In addition, the port generates nearly \$439 billion of economic activity in Texas each year and more than \$906 billion in economic impact across the nation. In 2022 Port Houston began a billion-dollar expansion, deepening, and widening project of the Houston Ship Channel called Project 11. The project is set for an October 2025 completion and widens the Galveston Bay reach of the channel from 530 feet to 700 feet to enhance safety, efficiency and competitiveness along the waterway. Houston's leading exports are crude petroleum, refined petroleum, petroleum gas, ethylene polymers, and acyclic hydrocarbons. Port Houston's economic activity has allowed Texas to remain the leading exporting state for the past twenty-three consecutive years.

Economic Outlook. Houston's economy is forecasted to grow by 2.2% in 2025, surpassing the national average of 1.9%. The economy is considered resilient and performing well relative to other large cities. From 2015 to 2024, Houston's population increased by 1.14 million, the fastest growth rate among the ten largest US metropolitan areas. Houston remains the energy capital of the nation, leading all other metros with almost 200,000 people employed in producing fuels, power generation, transmission, distribution, and storage. One in twelve jobs are in the renewable energy market. Retail trade, professional services, health care & social assistance and local government dominate the local employment. Texas Medical Center opened Helix Park, the first phase of a new 27-acre campus which is aimed at connecting academia, industry, and healthcare. Other major healthcare systems are expanding campuses in Fort Bend, Katy, and Sugar Land. This combined growth is expected to add 12,800 jobs by the end of 2025. The 89th Texas Legislature met in 2025, where key topics related to the state's two-year budget, education, school safety, school choice, teacher pay increases, student success assessment, and property taxes were discussed.

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

Relevant Financial Policies

Budget. Budget planning is an integral part of the District's overall program and strategic planning process, ensuring that financial resources effectively support educational goals and operational priorities. The 2024–25 Adopted Budget was developed amid ongoing enrollment declines and the impending expiration of federal Elementary and Secondary School Emergency Relief (ESSER) funds that had previously supported General Fund expenditures. To address projected revenue

GALENA PARK INDEPENDENT SCHOOL DISTRICT

shortfalls and ensure continued fiscal stability, the District implemented a 5% reduction across all departmental budgets, excluding campus budgets, Special Education, State Compensatory Education, Fine Arts, Athletics, and Career and Technical Education (CTE), generating approximately \$1.5 million in savings. Despite these reductions, the District remains focused on maintaining high standards for safety and security, supporting student learning, and retaining and recruiting quality staff. Budget planning and evaluation are continuous processes that occur throughout the year, ensuring that financial decisions remain aligned with the District's mission, goals, and available resources.

Fund Balance. In order to preserve financial stability, the District must be prepared to respond to cash flow shortages, large or unexpected one-time expenditures, changes in the economy, and changes in state funding. In March 2014, the Board of Trustees approved the local annual operating budget policy that targeted a yearly, unassigned general fund balance between ten percent and fifteen percent of the total operating expenditures. Additionally, the policy requires the District to target a yearly minimum, restricted debt service fund balance of fifteen percent of annual debt service requirements on all outstanding debt issuance. In the current fiscal year, the general fund unassigned fund balance was \$64 million, or 26% of the operating budget. As a result of the District's strong operational performance and solid expenditure flexibility, Fitch Ratings, Inc. has issued a bond rating of AA+ and Moody's Investors Services, Inc. continued to rate the District's bond rating at Aa1, one of the highest among Texas school districts. A strong fund balance allows the District to respond to unanticipated situations that may arise.

Financial Planning. The District continues to actively navigate financial challenges shaped by state legislative developments, economic conditions, and enrollment trends. Legislative measures enacted during the 88th Texas Legislative Session, including House Bill 3 (HB 3) and Senate Bill 3 (SB 3), together with the lack of an increase to the basic allotment, have influenced state funding levels and long-term fiscal outlooks. Federal stimulus funds and state aid hold-harmless provisions have helped to mitigate reductions in Foundation School Program revenue caused by the pandemic-related decline in enrollment and attendance. With the expiration of ESSER funding on September 30, 2024, approximately \$12.2 million in recurring expenditures shifted back to the General Fund. To manage this transition responsibly, the District has taken proactive steps to control costs, monitor attendance and property value data, and adjust projections as economic conditions evolve. The District also continues to strengthen its security measures and maintain multi-year plans for replacements and upgrades in Technology, Fleet, Fine Arts, and Facilities, ensuring that long-range financial planning supports both operational efficiency and educational excellence.

Awards and Acknowledgements

Our District as a whole received many recognitions and achievements during the 2024-2025 school year across multiple disciplines organizationally. Galena Park Independent School District's athletic programs continue to shine with one athletic team advancing to UIL State Semi Finals Competition. Four athletic teams won the District Championship Competitions including one team with an undefeated District season. In total, 446 students advanced in their individual sports. Twenty-six athletes signed scholarship letters. Forty-nine students participated in state level career and technology competitions, two of which advanced to and competed at the national competition. One student made the steer auction at the Houston Livestock Show and Rodeo. Career and Technology Industry based certifications were earned by 1,518 students. The District's Career and Technology program earned the Career and Technology Association of Texas's CTE District of Distinction for 2025. This esteemed recognition celebrates districts across Texas that demonstrate exemplary leadership, innovation, and commitment to student success through high-quality Career and Technical Education programs. The fine arts program excelled this year as both high school marching bands advanced to the UIL Area marching contest and one continued on to the State marching contest. More than 240 secondary band, orchestra, and choir students earned places at the Texas Music Educators Association All-Region competitions, while 5 students advanced to All-State competitions. Twenty-nine secondary band and choir students earned Sweepstakes and First Division ratings at both UIL Concert and Sight-reading evaluations. North Shore Senior High School and Galena Park High School had 7 art students advance to the Texas Art Educators Association's State Visual Art Scholastic Event. Our middle schools had 62 entries in the junior high Visual Art Scholastic Event. Galena Park ISD was recognized by the Texas Art Education Association as a *District of Distinction* for the third consecutive year.

GALENA PARK INDEPENDENT SCHOOL DISTRICT

The Texas Education Agency has awarded the District an “A=Superior” rating for the fiscal year ended August 31, 2024. This is the 23rd year of the State’s Financial Integrity Rating System of Texas (School FIRST), originally developed in response to Senate Bill 875 of the 76th Texas Legislature. The rating is based upon an analysis of staff and student data reported for the 2023-2024 school year and budgetary and actual financial data for the fiscal year ended August 31, 2024. The primary goal of School FIRST is to ensure quality performance in the management of school districts’ financial resources, a goal made more significant due to the complexity of accounting associated with the Texas school finance system.

In February 2025, the District’s Purchasing Department was recognized with the Award of Merit for Purchasing Operations by the Texas Association of School Business Officials for the eleventh time. This award recognizes a district’s achievement in implementing best practices in the area of purchasing.

The District has been recognized by the Association of School Business Officials International (ASBO) as an eight-year recipient of the ASBO International Meritorious Budget Award (MBA) for the 2024-2025 Budget document. The award recognizes excellence in school budget presentation.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting and the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended August 31, 2024.

In order to be awarded the certificates, a governmental unit must publish an efficiently organized Annual Comprehensive Financial Report, the contents of which must conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements. The District has received the ASBO award for fifteen consecutive years and the GFOA award for fourteen years. The certificates are valid for a period of one year only. We believe that our current ACFR continues to meet the requirements of both certificate programs, and it will be submitted accordingly to ASBO and GFOA to determine its eligibility for a 2025 certificate.

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

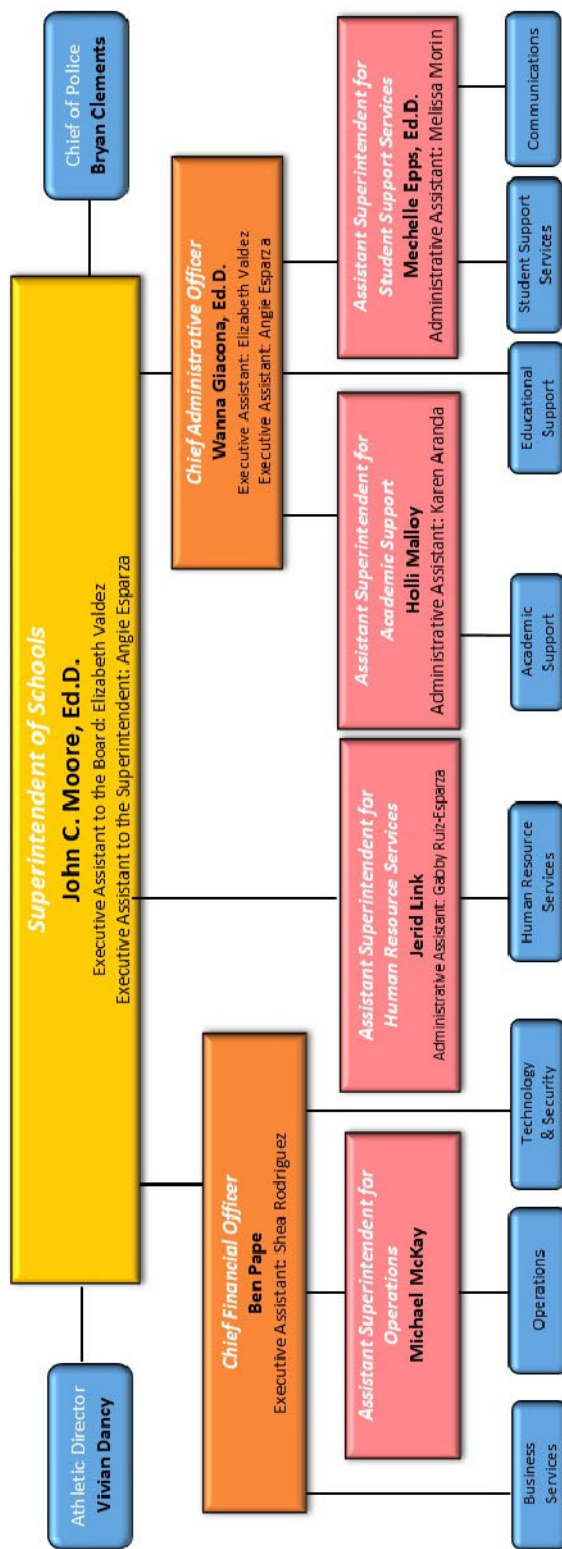
Respectfully submitted,

John Moore

John Moore, Ed.D.
Superintendent of Schools

Ben Pape

Ben Pape
Chief Financial Officer





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Galena Park Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2024

Christopher P. Morrell

Executive Director/CEO



The Certificate of Excellence in Financial Reporting
is presented to

Galena Park Independent School District

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended August 31, 2024.

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



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director

FINANCIAL SECTION



Galena Park
Independent School District

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Galena Park Independent School District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Galena Park Independent School District (the "District"), as of and for the year ended August 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining nonmajor fund financial statements, required Texas Education Agency (TEA) schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

To the Board of Trustees
Galena Park Independent School District

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, required TEA schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, and Schedule L-1 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas
January 12, 2026



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended August 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the front of this report, and the District's financial statements which follow this section.

Financial Highlights

The assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources at August 31, 2025 by \$161,116,396 (net position). Of this amount, \$13,609,029 (unrestricted net position) may be used to meet the District's ongoing obligations to students and creditors.

- The District's total net position increased by \$16,123,587, excluding restatements, due to increased state aid revenues.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$436,967,771, an increase of \$185,824,067 in comparison with the prior year. The overall increase in governmental fund balances was primarily due to an increase in the capital projects fund balance of \$181,509,641. The general fund experienced an increase in fund balance of \$204,104 and the debt service fund experienced an increase in fund balance of \$5,277,707. The unassigned fund balance in the general fund represents 26 percent of the total general fund expenditures.
- The District's total bonded debt increased by \$172,713,252 or 54 percent during the current fiscal year.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

GALENA PARK INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

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

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

Fund Financial Statements

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

Governmental Funds

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

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

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

The basic governmental fund financial statements are referenced as Exhibits C-1 through C-2R in this report.

GALENA PARK INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Proprietary Fund

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

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

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

Fiduciary Funds

The fiduciary funds are used to account for resources held for the benefit of students. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs. The District is the trustee, or fiduciary, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position as referenced as Exhibits E-1 and E-2, respectively, in this report.

Notes to the Financial Statements

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

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The required supplementary information is referenced as Exhibits G-1 through G-5 in this report.

Other Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. The combining and individual fund statements and schedules are referenced as Exhibits H-1 through H-2 in this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$161,116,396 at the close of the most recent fiscal year.

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

The District's investment in capital assets (e.g., land, buildings and improvements, furniture and equipment, construction in progress, right-to-use lease equipment, and right-to-use subscription assets); less any outstanding related debt used to acquire those assets totaled \$130,754,693. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Galena Park Independent School District's Net Position

	2025	2024
Current and other assets	\$ 477,221,377	\$ 292,868,181
Capital assets, net	436,887,188	437,154,629
Total Assets	914,108,565	730,022,810
Deferred loss on refunding	459,278	514,528
Deferred outflows - pension	23,307,194	44,906,736
Deferred outflows - OPEB	25,715,073	16,304,206
Total Deferred Outflows of Resources	49,481,545	61,725,470
Current liabilities	24,986,642	25,832,587
Long term liabilities	720,366,351	540,393,593
Total Liabilities	745,352,993	566,226,180
Deferred inflows - leases	320,423	337,465
Deferred inflows - pension	4,270,126	5,241,450
Deferred inflows - OPEB	52,530,172	65,812,576
Total Deferred Inflows of Resources	57,120,721	71,391,491
Net Position:		
Net investment in capital assets	130,754,693	124,045,637
Restricted	16,752,674	12,958,469
Unrestricted	13,609,029	17,126,503
Total Net Position	\$ 161,116,396	\$ 154,130,609

Net position is restricted for various purposes as follows:

	Governmental Activities	
	2025	2024
Federal and state programs	\$ 5,788,524	\$ 6,967,026
Debt service	10,964,150	5,991,443
	\$ 16,752,674	\$ 12,958,469

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

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

Government-wide Financial Analysis

The District's capital assets decreased by \$0.3 million in the current year. Total assets increased by \$184.0 million due to the issuance of Unlimited Tax School Building Bonds in the current year. Deferred outflows decreased by \$12.2 million with the significant decrease from deferred outflows related to pension in the amount of \$21.6 million offset by increases from deferred loss on refunding and deferred outflows related to OPEB. Total liabilities also increased \$179.1 million due primarily to the issuance of the Unlimited Tax School Building Bonds. Net position was also impacted by the decrease in deferred inflows for pension by \$0.9 million and decrease in deferred outflows for OPEB in the amounts of \$13.3 million.

Galena Park Independent School District's Changes in Net Position

	2025	2024
Program Revenues		
Charges for services	\$ 5,001,816	\$ 4,574,312
Operating grants	49,473,059	80,217,057
General Revenues		
Property taxes	134,956,334	143,493,581
State aid	126,170,942	119,327,666
Interest earnings	16,846,341	16,066,927
Other	202,480	211,401
Total Revenues	332,650,972	363,890,944
Expenses		
Instruction	151,944,974	161,790,725
Instructional resources and media services	2,833,885	2,946,315
Curriculum and instructional staff development	7,935,425	9,296,588
Instructional leadership	6,181,010	6,709,164
School leadership	17,937,397	18,396,079
Guidance, counseling, and evaluation services	10,233,459	10,707,305
Social work services	1,700,706	1,423,973
Health services	2,609,350	2,783,349
Student transportation	10,936,615	11,412,471
Food services	17,205,859	19,015,520
Extracurricular activities	6,907,279	6,861,312
General administration	9,098,555	10,387,170
Facilities maintenance and operations	34,880,057	37,304,578
Security and monitoring services	7,296,430	6,924,814
Data processing services	5,951,404	6,247,135
Community services	2,772,028	2,994,302
Interest on long-term debt	18,747,839	14,750,041
Payments to Fiscal Agent/Member Districts of Shared Services Arrangements	343,770	372,894
Payments to appraisal districts	1,011,343	1,172,330
Total Expenses	316,527,385	331,496,065
Increase (decrease) in net position	16,123,587	32,394,879
Beginning Net Position, Restated	144,992,809	121,735,730
Ending Net Position	\$ 161,116,396	\$ 154,130,609

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

Governmental Activities

Governmental activities increased the District's net position by \$16,123,587. Revenues are generated primarily from three sources. Property taxes, state-aid formula grants, and operating grants and contributions represent 94 percent of total revenues. In the current year, the district experienced a decrease in property tax revenues due to a decrease in appraised values and lower collection rates. However, this decline was offset by an increase in state aid revenues due the funding formulas and the decrease to property values. Additionally, operating grants and contributions decreased as the pandemic related grants came to completion. The remaining six percent of revenues is generated from charges for services, investment earnings and miscellaneous revenues.

	Total Revenues	% of Total Revenues
Property taxes	\$ 134,956,334	41%
State Aid - Formula Grants	126,170,942	38%
Operating grants and contributions	49,473,059	15%
Other revenue	22,050,637	6%
Total Revenues	\$ 332,650,972	100%

The primary functional expenses of the District are instruction, facilities maintenance and operations, school leadership, interest on long-term debt, and food services, which represent 76 percent of total expenses. The decrease in expenses took place primarily in function 11 due to decreased staffing. The remaining individual functional categories of expense are each less than 5 percent of total expenses.

	Total Expenses	% of Total Expenses
Instruction	\$ 151,944,974	48%
Facilities maintenance and operations	34,880,057	11%
School leadership	17,937,397	6%
Interest on long-term debt	18,747,839	6%
Food services	17,205,859	5%
Other functional expenses	75,811,259	24%
Total Expenses	\$ 316,527,385	100%

Financial Analysis of the Government's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$436,967,771, an increase of \$185,824,067. The increase in ending governmental fund balances was primarily due to the issuance of the Unlimited Tax School Building Bonds Series 2024 and Series 2025, an increase in Debt Service revenues due to increased property values, and was offset by a decrease due to expiration of the Instructional Material Allotments biennium and changes to the minimum fund balance allowed in student nutrition funds.

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

The *general fund* is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$64,836,048, while total fund balance reached \$222,157,139. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 26 percent of total general fund expenditures, while total fund balance represents 89 percent of that same amount. Operations in the general fund remained consistent with the prior year as fund balance increased \$204,104.

The *debt service fund* has a total fund balance of \$8,142,322 all of which is restricted for the payment of debt service. The net increase in the debt service fund balance during the current year of \$5,277,707 was due to increased property tax revenue as well as premiums on the issuance of the Unlimited Tax School Building Bonds.

The *capital projects fund* has a total fund balance of \$199,557,939, all of which is restricted for the capital acquisitions. The net increase in the capital projects fund balance during the current year of \$181,509,641 was primarily due to the issuance of the Unlimited Tax School Building Bonds Series 2024 and Series 2025.

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

Proprietary Fund

The District's proprietary fund financial statement, internal service printing and employee cafeteria services, provide detail information about the profitability of the print shop fund and the employee cafeteria and catering services fund. At the end of the year, net position was \$211,317, an increase of \$45,062 compared to the prior year. The net change in the fund's position is eliminated and allocated to the governmental expenses in the government-wide financial statements.

General Fund Budgetary Highlights

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

	Budget	
	Original	Final Amended
Total Revenues	\$ 248,351,932	\$ 251,334,000
Total Expenditures	257,792,296	261,833,016
Net Change in Fund Balance	\$ (9,440,364)	\$ (10,499,016)

The amended revenues budget increased by \$3.0 million over the original budget primarily due to higher State Aid, driven by lower-than-anticipated local property tax collections, as the adopted budget assumed higher property values. In addition, projected interest earnings improved throughout the year, further contributing to the revenue increase.

The amended expenditure budget increased by \$4.0 million to appropriate fund balance for commitments related to expenditures ordered during the fiscal year but not received prior to year-end.

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

Capital Assets

The District's investment in capital assets for its governmental type activities as of August 31, 2025, amounts to \$436,887,188 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings and improvements, furniture and equipment, vehicles, the intangible right-to-use assets, and construction in progress. Changes in capital assets are shown below:

	2025	2024
Land	\$ 27,972,115	\$ 27,709,141
Building and improvements	366,925,042	381,581,635
Furniture and equipment	25,802,361	23,927,822
Right-to-use assets	3,839,521	3,763,311
Construction in progress	12,348,149	172,720
Total	\$ 436,887,188	\$ 437,154,629

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

Long-term Liabilities

At the end of the current fiscal year, the District had \$491,156,169 in bonded debt outstanding, an increase of \$172,713,252 from the previous year due to the issuances of the Unlimited Tax School Building Bonds Series 2024 and Series 2025 offset by scheduled principal payments on bonds. The District's bonds are sold with an "AAA" rating and are guaranteed through the Texas Permanent School Fund Guarantee Program. The underlying rating of the bonds from Standard and Poor's is "Aaa" and from Moody's Investors Service is "Aa1" for general obligation debt.

Changes to bonds payable, for the year ended August 31, 2025 are as follows:

	Outstanding 9/1/24	Issued	Retired	Outstanding 8/31/25
Bonds Payable	\$ 318,442,917	\$ 193,769,600	\$ (21,056,348)	\$ 491,156,169

Changes to accretion on compound interest bonds, for the year ended August 31, 2025 are as follows:

	Outstanding 9/1/24	Issued	Retired	Outstanding 8/31/25
Accretion on Compound Interest Bonds	\$ 61,064,848	\$ 4,762,854	\$ (5,906,233)	\$ 59,921,469

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

GALENA PARK INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Economic Factors and Next Year's Budgets and Tax Rates

The District's Board of Trustees and Administrators considered a variety of factors when adopting the budget for the 2025-26 fiscal year. Those factors include property values, enrollment trends, state funding, the economy, and legislative mandates. The following assumptions were taken into account when adopting the general operating budget for 2025-26:

- The tax rate for 2025-26 is \$1.24990 per \$100 of assessed value, with \$0.87559 applicable to maintenance and operations and \$0.37431 for debt service.
- Taxable values used for the 2025-26 adopted budget are expected to decrease by approximately 3.89 percent below the 2024-25 levels. The budgeted property tax revenues were based on the certified taxable value of \$11.55 billion with a 97.0 percent collection rate.
- The District's 2025-26 average daily attendance decreased from 2024-25 to 18,739.

With voter approval from a tax ratification election held in December 2007 the maintenance and operations tax rate increased from \$1.1134 to \$1.1834 per \$100 valuation. A second successful tax ratification election in September 2012 increased the maintenance and operations tax rate an additional .05999 cents for a total rate of \$1.2433. This District's maintenance and operations rate has decreased since the tax ratification to 0.87559 for 2025-26 as a result of the rate compression directed by the 89th Texas Legislature.

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

Residential property taxes provide 20 percent of the assessed value, while commercial property taxes make up 80 percent.

The amount available for appropriation in the general fund is \$260.1 million, an increase of \$11.7 million from the previous year.

Expenditures are budgeted to increase 2.59 percent to \$264.5 million. The budgeted expenditures fund an increase to the starting teacher pay schedule, a 3.0 percent general pay increase for staff members who were paid on the teacher salary schedule in 2024-2025, but were not included in the H.B. 2 definition of classroom teachers, a 2.0 percent general pay increase for all other staff, and continued updates for technology, facilities, and fleet vehicles. A deficit budget was adopted for 2025-26. If these budgetary estimates are realized the District's General Fund balance will decrease \$4.3 million by August 31, 2026.

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to the Office of the Executive Director for Finance and Treasury, Galena Park Independent School District, 14705 Woodforest Blvd, Houston, TX 77015.



Galena Park
Independent School District

BASIC FINANCIAL STATEMENTS

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
August 31, 2025
Exhibit A-1

Data Control Codes		Governmental Activities
Assets		
1110	Cash and cash equivalents	\$ 215,918,687
1120	Investments	130,824,978
1225	Property taxes receivables, net	15,570,619
1240	Due from other governments	20,022,361
1250	Accrued interest	2,834,567
1290	Other receivables, net	936,368
1300	Inventories	1,087,260
1410	Prepaid items	1,830
1490	Other current assets	500
1910	Long-term investments	90,024,207
	Capital assets not subject to depreciation/amortization:	
1510	Land	27,972,115
1580	Construction in progress	12,348,149
	Capital assets net of depreciation/amortization:	
1520	Buildings and improvements	366,925,042
1530	Furniture and equipment	25,802,361
1550	Right-to-use assets	3,839,521
1000	Total Assets	914,108,565
Deferred Outflows of Resources		
	Deferred charge on refunding	459,278
	Deferred outflows - pension	23,307,194
	Deferred outflows - OPEB	25,715,073
1700	Total Deferred Outflows of Resources	49,481,545
Liabilities		
2110	Accounts payable	8,242,257
2140	Interest payable	795,116
2150	Payroll deductions and withholdings	4,350,765
2160	Accrued wages payable	11,478,597
2180	Due to other governments	84
2300	Unearned revenue	119,823
	Noncurrent Liabilities:	
	Due within one year:	
2501	Bonds, accreted interest, leases, SBITAs, compensated absences	27,612,403
	Due in more than one year:	
2502	Bonds, accreted interest, leases, SBITAs, compensated absences	537,144,973
2540	Net pension liability	97,088,795
2545	Net other post-employment benefits liabilities (OPEB)	58,520,180
2000	Total Liabilities	745,352,993
Deferred Inflows of Resources		
	Deferred inflows - leases	320,423
	Deferred inflows - pension	4,270,126
	Deferred inflows - OPEB	52,530,172
2600	Total Deferred Inflows of Resources	57,120,721
Net Position		
3200	Net investment in capital assets	130,754,693
	Restricted for:	
3820	Federal and state programs	5,788,524
3850	Debt service	10,964,150
3900	Unrestricted	13,609,029
3000	Total Net Position	\$ 161,116,396

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended August 31, 2025
Exhibit B-1

					Net (Expense) Revenue and Changes in Net Position
		Program Revenue			Primary Government
Data Control Codes	Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
	Governmental Activities:				
11	Instruction	\$ 151,944,974	\$ 1,753,674	\$ 15,800,426	\$ (134,390,874)
12	Instructional resources and media services	2,833,885	26,567	26,897	(2,780,421)
13	Curriculum and instructional staff development	7,935,425	26,280	3,142,645	(4,766,500)
21	Instructional leadership	6,181,010	1,920	552,673	(5,626,417)
23	School leadership	17,937,397	118,379	163,441	(17,655,577)
31	Guidance, counseling, and evaluation services	10,233,459	377	1,102,066	(9,131,016)
32	Social work services	1,700,706	-	1,321,812	(378,894)
33	Health services	2,609,350	-	1,448,698	(1,160,652)
34	Student transportation	10,936,615	-	583,567	(10,353,048)
35	Food services	17,205,859	820,471	18,226,740	1,841,352
36	Extracurricular activities	6,907,279	2,112,539	34,384	(4,760,356)
41	General administration	9,098,555	1,508	1,284,002	(7,813,045)
51	Facilities maintenance and operations	34,880,057	85,541	629,457	(34,165,059)
52	Security and monitoring services	7,296,430	35,568	1,061,697	(6,199,165)
53	Data processing services	5,951,404	-	43,267	(5,908,137)
61	Community services	2,772,028	16,843	984,867	(1,770,318)
72	Interest on long-term debt	18,747,839	2,149	2,722,650	(16,023,040)
93	Payments to Fiscal Agent/Member Districts of Shared Services Arrangements	343,770	-	343,770	-
99	Payments to appraisal district	1,011,343	-	-	(1,011,343)
TG	Total Governmental Activities	<u>\$ 316,527,385</u>	<u>\$ 5,001,816</u>	<u>\$ 49,473,059</u>	<u>(262,052,510)</u>
	General Revenues:				
	Taxes:				
MT	Property taxes, levied for general purposes				96,486,374
DT	Property taxes, levied for debt service				38,469,960
SF	State-aid formula grants				126,170,942
IE	Investment earnings				16,846,341
MI	Miscellaneous				202,480
TR	Total General Revenues				<u>278,176,097</u>
CN	Change in net position				16,123,587
NB	Net Position - Beginning, as Previously Reported				154,130,609
PA	Restatements - See Note 14				(9,137,800)
	Net Position - Beginning, as Restated				<u>144,992,809</u>
NE	Net Position - Ending				<u>\$ 161,116,396</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
Exhibit C-1
BALANCE SHEET
GOVERNMENTAL FUNDS
August 31, 2025

Data Control Codes		General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
1110	Cash and temporary investments	\$ 126,232,728	\$ 8,142,322	\$ 204,310,642	\$ 7,881,146	\$ 346,566,838
	Receivables:					
1220	Delinquent property taxes receivable	13,629,367	4,089,710	-	-	17,719,077
1230	Allowance for uncollectible taxes (credit)	(1,675,692)	(472,766)	-	-	(2,148,458)
1240	Receivables from other governments	15,589,748	-	-	4,432,613	20,022,361
1250	Accrued interest	1,982,796	-	851,771	-	2,834,567
1260	Due from other funds	3,593,194	-	-	11,501	3,604,695
1290	Other receivables	892,800	-	-	41,581	934,381
1300	Inventories	654,282	-	-	432,978	1,087,260
1410	Prepaid items	1,830	-	-	-	1,830
1490	Other current assets	500	-	-	-	500
1910	Long term investments	90,024,207	-	-	-	90,024,207
1000	Total Assets	\$ 250,925,760	\$ 11,759,266	\$ 205,162,413	\$ 12,799,819	\$ 480,647,258
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities:						
2110	Accounts payable	\$ 1,645,694	\$ -	\$ 5,524,837	\$ 1,064,784	\$ 8,235,315
2150	Payroll deductions and withholdings	4,350,765	-	-	-	4,350,765
2160	Accrued wages payable	10,468,305	-	14,781	994,603	11,477,689
2170	Due to other funds	11,501	-	64,856	3,528,412	3,604,769
2180	Payable to other governments	-	-	-	84	84
2300	Unearned revenue	18,258	-	-	101,565	119,823
2000	Total Liabilities	16,494,523	-	5,604,474	5,689,448	27,788,445
Deferred Inflows of Resources						
	Unavailable revenue - property taxes	11,953,675	3,616,944	-	-	15,570,619
	Unavailable revenue - leases	320,423	-	-	-	320,423
2600	Total Deferred Inflows of Resources	12,274,098	3,616,944	-	-	15,891,042
Fund Balances:						
Nonspendable:						
3410	Inventories	654,282	-	-	-	654,282
3430	Prepaid items	1,830	-	-	-	1,830
Restricted						
3450	Federal/State grant restrictions	-	-	-	5,788,524	5,788,524
3470	Capital acquisitions	-	-	186,569,420	-	186,569,420
3480	Debt service	-	8,142,322	-	-	8,142,322
Committed						
3545	Campus activity	-	-	-	1,321,847	1,321,847
Assigned						
3550	Construction	-	-	12,988,519	-	12,988,519
3590	Other assigned	156,664,979	-	-	-	156,664,979
3600	Unassigned	64,836,048	-	-	-	64,836,048
3000	Total Fund Balances	222,157,139	8,142,322	199,557,939	7,110,371	436,967,771
4000	Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 250,925,760	\$ 11,759,266	\$ 205,162,413	\$ 12,799,819	\$ 480,647,258

GALENA PARK INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS TO
STATEMENT OF NET POSITION
August 31, 2025

Exhibit C-1R

Data
Control
Codes

Amounts reported for governmental activities in the statement of net position (A-1) are different because:

	Total Fund Balance, Governmental Funds	\$ 436,967,771
1	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Capital assets at historical cost, net of accumulated depreciation/amortization, where applicable.	436,760,313
2	Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, these property taxes and related penalty and interest amounts (net of allowance for uncollectible accounts) are deferred inflows of resources in the fund financial statements.	15,570,619
3	Deferred charges on refunding	459,278
4	Deferred inflows and outflows related to pension activities	19,037,068
5	Deferred inflows and outflows related to OPEB activities	(26,815,099)
	Long-term liabilities, including bonds and leases payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:	
6	General obligation bonds	(456,166,171)
7	Premiums on issuance	(34,989,998)
8	Leases payable	(474,737)
9	SBITA payable	(1,443,691)
10	Accreted interest on premium compound interest bonds	(59,921,469)
11	Compensated absences	(11,674,714)
12	Accrued interest payable	(795,116)
13	Net pension liability	(97,088,795)
14	Net OPEB liability	(58,520,180)
15	Addition of Internal Service fund net position	<u>211,317</u>
29	Total Net Position - Governmental Activities	<u>\$ 161,116,396</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended August 31, 2025

Exhibit C-2

Data Control Codes		General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
5700	Local, intermediate, and out-of-state	\$ 109,704,448	\$ 39,469,721	\$ 4,777,443	\$ 3,220,848	\$ 157,172,460
5800	State program revenues	139,739,608	2,512,104	-	2,492,383	144,744,095
5900	Federal program revenues	3,776,838	-	-	38,100,670	41,877,508
5020	Total Revenues	253,220,894	41,981,825	4,777,443	43,813,901	343,794,063
Expenditures						
Current:						
0011	Instruction	137,096,166	-	-	14,983,767	152,079,933
0012	Instructional resources and media services	2,652,856	-	-	29,998	2,682,854
0013	Curriculum and instructional staff development	5,203,181	-	-	3,073,371	8,276,552
0021	Instructional leadership	5,601,809	-	-	498,538	6,100,347
0023	School leadership	17,773,036	-	-	125,037	17,898,073
0031	Guidance, counseling and evaluation services	9,447,410	-	-	996,613	10,444,023
0032	Social work services	482,771	-	-	1,300,692	1,783,463
0033	Health services	2,273,178	-	-	319,879	2,593,057
0034	Student transportation	11,155,812	-	-	535,938	11,691,750
0035	Food services	-	-	-	18,375,115	18,375,115
0036	Extracurricular activities	4,728,617	-	-	1,720,635	6,449,252
0041	General administration	8,935,297	-	-	8,105	8,943,402
0051	Facilities maintenance and operations	27,929,838	-	794,393	336,289	29,060,520
0052	Security and monitoring services	6,286,176	-	-	1,056,322	7,342,498
0053	Data processing services	6,023,059	-	-	22,287	6,045,346
0061	Community services	1,894,032	-	-	974,349	2,868,381
Debt Service:						
0071	Principal on long-term debt	1,021,170	18,933,767	-	298,814	20,253,751
0072	Interest on long-term debt	56,950	19,876,344	-	17,720	19,951,014
0073	Bond issuance costs and fees	-	6,275	1,657,331	-	1,663,606
Capital Outlay:						
0081	Facilities acquisition and construction expenditures	212,551	-	16,563,410	-	16,775,961
Intergovernmental:						
0093	Payments related to shared services arrangements	-	-	-	343,770	343,770
0099	Payments to appraisal district	1,011,343	-	-	-	1,011,343
6030	Total Expenditures	249,785,252	38,816,386	19,015,134	45,017,239	352,634,011
1100	Excess (deficiency) of revenues over (under) expenditures	3,435,642	3,165,439	(14,237,691)	(1,203,338)	(8,839,948)
Other Financing Sources (Uses)						
7911	Capital-related debt issued (regular bonds)	-	-	183,335,000	-	183,335,000
7912	Sale of real and personal property	166,527	-	-	35,953	202,480
7915	Transfers in	-	-	4,090,000	-	4,090,000
7916	Premium on issuance of bonds	-	2,112,268	8,322,332	-	10,434,600
7949	Issuance of debt - SBITAs	724,935	-	-	-	724,935
8911	Transfers out	(4,123,000)	-	-	-	(4,123,000)
7080	Total Other Financing Sources (Uses)	(3,231,538)	2,112,268	195,747,332	35,953	194,664,015
1200	Net change in fund balance	204,104	5,277,707	181,509,641	(1,167,385)	185,824,067
0100	Fund Balance - Beginning	221,953,035	2,864,615	18,048,298	8,277,756	251,143,704
3000	Fund Balance - Ending	\$ 222,157,139	\$ 8,142,322	\$ 199,557,939	\$ 7,110,371	\$ 436,967,771

GALENA PARK INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended August 31, 2025

Exhibit C-2R

**Data
Control
Codes**

Amounts reported for governmental activities in the statement of activities (B-1) are different because:

Net Change in Fund Balances - Total Governmental Funds (from C-2) **\$ 185,824,067**

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

1	Capitalized expenditures reclassified to assets.	21,851,697
2	Depreciation/amortization expense taken to Statement of Activities.	(21,258,131)
3	The net effect of various miscellaneous transactions involving capital assets (i.e., retirements, transfers, and capital contributions) is to increase/(decrease) net position.	(764,574)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

4	Property taxes	(323,210)
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Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

5	Principal paid on bonds, leases, and SBITAs	20,253,751
6	Proceeds from issuance of capital-related bonds	(183,335,000)
7	Premium issued on regular bonds	(10,434,600)
8	Issuance of SBITAs	(724,935)

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:

9	Accrued interest on long-term debt	(343,929)
10	Amortization of deferred amounts on refunding	(55,250)
11	Amortization of premiums and discounts on issuance of bonds	2,122,581
12	Compensated absences	(796,051)
13	Accreted interest on capital appreciation bonds	1,143,379
14	Changes in pension liabilities and related deferred outflows and inflows of resources	(5,143,610)
15	Changes in OPEB liabilities and related deferred outflows and inflows of resources	8,062,340

16	Internal service funds are used by management to charge the costs of certain activities, such as print shop copier services, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities (see D-2).	45,062
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Change in Net Position of Governmental Activities **\$ 16,123,587**

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
August 31, 2025

Exhibit D-1

	Governmental Activities Internal Service Fund
Assets	
Current assets:	
Cash and cash equivalents	\$ 176,827
Due from other funds	2,571
Other receivables	1,987
Total Current assets:	181,385
Noncurrent assets:	
Right-to-use lease assets, net of amortization	126,875
Total Assets	308,260
Liabilities	
Accounts payable	6,942
Accrued wages payable	908
Due to other funds	2,497
Lease payable - due within one year	86,596
Total Liabilities	96,943
Net Position	
Net investment in capital assets	40,279
Unrestricted net position	171,038
Total Net Position	\$ 211,317

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
For the Year Ended August 31, 2025

Exhibit D-2

	Governmental Activities Internal Service Fund
Operating Revenues	
Charges for services:	
Miscellaneous revenue from local sources	\$ 400,096
Total Operating Revenues	<u>400,096</u>
Operating Expenses	
Payroll costs	61,329
Purchased and contracted services	2,704
Supplies and materials	221,067
Other operating expenses	420
Amortization of right-to-use lease assets	96,433
Total Operating Expenses	<u>381,953</u>
Operating Income (Loss)	<u>18,143</u>
Non-Operating Revenues (Expenses)	
Interest expense	(6,081)
Total Non-Operating Revenues (Expenses)	<u>(6,081)</u>
Income (loss) before transfers	12,062
Transfers in	33,000
Change in Net Position	45,062
Net Position - Beginning	<u>166,255</u>
Net Position - Ending	<u><u>\$ 211,317</u></u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended August 31, 2025

Exhibit D-3

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from customers	\$ 398,462
Cash payments to suppliers for goods and services	(220,763)
Cash payments to employees	(62,167)
Net Cash Provided by (Used for) Operating Activities	115,532
Cash Flows from Noncapital Financing Activities	
Transfers from other funds	33,000
Net Cash Provided by (Used for) Noncapital Financing Activities	33,000
Cash Flows from Capital and Related Financing Activities	
Principal paid on lease assets	(82,240)
Interest paid on lease assets	(6,081)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(88,321)
Net increase (decrease) in Cash and Cash Equivalents	60,211
Cash and Cash Equivalents September 1	116,616
Cash and Cash Equivalents August 31	\$ 176,827
Reconciliation of Operating Income (Loss) to net Cash Provided by (Used for) Operating-Activities:	
Operating income (loss)	\$ 18,143
Adjustments to Reconcile Operating income (loss) to Net Cash Provided by (used for) Operating Activities:	
Amortization of right-to-use lease equipment	96,433
(Increase) decrease in other receivables	(1,634)
Increase (decrease) in accounts payable	5,365
Increase (decrease) in accrued wages payable	(838)
Increase (decrease) in interfund receivables/payables	(1,937)
Total Adjustments	97,389
Net Cash Provided by (Used for) Operating Activities	\$ 115,532

GALENA PARK INDEPENDENT SCHOOL DISTRICT*Exhibit E-1***STATEMENT OF FIDUCIARY NET POSITION***August 31, 2025*

	Private Purpose Trust Fund	Custodial Fund
Assets		
Cash and cash equivalents	\$ 26,631	\$ 18,917
Total Assets	<u>\$ 26,631</u>	<u>\$ 18,917</u>
Liabilities		
Accounts payable	\$ -	\$ -
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>
Net Position		
Restricted for student scholarships and other activities	\$ 26,631	\$ 18,917
Total Net Position	<u><u>\$ 26,631</u></u>	<u><u>\$ 18,917</u></u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended August 31, 2025

Exhibit E-2

	Private Purpose Trust Fund	Custodial Fund
Additions		
Contributions:		
Gifts and contributions	\$ 6,000	\$ 6,773
Revenues from student activities	-	4,440
Revenues from enterprising activities	1,207	720
Total Additions	<u>7,207</u>	<u>11,933</u>
Deductions		
Scholarships awarded	7,000	-
Payments for student activities	-	17,555
Total Deductions	<u>7,000</u>	<u>17,555</u>
Change in net position	207	(5,622)
Net Position - Beginning	<u>26,424</u>	<u>24,539</u>
Net Position - Ending	<u>\$ 26,631</u>	<u>\$ 18,917</u>

Note 1 - Summary of Significant Accounting Policies

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

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

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

Reporting Entity

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

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

Government-wide and Fund Financial Statements

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

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

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

Note 1 - Summary of Significant Accounting Policies (continued)

Government-wide and Fund Financial Statements (continued)

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (continued)

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

The District reports the following major governmental funds:

- The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.
- The *capital projects fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The District reports the following nonmajor governmental funds:

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

Additionally, the District reports the following fund types:

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (continued)

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

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

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

Implementation of New Accounting Standards

GASB issued Statement No. 101, *Compensated Absences*, was issued in June 2022. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The requirements of this statement were implemented in 2025 and the impact is reflected in the financial statements. See Note 6 and Note 14 for more information.

GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. The primary objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The requirements of this statement were implemented in fiscal year 2025 and did not have a material impact on the financial statements.

Deposits and Investments

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

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

The District categorizes fair value measurements of its investments based on the hierarchy established by GAAP. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's local government investment pools are valued and recorded at amortized costs as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*.

Note 1 - Summary of Significant Accounting Policies (continued)

Receivables and Payables

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

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

The tax rates applicable to the maintenance and operation and debt service for fiscal year 2025 were \$0.83760 and \$0.33431, respectively, based on a taxable value of \$11,574,806,096. Uncollected taxes are recorded as unavailable revenue in the fund financial statements net of the related allowance for uncollectible taxes.

Inventories and Prepaid Items

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

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

If there is a constraint on how the eventual proceeds can be spent, the fund balance is classified to reflect that constraint (restricted, committed, or assigned), rather than included as part of nonspendable fund balance.

Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, the right-to-use lease assets, the right-to-use SBITA assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental column in the government-wide financial statements. Capital assets, except for infrastructure assets, are defined by the District as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of two years. The District has established a lease and SBITA recognition threshold of \$100,000. As the District constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets and SBITA assets, the measurement of which is discussed in note above. The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Note 1 - Summary of Significant Accounting Policies (continued)

Capital Assets (continued)

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

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

Subscription-Based Information Technology Arrangements

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

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

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

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

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

Compensated Absences

A liability is recognized 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 during or upon separation from employment. Based on the criteria listed, the following types of leave qualify for liability recognition for compensated absences – vacation, sick leave, and local sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund 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.

Note 1 - Summary of Significant Accounting Policies (continued)

Compensated Absences (continued)

Vacation

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

Sick Leave

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

Local Sick Leave

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

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

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

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

Long-term Liabilities

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

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

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

Note 1 - Summary of Significant Accounting Policies (continued)

Leases

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

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

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

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

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

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

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (continued)

Deferred Outflows/Inflows of Resources

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

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

Pensions

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities, and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits (OPEB)

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

Fund Balance Classifications

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

- *Nonspendable fund balance* - amounts that are not in spendable form or are required to be maintained intact. As such, inventory and prepaid items have been properly classified in the Governmental Funds Balance Sheet (Exhibit C-1). If there is a constraint on how the eventual proceeds can be spent, the fund balance is classified to reflect that constraint (restricted, committed, or assigned), rather than included as part of nonspendable fund balance.

Note 1 - Summary of Significant Accounting Policies (continued)

Fund Balance Classifications (continued)

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

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

Data Control Codes

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

Use of Estimates

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

Note 2 - Deposits and Investments

Cash Deposits

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

Note 2 - Deposits and Investments (continued)

Cash Deposits (continued)

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

At August 31, 2025, the District's cash in bank totaled \$2,786,516 while the carrying value was \$1,003,127. Pledged collateral and FDIC insurance for these deposits totaled \$10,788,856.

Investments

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

For the year ended August 31, 2025, the District invested in the Local Government Investment Cooperative (LOGIC), Lone Star Investment Pool (LSIP), Texas CLASS, and TexPool.

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

Lone Star Investment Pool (LSIP) is a Texas public investment pool sponsored by the Texas Association of School Boards (TASB) for investment of funds by state and local government entities, primarily local school districts. The Board has entered into an agreement with First Public, LLC (First Public), a Texas limited liability company and a member of the National Association of Securities Dealers, Securities Investor Protection Corporation, and Municipal Securities Rulemaking Board, pursuant to which First Public serves as administrator of LSIP's operations. American Beacon Advisors, Fort Worth, Texas, and Standish Mellon Asset Management Company, LLC, Pittsburgh, Pennsylvania, provide investment management services to LSIP regarding the investment and reinvestment of the pool's assets. The fund's credit quality is excellent as its portfolio is composed of U. S. government and U. S. agency securities. Investments in LSIP provide for investment in securities with maturities and returns generally greater than money market instruments. LSIP is marked-to-market daily to maintain an accurate net asset value. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss. The District's amortized cost in LSIP is the same as the value of the pool shares.

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

Texas Connect is a local government investment pool available only to qualified institutional investors. This pool has the guiding characteristics of Stable, Rated, and Compliant and operates under the philosophy that a successful investment program manages in three types of liquidity: day to day operations, short term investments and long term investments.

Note 2 - Deposits and Investments (continued)

Investments (continued)

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

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

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

At August 31, 2025, the District's cash and investment balances and the weighted average maturity of these investments were as follows:

	Carrying Value	% of Portfolio	Weighted Average Maturity (Days)
Governmental Activities:			
Bank deposits	\$ 957,579		1
Local Government Investment Pools:			
LOGIC	11,877,135	2%	51
Lone Star - Corporate Overnight			
Plus Fund	58,009,462	13%	52
Texas CLASS	28,713,303	7%	44
Texas Connect	100,548,053	23%	39
TexPool Prime	15,813,155	4%	45
Total Local Government Investment Pools	<u>214,961,108</u>		
Total Cash and Cash Equivalents	<u>215,918,687</u>		
Investment Securities:			
FHLB	20,456,729	5%	539
FFCB	20,036,652	5%	321
Commercial Paper	23,644,870	5%	74
US Treasuries	156,710,934	36%	403
Total Investment Securities	<u>220,849,185</u>		
Total Investments	<u>220,849,185</u>	51%	
Total Governmental Activities	<u>436,767,872</u>	100%	213
Fiduciary Funds			
Cash and deposits	45,548	N/A	N/A
Total Fiduciary Funds	<u>45,548</u>		
Total Cash and Investments	<u>\$ 436,813,420</u>		
Investment Earnings	\$ 16,846,341		

Note 2 - Deposits and Investments (continued)

Investments (continued)

Investments' fair value measurement are as follows at August 31, 2025:

	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Investments:				
FHLB	\$ 20,456,729	\$ 20,456,729	\$ -	\$ -
FFCB	20,036,652	20,036,652	-	-
Commercial Paper	23,644,870	-	23,644,870	-
US Treasuries	156,710,934	-	156,710,934	-
Total Investments	\$ 220,849,185	\$ 40,493,381	\$ 180,355,804	\$ -

Due to the immediate availability of the funds, the District's temporary investments at August 31, 2025 are included in cash and cash equivalents. Investment securities classified as Level 1 are valued using prices quoted in active markets for those securities. Investments securities classified in Level 2 are valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors.

Interest Rate Risk:

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

As of August 31, 2025 the portfolio contained:

- No investments which matured longer than 740 days.
- The dollar weighted average maturity of the total portfolio was 213 days.

As of August 31, 2025, the portfolio contained fourteen (8) structured (callable) notes with a fair market value of \$40,493,381 as shown below:

Callable Notes	Maturity Date	Days to Maturity	Fair Value
Federal Home Loan Bank	09/04/26	368	\$ 4,975,828
Federal Home Loan Bank	12/29/26	484	4,848,000
Federal Home Loan Bank	03/12/27	557	4,887,073
Federal Home Loan Bank	09/10/27	739	5,745,828
Federal Farm Credit Banks	11/19/25	79	2,499,500
Federal Farm Credit Banks	03/05/26	185	10,025,000
Federal Farm Credit Banks	08/05/26	338	2,494,294
Federal Farm Credit Banks	08/16/27	714	5,017,858
			<u>\$ 40,493,381</u>

Note 2 - Deposits and Investments (continued)

Credit Risk

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

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

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

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

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

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

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

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

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

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

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

As of August 31, 2025:

- Insured or collateralized demand deposits represented 1% of the total portfolio.
- A1/P1 commercial paper represented 5% of the total portfolio.
- US Treasuries represented 36% of the total portfolio.
- Holdings in local government investment pools that are rated AAA represented 49% of the total portfolio.
- US Government agency securities represented 10% of the total portfolio.

Note 2 - Deposits and Investments (continued)

Concentration of Credit Risk:

The District's ISD's adopted Investment Policy requires diversification on all authorized investment types which are monitored on at least a monthly basis. The segmented time distribution of securities as of August 31, 2025 is shown below:

	Fair Value	Investment Maturity in Years		
		Less than 1 Year	1-2 Years	2-3 Years
Investment Securities				
FHLB	\$ 20,456,729	\$ -	\$ 14,704,985	\$ 5,751,744
FFCB	20,036,652	14,928,813	5,107,839	-
Commercial Paper	23,644,870	23,644,870	-	-
US Treasuries	156,710,934	91,517,607	34,943,712	30,249,615
	<u>\$ 220,849,185</u>	<u>\$ 130,091,290</u>	<u>\$ 54,756,536</u>	<u>\$ 36,001,359</u>

Custodial Credit Risk

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

Portfolio disclosure as of August 31, 2025:

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

Note 3 - Receivables, Unavailable Revenues and Unearned Revenues

Receivables as of August 31, 2025, for the District's individual major and non-major funds and internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Internal Service Fund	Total
Property Taxes	\$ 13,629,367	\$ 4,089,710	\$ -	\$ -	\$ 17,719,077
Due from other governments	15,589,748	-	4,432,613	-	20,022,361
Accrued interest	1,982,796	-	-	-	2,834,567
Other receivables	892,800	-	41,581	1,987	936,368
Gross Receivables	32,094,711	4,089,710	4,474,194	1,987	41,512,373
Less allowance for doubtful accounts	(1,675,692)	(472,766)	-	-	(2,148,458)
Net Total Receivables	<u>\$ 30,419,019</u>	<u>\$ 3,616,944</u>	<u>\$ 4,474,194</u>	<u>\$ 1,987</u>	<u>\$ 39,363,915</u>

Note 3 - Receivables, Unavailable Revenues and Unearned Revenues (continued)

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

	Unearned Revenue
Advanced collection of miscellaneous student fees	\$ 10,850
Advanced collection of preseason athletic sales	7,408
Grant funds received prior to meeting eligibility requirements	101,565
Total Unearned Revenue for Governmental Funds	\$ 119,823

Lessor Agreement

The District has an agreement in place to lease a tract of land to operate a cell tower. The District is reasonably certain to exercise renewal options through June 2039. The lessee is required to pay monthly payments between \$1,384 and \$2,357 over the life of the agreement. The District recognized \$16,421 in lease revenue and \$1,642 in interest revenue during the current fiscal year related to this lease. As of August 31, 2025, the District's receivable for lease payments was \$320,423. Also, the District has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of August 31, 2025, the balance of the deferred inflow of resources was \$320,423.

Fiscal Year	Principal	Interest	Total
2026	\$ 17,682	\$ 1,481	\$ 19,163
2027	18,343	1,395	19,738
2028	19,023	1,307	20,330
2029	19,725	1,215	20,940
2030	20,448	1,120	21,568
2031 - 2035	113,894	4,050	117,944
2036 - 2040	111,308	1,147	112,455
Total	\$ 320,423	\$ 11,715	\$ 332,138

Note 4 - Capital Assets

Capital asset activity for the year ended August 31, 2025, was as follows:

	Balance August 31, 2024	Additions	(Retirements)	Transfers	Balance August 31, 2025
Capital Assets, Not Being Depreciated/Amortized					
Land	\$ 27,709,141	\$ 262,974	\$ -	\$ -	\$ 27,972,115
Construction in progress	172,720	13,660,707	-	(1,485,278)	12,348,149
Total Capital Assets, Not Being Depreciated/Amortized	27,881,861	13,923,681	-	(1,485,278)	40,320,264
Capital Assets, Being Depreciated/Amortized					
Buildings and improvements	600,954,686	1,070,102	(1,922,489)	172,719	600,275,018
Furniture and equipment	42,120,924	2,639,022	(606,575)	1,312,559	45,465,930
Vehicles	15,354,852	2,155,382	(1,225,474)	-	16,284,760
Right-to-use lease equipment	1,668,293	-	-	-	1,668,293
Right-to-use SBITA assets	3,898,372	2,063,510	(1,016,036)	-	4,945,846
Total Capital Assets, Being Depreciated/Amortized	663,997,127	7,928,016	(4,770,574)	1,485,278	668,639,847
Less Accumulated Depreciation/Amortization for:					
Buildings and improvements	(219,373,051)	(15,138,057)	1,161,132	-	(233,349,976)
Furniture and Equipment	(20,752,358)	(3,105,024)	598,538	-	(23,258,844)
Vehicles	(12,795,596)	(1,168,069)	1,274,180	-	(12,689,485)
Right-to-use lease equipment	(560,968)	(543,460)	-	-	(1,104,428)
Right-to-use SBITA assets	(1,242,386)	(1,399,954)	972,150	-	(1,670,190)
Total Accumulated Depreciation/Amortization	(254,724,359)	(21,354,564)	4,006,000	-	(272,072,923)
Governmental Capital Assets	\$ 437,154,629	\$ 497,133	\$ (764,574)	\$ -	\$ 436,887,188

Note 4 - Capital Assets (continued)

Net investment in capital assets consisted of the following amounts as of August 31, 2025:

Capital Assets, Net of Depreciation/Amortization	\$ 436,887,188
Less:	
General obligation bonds	(456,166,171)
Premiums	(34,989,998)
Leases	(561,333)
Subscriptions	(1,443,691)
Capital-related payables	(5,495,401)
Plus:	
Deferred charge on refunding	459,278
Unspent bond proceeds	192,064,821
Net Investment in Capital Assets Per Exhibit A-1	<u>\$ 130,754,693</u>

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

Function	Depreciation / Amortization Expense
11 Instruction	\$ 9,295,888
12 Instructional resources and media services	263,510
13 Curriculum and staff development	200,499
21 Instructional leadership	353,226
23 School leadership	799,154
31 Guidance, counseling and evaluation services	307,617
32 Social work services	73,877
33 Health services	136,443
34 Student transportation	1,288,395
35 Food Services	1,482,895
36 Extracurricular activities	612,351
41 General administration	541,366
51 Facilities maintenance and operations	4,804,778
52 Security and monitoring services	180,034
53 Data processing services	975,009
61 Community services	39,522
	<u>\$ 21,354,564</u>

Note 4 - Capital Assets (continued)

The District has active construction projects as of August 31, 2025. The District's commitments with contractors as of August 31, 2025 are as follows:

Project	Approved Construction Budget	Construction in Progress	Remaining Commitment
Cimarron	\$ 3,177,932	\$ 1,456,850	\$ 1,721,082
GPHS Phase 3-5	20,373,590	8,948,095	11,425,495
GPISD Stadium	829,610	538,166	291,444
Normandy Crossing	1,220,448	1,047,732	172,716
North Shore 9th Grade	3,478,000	284,716	3,193,284
NSSH Multipurpose Facility	36,800	36,800	-
NSSH Gym	71,581	35,790	35,791
	<u>\$ 29,187,961</u>	<u>\$ 12,348,149</u>	<u>\$ 16,839,812</u>

Note 5 - Interfund Receivables, Payables, and Transfers

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll, warehouse ordering and other regularly occurring charges that are paid by the general fund and then charged back to the appropriate other fund. Additionally, some lending/borrowing may occur between two or more nonmajor governmental funds. The composition of interfund balances as of August 31, 2025, is as follows:

	Payable Fund				Totals
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Internal Service Fund	
Receivable Fund					
Governmental Activities					
General fund	\$ -	\$ 64,856	\$ 3,525,841	\$ 2,497	\$ 3,593,194
Nonmajor governmental funds	11,501	-	-	-	11,501
Internal Service Funds	-	-	2,571	-	2,571
Total Governmental Activities	<u>\$ 11,501</u>	<u>\$ 64,856</u>	<u>\$ 3,528,412</u>	<u>\$ 2,497</u>	<u>\$ 3,607,266</u>

During the current fiscal year, the District transferred \$33,000 from the General Fund to the Internal Service Fund to cover the deficit net position and \$4,090,000 from the General Fund to the Capital Projects Funds for future construction projects within the District.

	Transfers in:		Totals
	Capital Projects Fund	Internal Service Fund	
Transfers Out:			
Governmental Activities			
General fund	\$ 4,090,000	\$ 33,000	\$ 4,123,000
Total Transfers Out	<u>\$ 4,090,000</u>	<u>\$ 33,000</u>	<u>\$ 4,123,000</u>

Note 6 - Long-term Liabilities

Changes in Long-term Liabilities

Long-term liability activity for the governmental activities for the year ended August 31, 2025 was as follows:

	Balance Restated at August 31, 2024	Additions	Retirements	Balance at August 31, 2025	Due Within One Year
General Obligation Bonds Payable	\$ 291,764,938	\$ 183,335,000	\$ (18,933,767)	\$ 456,166,171	\$ 19,160,023
Premiums on bonds	26,677,979	10,434,600	(2,122,581)	34,989,998	-
Total Bonds Payable	318,442,917	193,769,600	(21,056,348)	491,156,169	19,160,023
Leases	1,105,223	-	(543,890)	561,333	561,333
SBITAs ¹	1,577,090	724,935	(858,334)	1,443,691	728,597
Accretion on Compound Interest Bonds	61,064,848	4,762,854	(5,906,233)	59,921,469	5,994,977
Compensated Absences ²	10,878,663	796,051	-	11,674,714	1,167,473
	<u>\$ 393,068,741</u>	<u>\$ 200,053,440</u>	<u>\$ (28,364,805)</u>	<u>\$ 564,757,376</u>	<u>\$ 27,612,403</u>

¹SBITAs - original balance \$1,680,111 - error correction (\$103,021) = restated beginning balance \$1,577,090

²Compensated Absences - original balance \$1,637,842 + GASB 101 implementation \$9,240,821 = restated beginning balance \$10,878,663.

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

General Obligation Bonds

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

General obligation bonds payable at August 31, 2025, are summarized as follows:

Bond Series	Issue Amount	Interest Rate (%)	Matures	Amount Outstanding
1996 Unlimited Tax School Bldg. & Refunding Bonds	\$ 40,054,475	4.400 - 6.425	2031	\$ 2,985,045
2002 Unlimited Tax School Bldg. & Refunding Bonds	29,496,438	3.000 - 5.000	2032	13,511,126
2015 Unlimited Tax Refunding Bonds	9,505,000	2.000 - 4.000	2026	865,000
2016 Unlimited Tax School Bldg. & Refunding Bonds	98,595,000	2.000 - 5.000	2041	67,620,000
2017 Unlimited Tax Refunding Bonds	29,720,000	2.000 - 5.000	2033	10,005,000
2018 Unlimited Tax School Bldg. & Refunding Bonds	100,230,000	3.000 - 5.000	2041	81,730,000
2019 Unlimited Tax School Building Bonds	92,760,000	3.000 - 5.000	2041	84,490,000
2020 Unlimited Tax School Building & Refunding Bonds	14,850,000	3.000 - 5.000	2034	13,830,000
2024 Unlimited Tax School Building Bonds	95,345,000	3.000 - 5.000	2049	93,140,000
2025 Unlimited Tax School Building Bonds	87,990,000	5.000 - 5.250	2050	87,990,000
				<u>\$ 456,166,171</u>

Note 6 - Long-term Liabilities (continued)

General Obligation Bonds (continued)

Annual debt service requirements to maturity are as follows:

<u>August 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 19,160,023	\$ 18,287,688	\$ 37,447,711
2027	15,128,400	17,400,838	32,529,238
2028	15,451,443	16,896,250	32,347,693
2029	15,815,938	16,360,074	32,176,012
2030	16,160,710	15,851,938	32,012,648
2031 - 2035	115,999,657	69,772,066	185,771,723
2036 - 2040	124,180,000	45,811,898	169,991,898
2041 - 2045	70,050,000	22,681,149	92,731,149
2046 - 2050	64,220,000	9,197,126	73,417,126
	<u>\$ 456,166,171</u>	<u>\$ 232,259,027</u>	<u>\$ 688,425,198</u>

In prior years, the District defeased certain outstanding bonds by placing proceeds of new bonds in irrevocable escrow accounts to provide for all future debt service payments on the old bonds. Accordingly, the escrow accounts to provide for all future bonds are not included in the District's financial statements. At August 31, 2025, none of the defeased refunded bonds remain outstanding.

In October 2024, the District issued \$95,345,000 Unlimited Tax School Building Bonds, Series 2024 with a premium of \$5,518,617. The proceeds are to be used (1) constructing, acquiring, renovating and equipping school buildings in the District, acquiring property and sites for school buildings, purchasing school buses, and (2) paying the costs of issuing the bonds.

In July 2025, the District issued \$87,990,000 Unlimited Tax School Building Bonds, Series 2025 with a premium of \$4,915,983. The proceeds are to be used (1) constructing, acquiring, renovating and equipping school buildings in the District, acquiring property and sites for school buildings, purchasing school buses, and (2) paying the costs of issuing the bonds.

Accreted Interest on Premium Compound Interest Bonds

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

<u>Capital</u>		<u>Original</u>				
<u>Appreciation Bonds</u>	<u>Maturity</u>	<u>Maturity Value</u>	<u>Original Bond</u>	<u>Accreted Interest</u>	<u>Accreted Value of</u>	<u>Due Within</u>
		<u>of Bonds</u>	<u>Principal Amount</u>	<u>on Bonds</u>	<u>Bonds at Year End</u>	<u>One Year</u>
1996	2018-2031	\$ 80,840,000	\$ 13,279,475	\$ 19,854,558	\$ 33,134,033	\$ 4,132,360
2002	2022-2032	79,000,000	16,626,438	40,066,911	56,693,349	1,862,617
		<u>\$ 159,840,000</u>	<u>\$ 29,905,913</u>	<u>\$ 59,921,469</u>	<u>\$ 89,827,382</u>	<u>\$ 5,994,977</u>

Note 6 - Long-term Liabilities (continued)

Leases

The District has the following lease agreements in place for the right-to-use equipment as of August 31, 2025:

Description	Term		Interest Rate	Lease Liability		Lease Asset	
	Start Date	End Date		Original Amount Amount	Outstanding Balance	Value of Lease Asset	Accumulated Amortization
Leases - Equipment	09/01/22	09/30/26	0.1185% - 3.631%	\$ 1,668,293	\$ 561,333	\$ 1,668,293	\$ (1,104,428)
				<u>\$ 1,668,293</u>	<u>\$ 561,333</u>	<u>\$ 1,668,293</u>	<u>\$ (1,104,428)</u>

The future principal and interest payments as of August 31, 2025 were as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 561,333	\$ 20,174	\$ 581,507
	<u>\$ 561,333</u>	<u>\$ 20,174</u>	<u>\$ 581,507</u>

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

Subscription-Based Information Technology Arrangements (SBITAs)

The District is under contract for noncancellable SBITAs that convey control of the right to use software. The SBITA liabilities outstanding as of August 31, 2025, are as follows:

Description	Term		Interest Rate	SBITA Liability		SBITA Asset	
	Start Date	End Date		Original Amount Amount	Outstanding Balance	Value of SBITA Asset	Accumulated Amortization
Professional Software	05/25/22	05/14/29	2.321% - 3.631%	\$ 2,651,476	\$ 1,405,297	\$ 2,708,675	\$ (1,224,316)
Educational Software	07/01/24	06/30/27	2.865%	110,886	38,394	2,237,171	(445,874)
				<u>\$ 2,762,362</u>	<u>\$ 1,443,691</u>	<u>\$ 4,945,846</u>	<u>\$ (1,670,190)</u>

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

The future principal and interest payments as of August 31, 2025, were as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 728,597	\$ 37,480	\$ 766,077
2027	584,541	18,095	602,636
2028	130,553	3,551	134,104
	<u>\$ 1,443,691</u>	<u>\$ 59,126</u>	<u>\$ 1,502,817</u>

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

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

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Property Taxes	\$ 96,848,513	\$ 38,431,031	\$ -	\$ -	\$ 135,279,544
Investment Income (Loss)	10,707,851	1,038,690	4,777,443	322,357	16,846,341
Co-curricular Student Activities	385,737	-	-	1,995,728	2,381,465
Food Sales	-	-	-	810,151	810,151
Other	1,762,347	-	-	92,612	1,854,959
	<u>\$ 109,704,448</u>	<u>\$ 39,469,721</u>	<u>\$ 4,777,443</u>	<u>\$ 3,220,848</u>	<u>\$ 157,172,460</u>

Note 8 - Defined Benefit Pension Plan

Plan Description

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

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

Pension Plan Fiduciary Net Position

Detail information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at <https://www.trs.texas.gov/learning-resources/publications>, or by writing to TRS at attention Finance Division, PO BOX 149676, Austin, TX, 78714-0185, or by calling 1-800-223-8778.

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes, including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs, can be granted by the Texas Legislature as noted in the Plan description above. Accordingly, the 2023 Texas Legislature passed Senate Bill (SB) 10 and House Joint Resolution (HJR) 2 to provide eligible retirees with a one-time stipend and an ad hoc cost-of-living-adjustment (COLA).

Note 8 - Defined Benefit Pension Plan (continued)

Benefits Provided (continued)

One-Time Stipends

Stipends, regardless of annuity amount, were paid in September 2023 to annuitants who met the qualifying age requirement on or before August 31, 2023:

- A one-time \$7,500 stipend to eligible annuitants who are 75 years of age and older.
- A one-time \$2,400 stipend to eligible annuitants age 70 to 74.

Cost-of-Living Adjustment

A cost-of-living adjustment (COLA) was dependent on Texas voters approving a constitutional amendment (Proposition 9) to authorize the COLA. Voters approved the amendment in the November 2023 election and the following COLA was applied to eligible annuitants' payments beginning with their January 2024 payment:

- 2% COLA for eligible retirees who retired between September 1, 2013 through August 31, 2020.
- 4% COLA for eligible retirees who retired between September 1, 2001 through August 31, 2013.
- 6% COLA for eligible retirees who retired on or before August 31, 2001.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in this manner are determined by the TRS actuary.

Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2019 through 2025.

	<u>Contribution Rates</u>	
	<u>September 1, 2024</u>	<u>Contribution</u>
	<u>to August 31, 2025</u>	<u>Amounts</u>
Active Employee	8.25%	\$ 16,118,461
Non-Employer Contributing Entity (State)	8.25%	10,047,251
District	8.25%	8,809,842

Contributors to the plan include active members, employers and the State of Texas as the only non-employer contributing entity. The State is also the employer for senior colleges and universities, medical schools, and other entities including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

Note 8 - Defined Benefit Pension Plan (continued)

Contributions (continued)

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

Employers (public schools, junior colleges, other entities, or the State of Texas as the employer for senior colleges, universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

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

- All public schools, charter schools, and regional education service centers must contribute 1.9% of the member's salary beginning in fiscal year 2024, gradually increasing to 2% in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions

The total pension liability in the August 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Component	Result
Valuation Date	August 31, 2023, rolled forward to August 31, 2024
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term Expected Rate	7.00%
Municipal Bond Rate as of August 2024	3.87% - The source for the rate is the Bond Buyers 20 Index which represents the estimated yield of a portfolio of 20 general obligation bonds maturing in 20 years based on a survey of municipal bond traders.
Last year ending August 31 in Projection Period (100 years)	2123
Inflation	2.30%
Salary Increases	2.95% to 8.95% including inflation
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2023. For a full description of these assumptions please see the actuarial valuation report dated November 21, 2023.

Note 8 - Defined Benefit Pension Plan (continued)

Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 9.54% of payroll in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

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

The long-term rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2024 are summarized below:

Asset Class	Target Allocation²	Long-Term Expected Geometric Real Rate of Return³	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.00%	4.40%	1.00%
Non-U.S. Developed	13.00%	4.20%	0.80%
Emerging Markets	9.00%	5.20%	0.70%
Private Equity ¹	14.00%	6.70%	1.20%
Stable Value			
Government Bonds	16.00%	1.90%	0.40%
Absolute Return ¹	0.00%	4.00%	0.00%
Stable Value Hedge Funds	5.00%	3.00%	0.20%
Real Return			
Real Estate	15.00%	6.60%	1.20%
Energy, Natural Resources & Infrastructure	6.00%	5.60%	0.40%
Commodities	0.00%	2.50%	0.00%
Risk Parity	8.00%	4.00%	0.40%
Asset Allocation Leverage			
Cash	2.00%	1.00%	0.00%
Asset Allocation Leverage	-6.00%	1.30%	-0.10%
Inflation Expectation			2.40%
Volatility Drag ⁴			-0.70%
Expected Return	100.00%		7.90%

¹ Absolute Return includes Credit Sensitive Investments.

² Target allocations are based on the fiscal year 2024 policy model.

³ Capital Market Assumptions (CMA) come from 2024 AAA Study CMA Survey (as of 12/31/2023)

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

Note 8 - Defined Benefit Pension Plan (continued)

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the net pension liability if the discount rate used was 1 percentage point lower than and 1 percentage point higher than the discount rate that was used (7.00%) in measuring the Net pension liability:

	Discount Rate		
	1% Decrease (6.00%)	Current Rate (7.00%)	1% Increase (8.00%)
District's proportional share of the net pension liability	\$ 155,075,407	\$ 97,088,795	\$ 49,042,765

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

At August 31, 2025, the District reported a liability of \$97,088,795 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 97,088,795
State's proportionate share that is associated with the District	<u>101,050,306</u>
Total	<u><u>\$ 198,139,101</u></u>

The net pension liability was measured as of August 31, 2023 and rolled forward to August 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2023 through August 31, 2024.

At August 31, 2024, the employer's proportion of the collective net pension liability was 0.1589% which was a decrease of 0.0050% from its proportion measured as of August 31, 2023.

Changes in Assumptions and Benefits Since the Prior Actuarial Valuation

The actuarial assumptions and methods are the same as used in the determination of the prior year's net pension liability.

The 2023 Texas Legislature passed Senate Bill 10 (SB 10), which provided a stipend payment to certain retirees and variable ad hoc cost-of-living adjustments (COLA) to certain retirees in early fiscal year 2024. Due to its timing, the legislation and payments were not reflected in the August 31, 2023 actuarial valuation. Under the roll forward method, an adjustment was made to reflect the legislation in the rolled forward liabilities for the current measurement year, August 31, 2024. SB 10 and House Joint Resolution 2 (HJR 2) of the 88th Regular Legislative Session appropriated payments of \$1.645 billion for one-time stipends and \$3.355 billion for COLAs. This appropriation is treated as a supplemental contribution and included in other additions. Since the Legislature appropriated funds for this one-time stipend and COLA, there was no impact on the Net Pension Liability of TRS.

Changes since the Prior Actuarial Valuation

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

Note 8 - Defined Benefit Pension Plan (continued)

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

For the year ended August 31, 2025, the District recognized pension expense of \$13,953,272. The District also recognized on-behalf pension expense and revenue of \$12,077,201 for support provided by the State.

At August 31, 2025, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 5,351,402	\$ (758,022)
Changes of assumption	5,012,902	(672,059)
Net difference between projected and actual earnings on pension plan investments	590,169	-
Changes in proportion and differences between District contributions and proportionate share of contributions	3,542,879	(2,840,045)
District contributions subsequent to the measurement date of the net pension liability	8,809,842	-
Total	<u><u>\$ 23,307,194</u></u>	<u><u>\$ (4,270,126)</u></u>

The District recognized \$8,809,842 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the fiscal year ended August 31, 2026. The other amounts of the District's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	Pension Expense Amount	Balance of Deferred Outflows (Inflows)
2026	\$ 589,487	\$ 9,637,739
2027	10,855,529	(1,217,790)
2028	1,439,206	(2,656,996)
2029	(2,689,359)	32,363
2030	32,363	-
	<u><u>\$ 10,227,226</u></u>	

Note 9 - Defined Other Post-Employment Benefit Plans

Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing, defined benefit OPEB plan with a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

OPEB Plan Fiduciary Net Position

Detail information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the internet at <https://www.trs.texas.gov/learning-resources/publications>, or by writing to TRS at attention Finance Division, PO BOX 149676, Austin, TX, 78714-0185, or by calling 1-800-223-8778.

Benefits Provided

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

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

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

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

Contributions

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

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

Contributions (continued)

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65% of salary. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the employer. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act which is 0.75% of each active employee's pay for fiscal year 2025. The following table shows contributions to the TRS-Care plan by type of contributor.

	<u>Contribution Rates</u>	
	<u>September 1, 2024</u>	<u>Contribution</u>
	<u>to August 31, 2025</u>	<u>Amounts</u>
Active Employee	0.65%	\$ 1,286,826
Non-Employer Contributing Entity (State)	1.25%	3,505,791
District:		
District, Excluding Federal/Private Fundin	0.75%	1,465,303
Federal/Private Funding	1.25%	205,528
Total District		<u>1,670,831</u>
Total		<u><u>\$ 6,463,448</u></u>

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

Actuarial Assumptions

The actuarial valuation was performed as of August 31, 2023. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2024. The actuarial valuation was determined using the following actuarial assumptions:

<u>Component</u>	<u>Result</u>
Valuation Date	August 31, 2023, rolled forward to August 31, 2024
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.87% as of August 31, 2024
Aging Factors	Based on the Society of Actuaries' 2013 Study "Health Care Costs - From Birth to Death"
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs.
Projected Salary Increases	2.95% to 8.95% including inflation
Healthcare Trend Rates	The initial medical trend rates were 6.75% for non-Medicare retirees. For Medicare retirees, trend rates are higher in the first two years due to anticipated growth but thereafter match those of non-Medicare retirees. The initial prescription drug trend was 7.25% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 11 years.
Election Rates	Normal Retirement: 62% participation rate prior to age 65 and 25% participation rate after age 65. Pre-65 retirees: 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad hoc post-employment benefit changes	None

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

Actuarial Assumptions (continued)

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2021. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2023 TRS pension actuarial valuation that was rolled forward to August 31, 2024: (a) Rates of Mortality, (b) Rates of Retirement, (c) Rates of Termination, (d) Rates of Disability, (e) General Inflation, and (f) Wage Inflation.

The active mortality rates were based on PUB(2010), Amount-Weighted, Below-Median Income, Teacher male and female tables (with a two-year set forward for males). The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from mortality projection scale MP-2021.

Discount Rate

A single discount rate of 3.87% was used to measure the total OPEB liability. There was a decrease of 0.26% in the discount rate since the previous year.

Because the investments are held in cash and there is no intentional objective to advance fund the benefits, the Single Discount Rate is equal to the prevailing municipal bond rate.

The source of the municipal bond rate is the Fidelity Bond Buyer's "20-Bond GO Index" as of August 31, 2024 using the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis

Discount Rate - The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.87%) in measuring the net OPEB Liability.

	Discount Rate		
	1% Decrease (2.87%)	Current Rate (3.87%)	1% Increase (4.87%)
District's Proportional Share of the Net OPEB Liability	\$ 69,524,709	\$ 58,520,180	\$ 49,628,356

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

At August 31, 2025, the District reported a liability of \$58,520,180 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 58,520,180
State's proportionate share that is associated with the District	<u>73,324,992</u>
Total	<u><u>\$ 131,845,172</u></u>

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

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

The Net OPEB Liability was measured as of August 31, 2023 and rolled forward to August 31, 2024 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The District's proportion of the Net OPEB Liability was based on the District's contributions to OPEB relative to the contributions of all employers to the plan for the period September 1, 2023 through August 31, 2024.

At August 31, 2024 the District's proportion of the collective Net OPEB Liability was 0.1928% which was a decrease of 0.0055% from its proportion measured as of August 31, 2023.

Healthcare Trend Rate Sensitivity Analysis

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

	Healthcare Cost Trend Rate		
	1% Decrease	Current Rate	1% Increase
District's Proportional Share of the Net OPEB Liability	\$ 47,655,999	\$ 58,520,180	\$ 72,677,292

Changes Since the Prior Actuarial Valuation

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

- The single discount rate changed from 4.13% as of August 31, 2023 to 3.87% as of August 31, 2024, accompanied by revised demographic and economic assumptions based on the TRS experience study.
- The tables used to model the impact of aging on the underlying claims were revised.

Changes of Benefit Terms Since the Prior Measurement Date

There were no changes in benefit terms since the prior measurement date.

For the year ended August 31, 2025, the District recognized negative OPEB expense of \$6,391,488. The District also recognized negative on-behalf OPEB expense and revenue of \$9,530,896 for support provided by the State.

At August 31, 2025, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 11,216,354	\$ (29,204,743)
Changes of assumption	7,489,892	(19,094,458)
Net difference between projected and actual earnings on OPEB plan investments	-	(163,876)
Changes in proportion and differences between District contributions and proportionate share of contributions	5,337,996	(4,067,095)
District contributions subsequent to the measurement date of the net pension liability	1,670,831	-
Total	\$ 25,715,073	\$ (52,530,172)

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

Changes of Benefit Terms Since the Prior Measurement Date (continued)

The District recognized \$1,670,831 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net OPEB liability in the fiscal year ended August 31, 2026. The other amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	OPEB Expense Amount	Balance of Deferred Outflows (Inflows)
2026	\$ (7,914,706)	\$ (20,571,224)
2027	(5,264,266)	(15,306,958)
2028	(6,517,334)	(8,789,624)
2029	(5,532,303)	(3,257,321)
2030	(2,853,369)	(403,952)
Thereafter	(403,952)	-
	<u>\$ (28,485,930)</u>	

Medicare Part D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended August 31, 2025, 2024, and 2023, the subsidy payments received by TRS-Care on-behalf of the District were \$1,389,920, \$1,041,639, and \$1,042,980, respectively. The information for the year ended August 31, 2025 is an estimate provided by the Teacher Retirement System. These payments are recorded as equal revenues and expenditures in the governmental funds' financial statements of the District.

Note 10 - Risk Management

Property/Liability

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

The District pays contributions to the Fund for its General Liability, Law Enforcement Liability, Automobile Liability & Physical Damage, Crisis Management, Cyber, Educators Legal Liability, Crime, and Worker's Compensation Insurance. The District's agreement with the Fund will be self-sustaining through member premiums and will provide, through commercial companies, reinsurance contracts.

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 11 - Contingent Liabilities

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

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

Note 12 - Shared Service Arrangements

The District participates in the Tri County East-Regional Day School for the Deaf Shared Service Arrangement (SSA), which provides educational and related services to eligible students with auditory impairments. Galena Park ISD participates in the SSA along with Anahuac ISD, Barbers Hill ISD, Channelview ISD, Cleveland ISD, Devers ISD, Goose Creek CISD, Hardin ISD, Hull-Daisetta ISD, La Porte ISD, Liberty ISD, and Tarkington ISD. The fiscal agent for this SSA is Goose Creek CISD. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal exigencies that would rise to a future additional benefit or burden to Galena Park ISD. The fiscal agent is responsible for all financial activities of the SSA. Revenues attributable to the District's participation were \$343,770 for the 2025 fiscal year. Expenditures in the same amount were attributable to payroll costs.

Revenues	
5700 Local revenue from member districts	\$ 343,770
	<u>\$ 343,770</u>
Expenditures	
6400 Miscellaneous operating costs	\$ 343,770
	<u>\$ 343,770</u>

Note 13 - Fund Balance

As of August 31, 2025, assigned fund balance is as follows:

<u>Assigned Description</u>	<u>General Fund</u>
Insurance Deductibles	\$ 10,567,721
Average Daily Attendance Adjustment	35,000
Uncollectible Property Taxes	4,000,000
Mid Year Hires	658,700
Fine Arts Enhancements	500,000
Land, Building Renovations & Facility Needs	36,673,800
Outstanding Encumbrances	1,130,358
Fleet Replacement	1,300,000
Health and Wellness Initiatives	299,400
Technology Initiatives	3,000,000
Employee Retention Initiatives	2,000,000
Budget Stabilization	45,000,000
Contingency - Unanticipated Deficits or Revenue	
Reductions for Adverse Economic Conditions,	
Deficit Budgets/Current and Future Legislative Impacts	49,500,000
One time Funding for Expenditures	2,000,000
Total Assigned Fund Balance - General Fund	\$ 156,664,979

<u>Assigned Description</u>	<u>Capital Projects Fund</u>
Construction	\$ 12,988,519
Total Assigned Fund Balance - Capital Projects Fund	\$ 12,988,519

Note 14 – Restatement of Net Position

During the current fiscal year, management determined that previously reported amounts for the Subscription-Based Information Technology Arrangement (SBITA) liability required remeasurement. The effect of this adjustment is summarized below in the “Restatement – GASB 96 SBITAs” column. Additionally, the District implemented GASB Statement No. 101, Compensated Absences. The effect of change in accounting principle is summarized below in the “Restatement – GASB 101 Implementation” column.

	<u>Net Position 8/31/2024 as Previously Reported</u>	<u>Restatement - GASB 96 SBITAs</u>	<u>Restatement - GASB 101 Implementation</u>	<u>Net position 8/31/2025 as Restated</u>
Government-Wide				
Governmental activities	\$ 154,130,609	\$ 103,021	\$ (9,240,821)	\$ 144,992,809
Total Government-Wide	\$ 154,130,609	\$ 103,021	\$ (9,240,821)	\$ 144,992,809

REQUIRED SUPPLEMENTARY INFORMATION

GALENA PARK INDEPENDENT SCHOOL DISTRICT
Exhibit G-1
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended August 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local revenues	\$ 111,647,700	\$ 108,889,000	\$ 109,704,448	\$ 815,448
State program revenues	130,979,232	138,717,000	139,739,608	1,022,608
Federal program revenues	5,725,000	3,728,000	3,776,838	48,838
Total Revenues	248,351,932	251,334,000	253,220,894	1,886,894
Expenditures				
Current:				
Instruction	137,415,780	137,970,544	137,096,166	874,378
Instructional resources and media services	2,743,042	2,782,002	2,652,856	129,146
Curriculum and staff development	5,854,463	5,891,065	5,203,181	687,884
Instructional leadership	6,739,676	6,324,688	5,601,809	722,879
School leadership	18,071,224	18,235,058	17,773,036	462,022
Guidance, counseling and evaluation services	9,730,401	9,716,423	9,447,410	269,013
Social work services	429,738	557,738	482,771	74,967
Health services	2,392,976	2,400,664	2,273,178	127,486
Student transportation	11,317,071	12,758,148	11,155,812	1,602,336
Extracurricular activities	4,783,676	4,798,236	4,728,617	69,619
General administration	11,094,719	10,963,623	8,935,297	2,028,326
Facilities maintenance and operations	29,273,646	29,643,195	27,929,838	1,713,357
Security and monitoring services	6,264,450	6,592,656	6,286,176	306,480
Data processing services	7,181,046	6,658,931	6,023,059	635,872
Community services	1,773,128	1,894,066	1,894,032	34
Debt Service:				
Principal on long-term debt	1,196,887	1,211,195	1,021,170	190,025
Interest on long-term debt	-	56,950	56,950	-
Capital outlay:				
Facilities acquisition and construction	330,373	2,177,834	212,551	1,965,283
Intergovernmental:				
Payments to appraisal district	1,200,000	1,200,000	1,011,343	188,657
Total Expenditures	257,792,296	261,833,016	249,785,252	12,047,764
Excess (Deficiency) Revenues Over (Under) Expenditures	(9,440,364)	(10,499,016)	3,435,642	13,934,658
Other Financing Sources (Uses)				
Sale of real or personal property	-	-	166,527	166,527
Issuance of SBITAs	-	-	724,935	724,935
Transfers out	-	-	(4,123,000)	(4,123,000)
Total Other Financing Sources (Uses)	-	-	(3,231,538)	(3,231,538)
Net Change in Fund Balances	(9,440,364)	(10,499,016)	204,104	10,703,120
Fund Balances - Beginning	221,953,035	221,953,035	221,953,035	-
Fund Balances - Ending	\$ 212,512,671	\$ 211,454,019	\$ 222,157,139	\$ 10,703,120

GALENA PARK INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests which would require an increase in total budgeted appropriations must be approved by the Trustees through formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end. Supplemental appropriations were made to the General Fund during the fiscal year ended August 31, 2025.

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

The official school budget was prepared for adoption for budgeted governmental fund types by August 31, 2024. The budget was formally adopted by the Board of Trustees at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the Texas Education Agency (TEA) through inclusion in the annual financial and compliance report.

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

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

Exhibit G-2

	2024	2023	2022	2021	2020
District's proportion of the net pension liability	0.1589%	0.1639%	0.1591%	0.1506%	0.1487%
District's proportionate share of the net pension liability	\$ 97,088,795	\$ 112,573,403	\$ 94,449,766	\$ 38,339,772	\$ 79,650,803
State's proportionate share of the net pension liability associated with the District	<u>101,050,306</u>	<u>122,311,555</u>	<u>112,414,762</u>	<u>52,915,842</u>	<u>111,217,581</u>
Total	<u>\$ 198,139,101</u>	<u>\$ 234,884,958</u>	<u>\$ 206,864,528</u>	<u>\$ 91,255,614</u>	<u>\$ 190,868,384</u>
District's covered payroll (for Measurement Year)	\$ 193,466,977	\$ 192,095,648	\$ 182,969,795	\$ 176,008,187	\$ 170,666,915
District's proportionate share of the net pension liability as a percentage of covered payroll	50.18%	58.60%	51.62%	21.78%	46.67%
Plan's fiduciary net position as a percentage of the total pension liability *	77.51%	73.15%	75.65%	88.79%	75.54%
Plan's net pension liability as a percentage of covered payroll *	102.39%	122.32%	112.72%	51.08%	110.36%
	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.1567%	0.1547%	0.1526%	0.1484%	0.1397%
District's proportionate share of the net pension liability	\$ 81,472,130	\$ 85,158,483	\$ 48,789,176	\$ 56,068,678	\$ 49,393,685
State's proportionate share of the net pension liability associated with the District	<u>106,545,010</u>	<u>117,096,424</u>	<u>69,993,572</u>	<u>83,923,356</u>	<u>80,743,272</u>
Total	<u>\$ 188,017,140</u>	<u>\$ 202,254,907</u>	<u>\$ 118,782,748</u>	<u>\$ 139,992,034</u>	<u>\$ 130,136,957</u>
District's covered payroll (for Measurement Year)	\$ 162,039,276	\$ 157,289,669	\$ 151,760,707	\$ 145,634,727	\$ 138,624,105
District's proportionate share of the net pension liability as a percentage of covered payroll	50.28%	54.14%	32.15%	38.50%	35.63%
Plan's fiduciary net position as a percentage of the total pension liability *	75.24%	73.74%	82.17%	78.00%	78.43%
Plan's net pension liability as a percentage of covered payroll *	114.93%	126.11%	75.93%	92.75%	91.94%

The amounts presented for each Plan year which ends the preceding August 31 of the District's fiscal year.

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

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

Exhibit G-3

	2025	2024	2023	2022	2021
Contractually required contributions	\$ 8,809,842	\$ 8,957,159	\$ 8,423,220	\$ 7,422,478	\$ 6,424,136
Contributions in relation to the contractually required contributions	8,809,842	8,957,159	8,423,220	7,422,478	6,424,136
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 195,376,157	\$ 193,466,977	\$ 192,095,648	\$ 182,969,795	\$ 176,008,187
Contributions as a percentage of covered payroll	4.51%	4.63%	4.38%	4.06%	3.65%
	2020	2019	2018	2017	2016
Contractually required contributions	\$ 6,113,629	\$ 5,484,651	\$ 5,214,328	\$ 5,007,387	\$ 4,714,247
Contributions in relation to the contractually required contributions	6,113,629	5,484,651	5,214,328	5,007,387	4,714,247
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 170,666,915	\$ 162,039,276	\$ 157,289,669	\$ 151,760,707	\$ 145,634,727
Contributions as a percentage of covered payroll	3.58%	3.38%	3.32%	3.30%	3.24%

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

Changes of Assumptions

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

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

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

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

Measurement Year 2023: None.

Measurement Year 2024: None.

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

Exhibit G-4

	2024	2023	2022	2021
District's proportion of the net OPEB liability	0.1928%	0.1983%	0.1940%	0.1893%
District's proportionate share of the net OPEB liability	\$ 58,520,180	\$ 43,889,249	\$ 46,444,251	\$ 73,037,520
State's proportionate share of the net OPEB liability associated with the District	73,324,992	52,959,125	56,654,690	97,854,000
Total	\$ 131,845,172	\$ 96,848,374	\$ 103,098,941	\$ 170,891,520
District's covered payroll (for Measurement Year)	\$ 193,466,977	\$ 192,095,648	\$ 182,969,795	\$ 176,008,187
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	30.25%	22.85%	25.38%	41.50%
Plan fiduciary net position as a percentage of the total OPEB liability	13.70%	14.94%	11.52%	6.18%
Plan's net OPEB liability as a percentage of covered payroll	67.98%	51.86%	59.10%	100.13%
	2020	2019	2018	2017
District's proportion of the net OPEB liability	0.1890%	0.1947%	0.1919%	0.1853%
District's proportionate share of the net OPEB liability	\$ 71,828,727	\$ 92,060,087	\$ 95,818,099	\$ 80,595,763
State's proportionate share of the net OPEB liability associated with the District	96,520,591	122,327,262	132,116,561	116,350,040
Total	\$ 168,349,318	\$ 214,387,349	\$ 227,934,660	\$ 196,945,803
District's covered payroll (for Measurement Year)	\$ 170,666,915	\$ 162,039,276	\$ 157,289,669	\$ 151,760,707
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	42.09%	56.81%	60.92%	53.11%
Plan fiduciary net position as a percentage of the total OPEB liability	4.99%	2.66%	1.57%	0.91%
Plan's net OPEB liability as a percentage of covered payroll	101.46%	135.21%	146.64%	132.55%

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

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

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

Exhibit G-5

	2025	2024	2023	2022	2021
Contractually required contributions	\$ 1,670,831	\$ 1,751,344	\$ 1,722,987	\$ 1,593,424	\$ 1,478,656
Contributions in relation to the contractually required contributions	1,670,831	1,751,344	1,722,987	1,593,424	1,478,656
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 195,376,157	\$ 193,466,977	\$ 192,095,648	\$ 182,969,795	\$ 176,008,187
Contributions as a percentage of covered payroll	0.86%	0.91%	0.90%	0.87%	0.84%
	2020	2019	2018	2017	2016
Contractually required contributions	\$ 1,435,969	\$ 1,381,346	\$ 1,323,845	\$ 963,583	\$ 916,754
Contributions in relation to the contractually required contributions	1,435,969	1,381,346	1,323,845	963,583	916,754
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 170,666,915	\$ 162,039,276	\$ 157,289,669	\$ 151,760,707	\$ 145,634,727
Contributions as a percentage of covered payroll	0.84%	0.85%	0.84%	0.63%	0.63%

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

Changes of Assumptions

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

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

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

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

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

Measurement Year 2023: The discount rate changed from 3.91% as of August 31, 2022 to 4.13% as of August 31, 2023, revised demographic and economic assumptions based on the TRS experience study.

Measurement Year 2024: The discount rate changed from 4.13% as of August 31, 2023 to 3.87% as of August 31, 2024, the tables used to model the impact of aging on the underlying claims were revised.



Galena Park
Independent School District

OTHER SUPPLEMENTARY INFORMATION

**Nonmajor Governmental Funds
Special Revenue Funds**

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

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

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

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

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2025

Exhibit H-1
Page 1 of 6

		205	206	211	224
Data Control Codes		Early Head Start Program	McKinney - Vento Support for Homeless Education	ESEA Title I, Part A Improving Basic Programs	IDEA, Part B - Formula
Assets					
1110	Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
	Receivables:				
1240	Receivables from other governments	255,101	13,487	1,435,680	543,905
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
1000	Total Assets	<u>\$ 255,101</u>	<u>\$ 13,487</u>	<u>\$ 1,435,680</u>	<u>\$ 543,905</u>
Liabilities and Fund Balances					
Liabilities:					
	Current Liabilities:				
2110	Accounts payable	\$ 9,020	\$ 9,462	\$ 219,406	\$ 16,260
2160	Accrued wages payable	23,609	-	391,940	147,555
2170	Due to other funds	222,472	3,941	824,334	380,090
2180	Payable to other governments	-	84	-	-
2300	Unearned revenues	-	-	-	-
2000	Total Liabilities	<u>255,101</u>	<u>13,487</u>	<u>1,435,680</u>	<u>543,905</u>
Fund Balances:					
	Restricted:				
3450	Federal/State grant restrictions	-	-	-	-
	Committed:				
3545	Campus activity	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 255,101</u>	<u>\$ 13,487</u>	<u>\$ 1,435,680</u>	<u>\$ 543,905</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2025

Exhibit H-1
Page 2 of 6

		225	226	240	244
Data Control Codes		IDEA, Part B Preschool	IDEA, Part B- Discretionary	National School Breakfast and Lunch Program	Vocational Education - Basic
Assets					
1110	Cash and temporary investments	\$ -	\$ -	\$ 6,114,803	\$ -
	Receivables:				
1240	Receivables from other governments	5,456	-	1,282,272	57,595
1260	Due from other funds	-	-	11,501	-
1290	Other receivables	-	-	36,246	-
1310	Inventories, at cost	-	-	432,978	-
1000	Total Assets	\$ 5,456	\$ -	\$ 7,877,800	\$ 57,595
Liabilities and Fund Balances					
	Liabilities:				
	Current Liabilities:				
2110	Accounts payable	\$ -	\$ -	\$ 525,138	\$ 49,666
2160	Accrued wages payable	2,970	-	348,546	-
2170	Due to other funds	2,486	-	1,361,702	7,929
2180	Payable to other governments	-	-	-	-
2300	Unearned revenues	-	-	-	-
2000	Total Liabilities	5,456	-	2,235,386	57,595
	Fund Balances:				
	Restricted:				
3450	Federal/State grant restrictions	-	-	5,642,414	-
	Committed:				
3545	Campus activity	-	-	-	-
3000	Total Fund Balances	-	-	5,642,414	-
4000	Total Liabilities and Fund Balances	\$ 5,456	\$ -	\$ 7,877,800	\$ 57,595

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2025

Exhibit H-1
Page 3 of 6

		255	263	265	278
Data Control Codes		ESEA, Title II Part A	ESEA, Title III Part A	ESEA, Title IV Part B	American Rescue Plan ESSER Fund - Homeless Children and Youth
Assets					
1110	Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Receivables:					
1240	Receivables from other governments	132,323	211,925	93,496	-
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
1000	Total Assets	\$ 132,323	\$ 211,925	\$ 93,496	\$ -
Liabilities and Fund Balances					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ -	\$ 5,115	\$ -	\$ -
2160	Accrued wages payable	40,105	19,735	3,260	-
2170	Due to other funds	92,218	187,075	90,236	-
2180	Payable to other governments	-	-	-	-
2300	Unearned revenues	-	-	-	-
2000	Total Liabilities	132,323	211,925	93,496	-
Fund Balances:					
Restricted:					
3450	Federal/State grant restrictions	-	-	-	-
Committed:					
3545	Campus activity	-	-	-	-
3000	Total Fund Balances	-	-	-	-
4000	Total Liabilities and Fund Balances	\$ 132,323	\$ 211,925	\$ 93,496	\$ -

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2025

Exhibit H-1
Page 4 of 6

		280	282	288	289
Data					
Control					
Codes					
	Assets				
1110	Cash and temporary investments	\$ -	\$ -	\$ 27,779	\$ -
	Receivables:				
1240	Receivables from other governments	-	-	-	283,164
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
1000	Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,779</u>	<u>\$ 283,164</u>
	Liabilities and Fund Balances				
	Liabilities:				
	Current Liabilities:				
2110	Accounts payable	\$ -	\$ -	\$ 2,849	\$ 31,622
2160	Accrued wages payable	-	-	-	16,493
2170	Due to other funds	-	-	-	235,049
2180	Payable to other governments	-	-	-	-
2300	Unearned revenues	-	-	24,930	-
2000	Total Liabilities	<u>-</u>	<u>-</u>	<u>27,779</u>	<u>283,164</u>
	Fund Balances:				
	Restricted:				
3450	Federal/State grant restrictions	-	-	-	-
	Committed:				
3545	Campus activity	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,779</u>	<u>\$ 283,164</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2025

Exhibit H-1
Page 5 of 6

		397	410	427	429
Data Control Codes		Advanced Placement Incentives	Instructional Materials Allotment	State Funded Special Revenue Funds	Other State Funded Special Revenue Funds
Assets					
1110	Cash and temporary investments	\$ 4,523	\$ 231,895	\$ -	\$ -
	Receivables:				
1240	Receivables from other governments	-	-	-	118,209
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
1000	Total Assets	<u>\$ 4,523</u>	<u>\$ 231,895</u>	<u>\$ -</u>	<u>\$ 118,209</u>
Liabilities and Fund Balances					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ -	\$ 85,785	\$ -	\$ -
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	-	-	-	118,139
2180	Payable to other governments	-	-	-	-
2300	Unearned revenues	4,523	-	-	70
2000	Total Liabilities	<u>4,523</u>	<u>85,785</u>	<u>-</u>	<u>118,209</u>
Fund Balances:					
Restricted:					
3450	Federal/State grant restrictions	-	146,110	-	-
Committed:					
3545	Campus activity	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>146,110</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 4,523</u>	<u>\$ 231,895</u>	<u>\$ -</u>	<u>\$ 118,209</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2025

Exhibit H-1
Page 6 of 6

		461	481	
Data Control Codes				Total Nonmajor Governmental Funds
		Campus Activity Funds	Other Local Funds	
Assets				
1110	Cash and temporary investments	\$ 1,430,184	\$ 71,962	\$ 7,881,146
	Receivables:			
1240	Receivables from other governments	-	-	4,432,613
1260	Due from other funds	-	-	11,501
1290	Other receivables	5,255	80	41,581
1310	Inventories, at cost	-	-	432,978
1000	Total Assets	<u>\$ 1,435,439</u>	<u>\$ 72,042</u>	<u>\$ 12,799,819</u>
Liabilities and Fund Balances				
	Liabilities:			
	Current Liabilities:			
2110	Accounts payable	\$ 110,461	\$ -	\$ 1,064,784
2160	Accrued wages payable	390	-	994,603
2170	Due to other funds	2,741	-	3,528,412
2180	Payable to other governments	-	-	84
2300	Unearned revenues	-	72,042	101,565
2000	Total Liabilities	<u>113,592</u>	<u>72,042</u>	<u>5,689,448</u>
				-
	Fund Balances:			
	Restricted:			
3450	Federal/State grant restrictions	-	-	5,788,524
	Committed:			
3545	Campus activity	1,321,847	-	1,321,847
3000	Total Fund Balances	<u>1,321,847</u>	<u>-</u>	<u>7,110,371</u>
4000	Total Liabilities and Fund Balances	<u>\$ 1,435,439</u>	<u>\$ 72,042</u>	<u>\$ 12,799,819</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2025

Exhibit H-2

Page 1 of 6

		205	206	211	224
Data Control Codes		Early Head Start Program	McKinney - Vento Support for Homeless Education	ESEA Title I, Part A Improving Basic Programs	IDEA, Part B - Formula
Revenues					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	1,030,363	50,141	8,860,808	4,281,064
5020	Total Revenues	<u>1,030,363</u>	<u>50,141</u>	<u>8,860,808</u>	<u>4,281,064</u>
Expenditures					
Current:					
0011	Instruction	-	25,460	6,256,911	2,986,280
0012	Instructional resources and media services	-	-	3,547	-
0013	Curriculum and instructional staff development	-	-	1,345,395	155,193
0021	Instructional leadership	164,384	-	177,610	8,329
0023	School leadership	-	-	7,225	-
0031	Guidance, counseling and evaluation services	-	-	-	624,603
0032	Social work services	35,320	1,804	475,840	-
0033	Health services	36,052	-	-	160,794
0034	Student transportation	-	22,177	470,850	2,095
0035	Food services	-	-	-	-
0036	Extracurricular activities	-	700	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	792,470	-	123,430	-
Debt Service:					
0071	Principal on long-term debt	1,990	-	-	-
0072	Interest on long-term debt	147	-	-	-
Intergovernmental:					
0093	Payments related to shared services arrangement	-	-	-	343,770
6030	Total Expenditures	<u>1,030,363</u>	<u>50,141</u>	<u>8,860,808</u>	<u>4,281,064</u>
1100	Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)					
7912	Sale of real and personal property	-	-	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
0100	Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2025

Exhibit H-2

Page 2 of 6

		225	226	240	244
Data Control Codes		IDEA, Part B Preschool	IDEA, Part B- Discretionary	National School Breakfast and Lunch Program	Vocational Education - Basic
Revenues					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ 1,132,508	\$ -
5800	State program revenues	-	-	69,099	-
5900	Federal program revenues	57,388	9,708	16,960,924	451,820
5020	Total Revenues	<u>57,388</u>	<u>9,708</u>	<u>18,162,531</u>	<u>451,820</u>
Expenditures					
Current:					
0011	Instruction	57,388	9,708	-	433,882
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	-	-	-	-
0021	Instructional leadership	-	-	-	10,438
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food services	-	-	18,364,795	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	265,701	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	7,500
0061	Community services	-	-	-	-
Debt Service:					
0071	Principal on long-term debt	-	-	2,338	-
0072	Interest on long-term debt	-	-	173	-
Intergovernmental:					
0093	Payments related to shared services arrangement	-	-	-	-
6030	Total Expenditures	<u>57,388</u>	<u>9,708</u>	<u>18,633,007</u>	<u>451,820</u>
1100	Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(470,476)</u>	<u>-</u>
Other Financing Sources (Uses)					
7912	Sale of real and personal property	-	-	35,953	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>35,953</u>	<u>-</u>
1200	Net change in fund balances	-	-	(434,523)	-
0100	Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>6,076,937</u>	<u>-</u>
3000	Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,642,414</u>	<u>\$ -</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2025

Exhibit H-2

Page 3 of 6

		255	263	265	278
Data Control Codes		ESEA, Title II Part A	ESEA, Title III Part A	ESEA, Title IV Part B	American Rescue Plan ESSER Fund - Homeless Children and Youth
Revenues					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	1,235,581	764,321	231,664	11,161
5020	Total Revenues	1,235,581	764,321	231,664	11,161
Expenditures					
Current:					
0011	Instruction	215,739	408,327	105,012	4,424
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	1,019,842	339,290	-	-
0021	Instructional leadership	-	3,738	126,553	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	6,737
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	506	-	-
0035	Food services	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	12,460	99	-
Debt Service:					
0071	Principal on long-term debt	-	-	-	-
0072	Interest on long-term debt	-	-	-	-
Intergovernmental:					
0093	Payments related to shared services arrangement	-	-	-	-
6030	Total Expenditures	1,235,581	764,321	231,664	11,161
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other Financing Sources (Uses)					
7912	Sale of real and personal property	-	-	-	-
7080	Total Other Financing Sources (Uses)	-	-	-	-
1200	Net change in fund balances	-	-	-	-
0100	Fund Balance - Beginning	-	-	-	-
3000	Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2025

Exhibit H-2

Page 4 of 6

		280	282	288	289
Data Control Codes		American Rescue Plan Act - Homeless II	ARP Act ESSER III	Summer School LEP	Various Federal Funds
	Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	247,774	2,540,867	6,602	1,360,484
5020	Total Revenues	<u>247,774</u>	<u>2,540,867</u>	<u>6,602</u>	<u>1,360,484</u>
	Expenditures				
	Current:				
0011	Instruction	146,669	2,154,200	6,602	86,061
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	-	100,918	-	53,678
0021	Instructional leadership	982	-	-	4,584
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	2,875	124,241	-	237,780
0032	Social work services	53,891	-	-	733,837
0033	Health services	-	15,516	-	107,517
0034	Student transportation	40,310	-	-	-
0035	Food services	-	-	-	-
0036	Extracurricular activities	-	-	-	2,455
0041	General administration	-	6,605	-	-
0051	Facilities maintenance and operations	-	68,480	-	-
0052	Security and monitoring services	-	42,294	-	124,100
0053	Data processing services	-	7,613	-	7,174
0061	Community services	3,047	21,000	-	3,298
	Debt Service:				
0071	Principal on long-term debt	-	-	-	-
0072	Interest on long-term debt	-	-	-	-
	Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	-	-
6030	Total Expenditures	<u>247,774</u>	<u>2,540,867</u>	<u>6,602</u>	<u>1,360,484</u>
1100	Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Other Financing Sources (Uses)				
7912	Sale of real and personal property	-	-	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
0100	Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2025

Exhibit H-2

Page 5 of 6

		397	410	427	429
Data Control Codes		Advanced Placement Incentives	Instructional Materials Allotment	State Funded Special Revenue Funds	Other State Funded Special Revenue Funds
Revenues					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ 1,773
5800	State program revenues	1,114	1,529,403	39	892,728
5900	Federal program revenues	-	-	-	-
5020	Total Revenues	1,114	1,529,403	39	894,501
Expenditures					
Current:					
0011	Instruction	1,114	1,929,640	39	2,800
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	-	32,800	-	-
0021	Instructional leadership	-	-	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food services	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	890	-	-
0052	Security and monitoring services	-	-	-	889,928
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	1,773
Debt Service:					
0071	Principal on long-term debt	-	292,496	-	-
0072	Interest on long-term debt	-	17,253	-	-
Intergovernmental:					
0093	Payments related to shared services arrangement	-	-	-	-
6030	Total Expenditures	1,114	2,273,079	39	894,501
1100	Excess (deficiency) of revenues over (under) expenditures	-	(743,676)	-	-
Other Financing Sources (Uses)					
7912	Sale of real and personal property	-	-	-	-
7080	Total Other Financing Sources (Uses)	-	-	-	-
1200	Net change in fund balances	-	(743,676)	-	-
0100	Fund Balance - Beginning	-	889,786	-	-
3000	Fund Balance - Ending	\$ -	\$ 146,110	\$ -	\$ -

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2025

Exhibit H-2

Page 6 of 6

		461	481	
Data Control Codes		Campus Activity Funds	Other Local Funds	Total Nonmajor Governmental Funds
Revenues				
5700	Local, intermediate, and out-of-state	\$ 2,002,838	\$ 83,729	\$ 3,220,848
5800	State program revenues	-	-	2,492,383
5900	Federal program revenues	-	-	38,100,670
5020	Total Revenues	2,002,838	83,729	43,813,901
Expenditures				
Current:				
0011	Instruction	126,512	26,999	14,983,767
0012	Instructional resources and media services	21,451	5,000	29,998
0013	Curriculum and instructional staff development	4,676	21,579	3,073,371
0021	Instructional leadership	-	1,920	498,538
0023	School leadership	104,358	13,454	125,037
0031	Guidance, counseling and evaluation services	-	377	996,613
0032	Social work services	-	-	1,300,692
0033	Health services	-	-	319,879
0034	Student transportation	-	-	535,938
0035	Food services	-	10,320	18,375,115
0036	Extracurricular activities	1,717,175	305	1,720,635
0041	General administration	1,500	-	8,105
0051	Facilities maintenance and operations	1,218	-	336,289
0052	Security and monitoring services	-	-	1,056,322
0053	Data processing services	-	-	22,287
0061	Community services	12,997	3,775	974,349
Debt Service:				
0071	Principal on long-term debt	1,990	-	298,814
0072	Interest on long-term debt	147	-	17,720
Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	343,770
6030	Total Expenditures	1,992,024	83,729	45,017,239
1100	Excess (deficiency) of revenues over (under) expenditures	10,814	-	(1,203,338)
Other Financing Sources (Uses)				
7912	Sale of real and personal property	-	-	35,953
7080	Total Other Financing Sources (Uses)	-	-	35,953
1200	Net change in fund balances	10,814	-	(1,167,385)
0100	Fund Balance - Beginning	1,311,033	-	8,277,756
3000	Fund Balance - Ending	\$ 1,321,847	\$ -	\$ 7,110,371

GALENA PARK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
For the Year Ended August 31, 2025

Exhibit J-1

	1	2	3	10	20	31	32	40	50	99
	Tax Rates		Net Assessed /	Beginning	Current	Maintenance	Debt Service	Entire	Ending	Total Taxes
Last Ten			Appraised	Balance	Year's	Total	Total	Year's	Balance	Refunded Under
Fiscal			Value For School	9/1/2024	Total Levy	Collections	Collections	Adjustments	8/31/2025	Section 26.1115(c)
Years	Maintenance	Debt Service	Tax Purposes							
2016										
and prior	Various	Various	Various	\$ 1,081,313	\$ -	\$ 21,446	\$ 4,375	\$ (56,214)	\$ 999,278	
2017	\$ 1.24330	\$ 0.32000	\$ 8,161,446,159	193,651	-	5,891	1,516	(156)	186,088	
2018	1.24330	0.32000	8,177,706,984	359,542	-	5,067	1,304	(3,737)	349,434	
2019	1.24330	0.33000	8,532,674,721	340,629	-	5,427	1,441	(13,145)	320,616	
2020	1.14165	0.33000	9,731,032,854	1,723,273	-	27,717	8,012	(32,841)	1,654,703	
2021	1.12810	0.33000	10,118,991,869	1,164,807	-	52,811	15,449	15,334	1,111,881	
2022	1.12510	0.34000	9,787,342,093	616,797	-	126,388	38,194	(19,760)	432,455	
2023	1.04270	0.31148	11,101,281,873	3,119,480	-	825,168	246,498	(487,578)	1,560,236	
2024	0.83760	0.29431	12,265,555,300	3,291,593	-	(617,003)	(216,798)	(2,052,178)	2,073,216	
2025	0.83760	0.33431	11,574,806,096	-	135,646,310	95,225,918	38,007,374	-	2,413,018	
1000 Totals				<u>\$ 11,891,085</u>	<u>\$ 135,646,310</u>	<u>\$ 95,678,830</u>	<u>\$ 38,107,365</u>	<u>\$ (2,650,275)</u>	<u>11,100,925</u>	
Penalty and Interest Receivable on Taxes									<u>6,618,152</u>	
Total Taxes Receivable Per Governmental Fund Balance Sheet (C-1)									<u>\$ 17,719,077</u>	
8000 Taxes Refunded										<u>\$ 14,716</u>
9000 Tax Increment				<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

GALENA PARK INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM
For the Year Ended August 31, 2025

Exhibit J-2

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Local, Intermediate, and Out-of-State	\$ 867,644	\$ 867,644	\$1,132,508	\$ 264,864
State Program Revenues	69,128	69,128	69,099	(29)
Federal Program Revenues	<u>17,969,770</u>	<u>17,969,770</u>	<u>16,960,924</u>	<u>(1,008,846)</u>
Total Revenues	<u>18,906,542</u>	<u>18,906,542</u>	<u>18,162,531</u>	<u>(744,011)</u>
Expenditures				
Current:				
Food Services	20,027,580	20,831,813	18,364,795	2,467,018
Plant maintenance and operations	235,452	285,452	265,701	19,751
Debt Service:				
Principal on long-term debt	7,200	7,027	2,338	4,689
Interest on long-term debt	-	173	173	-
Total Expenditures	<u>20,270,232</u>	<u>21,124,465</u>	<u>18,633,007</u>	<u>2,491,458</u>
Excess (Deficiency) Revenues Over (Under) Expenditures	<u>(1,363,690)</u>	<u>(2,217,923)</u>	<u>(470,476)</u>	<u>1,747,447</u>
Other Financing Sources (Uses)				
Sale of real or personal property	-	-	35,953	35,953
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>35,953</u>	<u>35,953</u>
Net change in fund balances	(1,363,690)	(2,217,923)	(434,523)	1,783,400
Fund Balance - Beginning	<u>6,076,937</u>	<u>6,076,937</u>	<u>6,076,937</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 4,713,247</u>	<u>\$ 3,859,014</u>	<u>\$ 5,642,414</u>	<u>\$ 1,783,400</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
For the Year Ended August 31, 2025
Exhibit J-3

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local, Intermediate, and Out-of-State	\$ 41,719,788	\$ 41,719,788	\$ 39,469,721	\$ (2,250,067)
State Program Revenues	-	-	2,512,104	2,512,104
Total Revenues	<u>41,719,788</u>	<u>41,719,788</u>	<u>41,981,825</u>	<u>262,037</u>
Expenditures				
Debt Service:				
Principal on long-term debt	41,719,788	21,837,169	18,933,767	2,903,402
Interest on long-term debt	-	19,876,344	19,876,344	-
Bond issuance costs and fees	-	6,275	6,275	-
Total Expenditures	<u>41,719,788</u>	<u>41,719,788</u>	<u>38,816,386</u>	<u>2,903,402</u>
Excess (Deficiency) Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>3,165,439</u>	<u>3,165,439</u>
Other Financing Sources (Uses)				
Premium or discount on issuance of bonds	-	-	2,112,268	2,112,268
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>2,112,268</u>	<u>2,112,268</u>
Net change in fund balances	-	-	5,277,707	5,277,707
Fund Balance - Beginning	<u>2,864,615</u>	<u>2,864,615</u>	<u>2,864,615</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 2,864,615</u>	<u>\$ 2,864,615</u>	<u>\$ 8,142,322</u>	<u>\$ 5,277,707</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT*Exhibit J-4***COMPENSATORY EDUCATION PROGRAM AND BILINGUAL EDUCATION PROGRAM COMPLIANCE RESPONSES****For the Year Ended August 31, 2025**

Data Codes	Section A: Compensatory Education Programs	Responses
AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$29,646,359
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30)	\$14,546,774
Section B: Bilingual Education Programs		
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 5,265,596
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PIC 25)	\$ 2,803,077



Galena Park
Independent School District

STATISTICAL SECTION
(UNAUDITED)



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATISTICAL SECTION

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

	<u>Page</u>
Financial Trends	96
These schedules contain trend information to show how the District’s financial performance and position have changed over time	
Revenue Capacity	104
These schedules contain information to help assess the factors affecting the District’s most significant local revenue source, the property tax.	
Debt Capacity	112
These schedules present information to help assess the affordability of the District’s current debt burden and its ability to issue additional debt in the future.	
Demographic and Economic Information	118
These schedules provide demographic and economic indicators to help in understanding the environment in which the District operates and to facilitate in comparisons over time.	
Operating Information	122
These schedules provide information about the District’s operations and resources to assist in using the financial statement information to better understand and assess the District’s economic condition.	

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

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

Table 1
Page 1 of 2

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Governmental Activities:					
Net investment in					
capital assets	\$ 130,754,693	\$ 124,045,637	\$ 110,165,616	\$ 95,418,867	\$ 90,011,934
Restricted	16,752,674	12,958,469	9,816,379	12,999,492	13,133,219
Unrestricted	<u>13,609,029</u>	<u>17,126,503</u>	<u>1,752,641</u>	<u>(22,726,432)</u>	<u>(32,768,490)</u>
Total Governmental					
Activities Net Position	<u>\$ 161,116,396</u>	<u>\$ 154,130,609</u>	<u>\$ 121,734,636</u>	<u>\$ 85,691,927</u>	<u>\$ 70,376,663</u>

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

Notes:

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

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

Table 1
Page 2 of 2

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Governmental Activities:					
Net investment in					
capital assets	\$ 82,381,316	\$ 70,926,256	\$ 74,968,166	\$ 77,029,615	\$ 71,473,347
Restricted	16,479,483	15,707,088	15,117,125	13,199,434	11,671,948
Unrestricted	<u>(45,243,522)</u>	<u>(46,367,360)</u>	<u>(48,808,224)</u>	<u>60,846,881</u>	<u>58,897,199</u>
Total Governmental					
Activities Net Position	<u>\$ 53,617,277</u>	<u>\$ 40,265,984</u>	<u>\$ 41,277,067</u>	<u>\$ 151,075,930</u>	<u>\$ 142,042,494</u>

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

Notes:

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

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

Table 2
Page 1 of 2

	2025	2024	2023	2022	2021
Expenses:					
Governmental Activities:					
Instruction	\$ 151,944,974	\$ 161,790,725	\$ 158,390,425	\$ 148,052,627	\$ 162,718,256
Instructional Resources and Media Services	2,833,885	2,946,315	2,801,347	2,852,909	3,100,617
Curriculum and Instructional Staff Development	7,935,425	9,296,588	9,152,485	9,430,176	9,075,087
Instructional Leadership	6,181,010	6,709,164	6,697,056	6,469,405	6,900,962
School Leadership	17,937,397	18,396,079	17,421,347	16,667,212	18,015,282
Guidance, Counseling, and Evaluation Services	10,233,459	10,707,305	10,406,775	10,246,617	10,141,622
Social Work Services	1,700,706	1,423,973	1,268,191	1,063,713	1,126,211
Health Services	2,609,350	2,783,349	2,727,441	2,600,631	2,949,124
Student (Pupil) Transportation	10,936,615	11,412,471	11,127,074	10,553,744	9,554,362
Food Services	17,205,859	19,015,520	19,014,199	16,269,472	14,927,236
Cocurricular/Extracurricular Activities	6,907,279	6,861,312	6,849,601	5,754,307	5,210,628
General Administration	9,098,555	10,387,170	9,649,997	9,914,275	9,706,591
Facilities Maintenance and Operations	34,880,057	37,304,578	37,074,110	32,533,648	31,832,708
Security and Monitoring Services	7,296,430	6,924,814	6,255,791	4,167,230	3,570,635
Data Processing Services	5,951,404	6,247,135	6,142,937	5,348,311	5,118,380
Community Services	2,772,028	2,994,302	2,902,184	2,539,775	2,537,001
Debt Service - Interest on Long-term Debt	18,747,839	14,750,041	15,308,850	15,222,187	16,882,470
Debt Service - Bond Issuance Costs and Fees	-	-	-	-	-
Payments Related to Shared Service Arrangements	343,770	372,894	291,152	376,824	343,072
Payments to appraisal district	1,011,343	1,172,330	1,083,695	1,046,378	1,051,148
Total Expenses	316,527,385	331,496,065	324,564,657	301,109,441	314,761,392
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction	1,753,674	1,530,766	1,664,240	1,419,252	831,125
School Leadership	118,379	150,837	164,447	149,934	94,634
Food Services	820,471	785,367	812,620	625,143	231,721
Cocurricular/Extracurricular Activities	2,112,539	1,956,214	2,390,748	1,537,531	695,172
General Administration	1,508	1,510	1,503	40,691	1,512
Facilities Maintenance and Operations	85,541	108,962	69,500	73,566	47,007
Security and Monitoring Services	35,568	30,295	16,533	16,869	24,198
Other Activities	74,136	55,361	78,452	133,333	53,314
Operating Grants and Contributions	49,473,059	80,217,057	89,450,030	61,521,354	57,042,073
Total Program Revenues	54,474,875	84,791,369	94,648,073	65,517,673	59,020,756
Total Net (Expense)/Revenue	(262,052,510)	(246,704,696)	(229,916,584)	(235,591,768)	(255,740,636)
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	134,956,334	143,493,581	142,648,776	142,053,532	147,678,570
State-aid formula grants	126,170,942	119,327,666	108,821,372	108,647,325	123,970,344
Grants and contributions not restricted	-	-	-	-	-
Investment earnings	16,846,341	16,066,927	13,765,562	59,210	761,662
Miscellaneous	202,480	211,401	340,876	146,965	89,446
Total General Revenues and Other Changes in Net Position	278,176,097	279,099,575	265,576,586	250,907,032	272,500,022
Total Change in Net Position	\$ 16,123,587	\$ 32,394,879	\$ 35,660,002	\$ 15,315,264	\$ 16,759,386

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

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

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

Table 2
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	2020	2019	2018	2017	2016
Expenses:					
Governmental Activities:					
Instruction	\$ 153,242,430	\$ 144,116,946	\$ 89,827,768	\$ 134,569,316	\$ 119,286,904
Instructional Resources and Media Services	2,859,936	3,111,190	2,087,229	2,817,371	2,753,916
Curriculum and Instructional Staff Development	8,223,134	8,429,223	3,917,357	5,961,598	5,432,709
Instructional Leadership	7,939,367	7,174,319	4,294,280	6,087,473	5,758,176
School Leadership	18,314,290	17,162,560	10,122,707	14,360,951	13,720,730
Guidance, Counseling, and Evaluation Services	9,453,702	8,717,168	4,917,424	7,940,012	7,635,301
Social Work Services	1,074,481	1,096,919	957,290	904,579	696,048
Health Services	2,524,360	2,187,509	1,218,718	1,884,102	1,828,426
Student (Pupil) Transportation	9,622,201	9,786,986	6,699,179	8,491,227	6,478,596
Food Services	16,406,346	18,079,109	14,918,286	13,964,364	15,007,128
Cocurricular/Extracurricular Activities	5,903,790	5,570,196	4,500,283	5,100,028	5,424,069
General Administration	10,414,676	9,792,793	6,280,175	8,507,836	7,914,425
Facilities Maintenance and Operations	33,293,766	38,033,842	33,238,521	26,650,162	29,424,238
Security and Monitoring Services	4,017,895	3,105,078	2,481,646	2,488,235	2,568,194
Data Processing Services	5,212,184	4,355,431	3,534,658	3,805,769	3,815,141
Community Services	2,384,822	1,855,894	1,153,291	1,635,714	1,411,317
Debt Service - Interest on Long-term Debt	17,551,973	16,512,159	13,201,974	12,766,645	10,967,667
Debt Service - Bond Issuance Costs and Fees	-	9,810	148,891	1,757,777	-
Payments Related to Shared Service Arrangements	395,167	-	-	-	-
Payments to appraisal district	1,043,300	978,581	936,346	937,503	908,466
Total Expenses	309,877,820	300,075,713	204,436,023	260,630,662	241,031,451
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction	726,617	812,261	1,048,802	673,736	804,888
School Leadership	132,931	243,410	236,070	147,074	160,176
Food Services	665,867	1,137,995	1,721,115	2,147,598	181,054
Cocurricular/Extracurricular Activities	1,588,542	1,160,518	1,042,594	1,237,846	2,339,622
General Administration	80,831	79,157	44,917	21,501	-
Facilities Maintenance and Operations	133,883	180,014	257,557	180,392	1,188,365
Security and Monitoring Services	17,458	16,930	22,460	10,750	-
Other Activities	127,097	181,789	216,722	105,903	-
Operating Grants and Contributions	60,970,808	56,560,228	4,022,067	41,428,025	29,381,400
Total Program Revenues	64,444,034	60,372,302	8,612,304	45,952,825	34,055,505
Total Net (Expense)/Revenue	(245,433,786)	(239,703,411)	(195,823,719)	(214,677,837)	(206,975,946)
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	143,079,999	133,615,993	126,900,406	127,044,616	121,304,611
State-aid formula grants	110,314,055	98,146,037	95,110,955	94,400,991	102,779,386
Grants and contributions not restricted	-	2,800	208,171	-	23,999
Investment earnings	5,044,982	6,680,051	4,561,526	2,446,240	687,509
Miscellaneous	44,008	247,447	567,982	201,980	294,298
Total General Revenues and Other Changes in Net Position	258,483,044	238,692,328	227,349,040	224,093,827	225,089,803
Total Change in Net Position	\$ 13,049,258	\$ (1,011,083)	\$ 31,525,321	\$ 9,415,990	\$ 18,113,857

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

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

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

Table 3
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	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
General Fund					
Nonspendable	\$ 656,112	\$ 512,468	\$ 511,574	\$ 497,491	\$ 499,816
Assigned	156,664,979	157,244,073	159,658,831	106,419,750	93,079,379
Unassigned	<u>64,836,048</u>	<u>64,196,494</u>	<u>60,399,057</u>	<u>87,765,965</u>	<u>100,289,227</u>
Total General Fund	<u><u>\$ 222,157,139</u></u>	<u><u>\$ 221,953,035</u></u>	<u><u>\$ 220,569,462</u></u>	<u><u>\$ 194,683,206</u></u>	<u><u>\$ 193,868,422</u></u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ 303	\$ -	\$ 16,800	\$ 16,800
Assigned	12,988,519	10,443,567	-	-	-
Restricted	200,500,266	17,436,069	41,471,097	75,913,012	97,017,358
Committed	<u>1,321,847</u>	<u>1,310,730</u>	<u>1,293,518</u>	<u>1,260,923</u>	<u>1,340,478</u>
Total All Other Governmental Funds	<u><u>\$ 214,810,632</u></u>	<u><u>\$ 29,190,669</u></u>	<u><u>\$ 42,764,615</u></u>	<u><u>\$ 77,190,735</u></u>	<u><u>\$ 98,374,636</u></u>

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

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

Table 3
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	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund					
Nonspendable	\$ 1,300,635	\$ 388,366	\$ 304,129	\$ 306,603	\$ 268,136
Assigned	111,522,186	100,916,702	58,758,224	57,700,343	55,725,484
Unassigned	<u>64,755,473</u>	<u>65,168,115</u>	<u>94,042,578</u>	<u>87,793,932</u>	<u>82,326,206</u>
Total General Fund	<u><u>\$ 177,578,294</u></u>	<u><u>\$ 166,473,183</u></u>	<u><u>\$ 153,104,931</u></u>	<u><u>\$ 145,800,878</u></u>	<u><u>\$ 138,319,826</u></u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 411,560
Assigned	-	-	-	-	-
Restricted	120,503,862	47,084,225	86,386,208	78,363,471	10,598,276
Committed	<u>1,352,219</u>	<u>932,812</u>	<u>979,669</u>	<u>1,025,607</u>	<u>1,102,102</u>
Total All Other Governmental Funds	<u><u>\$ 121,856,081</u></u>	<u><u>\$ 48,017,037</u></u>	<u><u>\$ 87,365,877</u></u>	<u><u>\$ 79,389,078</u></u>	<u><u>\$ 12,111,938</u></u>

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

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

Table 4
Page 1 of 2

	2025	2024	2023	2022	2021
Revenues					
Local, intermediate, and out-of-state	\$ 157,172,460	\$ 158,405,552	\$ 168,947,698	\$ 144,411,338	\$ 148,006,974
State program revenues	144,744,095	138,489,374	123,637,086	122,980,984	139,026,800
Federal program revenues	41,877,508	66,585,770	84,447,815	61,964,715	40,738,457
Total Revenues	343,794,063	363,480,696	377,032,599	329,357,037	327,772,231
Expenditures					
Current:					
Instruction	152,079,933	160,574,731	160,151,867	154,318,666	152,758,410
Instruction resources and media services	2,682,854	2,731,140	2,675,138	2,797,929	2,803,540
Curriculum and instructional staff development	8,276,552	9,356,238	9,726,084	10,395,997	8,664,738
Instructional leadership	6,100,347	6,529,661	6,700,467	6,704,904	6,478,130
School leadership	17,898,073	18,100,937	17,537,668	17,269,693	17,131,537
Guidance, counseling and evaluation services	10,444,023	10,592,377	10,687,501	10,964,161	9,697,715
Social work services	1,783,463	1,372,910	1,405,538	1,098,474	1,094,345
Health services	2,593,057	2,698,808	2,927,709	2,716,194	2,793,032
Student transportation	11,691,750	10,964,056	10,226,003	10,404,102	8,710,293
Food services	18,375,115	18,502,966	20,659,979	16,777,524	13,553,912
Extracurricular activities	6,449,252	6,429,920	6,492,208	5,419,907	4,610,545
General administration	8,943,402	10,240,677	9,590,216	9,269,236	9,229,606
Facilities maintenance and operations	29,060,520	34,425,384	40,345,585	29,368,156	27,858,304
Security and monitoring services	7,342,498	6,908,132	6,137,066	4,040,121	4,046,480
Data processing services	6,045,346	6,147,591	6,170,291	5,034,866	4,599,383
Community services	2,868,381	3,224,377	3,077,821	2,762,122	2,474,496
Debt Service:					
Principal on long-term debt	20,253,751	22,766,871	19,596,885	18,740,636	19,461,758
Interest on long-term debt	19,951,014	17,478,581	17,747,017	18,367,678	17,335,504
Bond issuance costs and fees	1,663,606	6,200	6,000	7,000	7,300
Capital Outlay:					
Facilities acquisition and construction expenditures	16,775,961	27,682,895	37,309,062	21,912,993	20,406,451
Intergovernmental:					
Payments related to shared services arrangements	343,770	372,894	291,152	376,824	343,072
Payments to appraisal districts	1,011,343	1,172,330	1,083,695	1,046,378	1,051,148
Total Expenditures	352,634,011	378,279,676	390,544,952	349,793,561	335,109,699
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,839,948)	(14,798,980)	(13,512,353)	(20,436,524)	(7,337,468)
Other Financing Sources (Uses):					
Refunding bonds issued	-	-	-	-	-
Capital related debt issued (regular bonds)	183,335,000	-	-	-	-
Issuance of debt - leases	-	1,396,770	-	30,442	-
Sale of real and personal property	202,480	211,401	5,946,160	146,965	166,151
Transfers in	4,090,000	10,443,567	10,348	45,706	-
Premium or discount on issuance of bonds	10,434,600	-	-	-	-
Transfers out	(4,123,000)	(10,498,567)	(115,348)	(155,706)	(20,000)
Payment to bond refunding escrow agent	-	-	-	-	-
Issuance of debt - SBITAs	724,935	1,055,436	1,255,805	-	-
Other uses - court ordered tax refunds	-	-	(2,124,476)	-	-
Total Other Financing Sources (Uses)	194,664,015	2,608,607	4,972,489	67,407	146,151
Net change in Fund Balances	<u>\$ 185,824,067</u>	<u>\$ (12,190,373)</u>	<u>\$ (8,539,864)</u>	<u>\$ (20,369,117)</u>	<u>\$ (7,191,317)</u>
Debt Service as a Percentage of Noncapital Expenditures	12.15%	11.79%	10.91%	11.73%	11.73%

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

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

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

Table 4
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	2020	2019	2018	2017	2016
Revenues					
Local, intermediate, and out-of-state	\$ 147,159,861	\$ 145,587,284	\$ 136,892,734	\$ 133,337,630	\$ 128,445,612
State program revenues	126,260,713	109,707,400	108,204,475	107,035,082	111,995,083
Federal program revenues	36,651,040	37,855,892	34,007,875	27,173,751	26,322,625
Total Revenues	310,071,614	293,150,576	279,105,084	267,546,463	266,763,320
Expenditures					
Current:					
Instruction	133,490,511	125,988,014	129,063,669	123,706,019	119,942,290
Instruction resources and media services	2,382,133	2,516,946	2,591,408	2,464,077	2,474,879
Curriculum and instructional staff development	7,269,566	7,738,792	5,486,693	5,726,416	5,238,950
Instructional leadership	7,047,123	6,495,037	6,275,181	5,903,738	5,533,203
School leadership	16,315,703	15,517,306	14,844,711	13,964,197	13,251,279
Guidance, counseling and evaluation services	8,371,244	7,912,362	7,636,819	7,322,810	7,386,617
Social work services	1,030,829	1,063,796	1,034,714	883,931	820,905
Health services	2,220,874	1,932,854	1,831,454	1,824,679	1,743,465
Student transportation	9,506,132	8,331,354	8,974,070	9,887,235	6,963,858
Food services	14,481,564	15,651,622	15,128,504	13,250,802	14,151,542
Extracurricular activities	5,084,200	4,872,309	4,884,225	5,097,570	4,841,762
General administration	9,368,769	8,970,444	8,300,263	8,283,519	7,668,435
Facilities maintenance and operations	31,820,781	27,152,998	25,999,768	24,044,269	25,359,501
Security and monitoring services	3,980,016	2,999,425	2,565,479	2,480,853	2,590,903
Data processing services	5,150,659	3,720,992	3,918,590	3,530,405	3,294,586
Community services	2,161,568	1,727,629	1,592,004	1,585,371	1,365,667
Debt service:					
Principal on long-term debt	15,231,565	13,850,712	28,434,482	48,217,460	12,243,335
Interest on long-term debt	17,373,492	16,380,934	11,469,245	11,631,463	8,596,257
Bond issuance costs and fees	1,080,738	9,810	957,353	1,757,777	9,060
Capital outlay:					
Facilities acquisition and construction expenditures	36,788,974	45,470,902	93,708,297	26,244,957	3,817,722
Intergovernmental:					
Payments related to shared services arrangements	395,167	-	-	-	-
Payments to appraisal districts	1,043,300	978,581	936,346	937,503	908,466
Total Expenditures	331,594,908	319,282,819	375,633,275	318,745,051	248,202,682
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,523,294)	(26,132,243)	(96,528,191)	(51,198,588)	18,560,638
Other Financing Sources (Uses):					
Refunding bonds issued	14,850,000	-	14,880,000	41,000,000	-
Capital related debt issued (regular bonds)	92,760,000	-	85,350,000	87,315,000	-
Issuance of debt - leases	-	-	-	-	-
Sale of real and personal property	85,838	151,655	157,017	96,947	85,493
Transfers in	-	-	-	-	4
Premium or discount on issuance of bonds	14,721,751	-	11,422,026	11,141,318	-
Transfers out	-	-	-	-	(4)
Payment to bond refunding escrow agent	(16,252,175)	-	-	(13,213,931)	-
Issuance of debt - SBITAs	-	-	-	-	-
Other uses - court ordered tax refunds	-	-	-	-	-
Total Other Financing Sources (Uses)	106,165,414	151,655	111,809,043	126,339,334	85,493
Net change in Fund Balances	\$ 84,642,120	\$ (25,980,588)	\$ 15,280,852	\$ 75,140,746	\$ 18,646,131
Debt Service as a Percentage of Noncapital Expenditures	11.28%	10.96%	13.90%	20.60%	8.66%

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

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

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

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	2025	2024	2023	2022	2021
Revenues from Local and Intermediate Sources:					
Property Taxes	\$ 135,279,544	\$ 137,604,573	\$ 149,970,831	\$ 140,061,031	\$ 144,956,920
Food Sales	810,151	767,989	812,620	830,674	227,568
Earnings on Investments	16,846,341	16,066,927	13,639,914	59,210	761,662
Cocurricular / Student Activities	2,381,465	2,204,050	2,820,546	1,990,491	867,677
Other Revenues from Local and Intermediate Sources	1,854,959	1,762,013	1,578,139	1,469,932	1,193,147
Total Revenue from Local and Intermediate Sources	157,172,460	158,405,552	168,822,050	144,411,338	148,006,974
State Program Revenues:					
Foundation School Formula	114,191,452	111,104,515	96,327,043	98,059,397	113,730,086
TRS On-behalf Revenue	13,568,666	12,836,604	12,532,582	11,671,789	11,769,351
Debt Allotment	2,512,104	2,320,984	748,522	261,413	193,989
Available School Fund (Per Capita)	11,979,490	8,190,555	12,462,220	10,565,268	10,073,742
Instructional Materials Allotment	1,529,403	3,310,171	1,088,152	1,143,473	1,430,798
Other State Program Revenues *	962,980	726,545	478,567	1,279,644	1,828,834
Total State Program Revenues	144,744,095	138,489,374	123,637,086	122,980,984	139,026,800
Federal Program Revenues:					
21st Century	231,664	388,002	419,115	492,219	487,204
Coronavirus Relief Fund	-	-	-	-	2,357,648
Early Head Start	1,030,363	1,008,115	978,166	947,777	935,292
E-Rate	301,514	100,553	343,840	408,627	422,052
ESEA Title I, Part A - Improving Basic Programs	8,780,153	9,657,578	9,148,558	7,553,364	8,550,651
ESEA Title II, Part A - Teacher, Principal, Training, Recruiting	1,235,581	1,149,545	1,186,913	1,162,771	892,633
ESEA Title III, Part A	764,321	1,133,094	797,489	721,996	907,795
ESSER I	-	-	-	-	193,092
ESSER II	-	219,001	21,258,476	5,310,948	1,623,873
ESSER III	2,540,867	25,679,709	17,383,455	14,208,013	-
FEMA Disaster Assistance **	-	-	147,207	734,829	-
IDEA Part B - Formula	4,281,064	4,371,432	3,761,101	4,537,509	4,257,122
IDEA, Part B - Formula - ARP	-	-	236,927	817,808	-
National School Breakfast and Lunch Program	15,291,645	17,607,877	16,826,134	17,280,084	12,212,854
SHARS	983,941	1,158,362	4,776,694	3,666,831	3,295,834
Title IV, Part A, Subpart 1	745,851	836,947	589,818	-	-
USDA Commodities	1,113,953	1,030,830	1,267,376	1,945,121	1,069,347
Vocational Education - Carl D. Perkins	451,820	388,002	419,115	370,815	316,317
Other Federal Program Revenue *	4,124,771	1,856,723	4,907,431	1,806,003	3,216,743
Total Federal Program Revenues	41,877,508	66,585,770	84,447,815	61,964,715	40,738,457
Total Revenues for Governmental Funds	\$ 343,794,063	\$ 363,480,696	\$ 376,906,951	\$ 329,357,037	\$ 327,772,231

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

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

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

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

Table 5
Page 2 of 2

	2020	2019	2018	2017	2016
Revenues from Local and Intermediate Sources:					
Property Taxes	\$ 138,588,368	\$ 135,043,184	\$ 127,052,391	\$ 126,197,919	\$ 122,825,737
Food Sales	665,867	1,137,995	1,721,115	2,147,598	2,333,083
Earnings on Investments	5,044,984	6,680,051	4,561,526	2,446,240	687,500
Cocurricular / Student Activities	1,834,510	1,586,779	1,486,254	1,636,307	1,753,061
Other Revenues from Local and Intermediate Sources	1,026,132	1,139,275	2,071,448	909,566	846,231
Total Revenue from Local and Intermediate Sources	147,159,861	145,587,284	136,892,734	133,337,630	128,445,612
State Program Revenues:					
Foundation School Formula	103,483,843	87,169,752	90,716,034	85,840,648	97,269,336
TRS On-behalf Revenue	11,718,844	9,860,310	9,990,020	9,012,952	8,871,824
Debt Allotment	283,255	292,858	297,857	293,518	1,645,363
Available School Fund (Per Capita)	6,640,926	10,161,308	4,378,235	8,202,430	3,790,886
Instructional Materials Allotment	3,509,786	1,182,637	2,371,307	2,779,972	-
Other State Program Revenues *	637,555	1,040,535	451,022	905,562	417,674
Total State Program Revenues	126,274,209	109,707,400	108,204,475	107,035,082	111,995,083
Federal Program Revenues:					
21st Century	480,382	507,175	330,747	307,558	331,383
Coronavirus Relief Fund	-	-	-	-	-
Early Head Start	838,003	787,981	802,344	795,590	781,856
E-Rate	407,265	378,343	378,343	406,155	498,286
ESEA Title I, Part A - Improving Basic Programs	6,542,843	6,660,958	5,531,025	5,260,683	5,132,166
ESEA Title II, Part A - Teacher, Principal, Training, Recruiting	801,434	932,232	567,266	650,054	682,687
ESEA Title III, Part A	688,893	674,919	699,755	927,765	683,384
ESSER I	5,505,785	-	-	-	-
ESSER II	-	-	-	-	-
ESSER III	-	-	-	-	-
FEMA Disaster Assistance **	-	-	-	-	-
IDEA Part B - Formula	3,748,976	4,304,814	3,642,371	3,778,859	3,515,491
IDEA, Part B - Formula - ARP	-	-	-	-	-
National School Breakfast and Lunch Program	12,371,041	15,584,005	13,311,988	10,877,567	11,012,191
SHARS	2,194,482	4,779,673	2,579,298	2,127,418	1,634,964
Title IV, Part A, Subpart 1	529,277	-	-	-	-
USDA Commodities	1,152,337	1,013,479	1,131,030	1,051,725	979,489
Vocational Education - Carl D. Perkins	345,440	331,444	317,990	253,670	-
Other Federal Program Revenue *	1,031,386	1,900,869	4,715,718	736,707	1,070,728
Total Federal Program Revenues	36,637,544	37,855,892	34,007,875	27,173,751	26,322,625
Total Revenues for Governmental Funds	\$ 310,071,614	\$ 293,150,576	\$ 279,105,084	\$ 267,546,463	\$ 266,763,320

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

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

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



Galena Park
Independent School District

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

Table 6

Fiscal Year Ended August 31,	Appraised Value		Less Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate (1)	Actual Value	Assessed Value as a Percentage of Actual Value
	Real Property	Personal Property					
2016	\$ 4,507,635,430	\$ 5,798,150,791	\$ (2,163,524,334)	\$ 8,142,261,887	\$ 2	\$ 10,369,374,842	79%
2017	4,940,676,453	5,278,686,671	(2,057,916,965)	8,161,446,159	1.56330	10,323,739,943	79%
2018	5,353,434,805	5,230,755,233	(2,406,483,054)	8,177,706,984	1.56330	10,681,744,645	77%
2019	5,536,400,083	5,245,830,296	(2,187,855,839)	8,594,374,540	1.56330	10,840,772,505	79%
2020	6,970,608,981	5,245,465,959	(2,408,313,931)	9,807,761,009	1.56330	12,369,311,847	79%
2021	7,394,834,447	5,087,573,836	(2,363,416,414)	10,118,991,869	1.45810	12,652,644,596	80%
2022	7,878,329,368	4,440,248,652	(2,380,208,148)	9,938,369,872	1.46510	12,571,097,154	79%
2023	8,700,968,000	5,586,850,190	(3,075,017,702)	11,212,800,488	1.35418	14,756,927,938	76%
2024	9,641,629,812	6,825,111,477	(4,087,180,799)	12,379,560,490	1.13191	17,127,779,134	72%
2025	9,539,326,664	6,355,799,752	(4,132,620,814)	11,762,505,602	1.17191	16,297,115,039	72%

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

Source: Harris County Appraisal District

The real property numbers were derived by using the tax roll for the necessary year and adding the totals for all items designated as

Note: "real" in the property use category description.

Actual value is the market value as reported by HCAD.

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

Table 7
Page 1 of 2

Taxing Authority	2025	2024	2023	2022	2021
Overlapping Rates:					
Cities:					
Galena Park, City of	\$0.91419	\$0.86363	\$0.83705	\$1.00057	\$0.96426
Houston, City of	0.51919	0.51919	0.53364	0.55083	0.56184
Jacinto City, City of	0.60344	0.59687	0.65588	0.77359	0.77460
Counties:					
Harris Co	0.03853	0.35007	0.34373	0.37693	0.39116
Municipal Utility Districts:					
Harris Co MUD #8	0.29650	0.31000	0.34245	0.37799	0.40100
Harris Co MUD #53	0.24000	0.30000	0.33000	0.40000	0.53000
Harris Co MUD #285	0.54000	0.54000	0.59000	0.64000	0.66000
Water Control and Improvement Districts:					
Harris Co WC&ID #36	0.23580	0.23830	0.26670	0.28590	0.29800
Port of Houston Authority	0.00615	0.00574	0.00799	0.00872	0.00991
Other Governmental Entities:					
Harris Co Dept. of Education	0.47990	0.49000	0.00490	0.00499	0.00499
Harris Co Flood Control District	0.04897	0.03105	0.30550	0.03349	0.03142
Harris Co FWSD #51	0.13000	0.14000	0.20000	0.23000	0.25000
San Jacinto Community College District	0.15487	0.14620	0.15561	0.16797	0.16936
District Direct Rates:					
Maintenance and Operations	0.83760	0.83760	1.04270	1.12510	1.12810
Debt Service	0.33431	0.29431	0.31148	0.34000	0.33000
Total District Direct Rates	\$1.17191	\$1.13191	\$1.35418	\$1.46510	\$1.45810

Source: Harris County Appraisal District

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

Table 7
Page 2 of 2

Taxing Authority	2020	2019	2018	2017	2016
Overlapping Rates:					
Cities:					
Galena Park, City of	\$1.11132	\$1.17339	\$1.03745	\$1.03745	\$1.03745
Houston, City of	0.56792	0.58831	0.58421	0.58642	0.60112
Jacinto City, City of	0.78355	0.78355	0.78355	0.78355	0.78355
Counties:					
Harris Co	0.40713	0.41858	0.41801	0.41656	0.41923
Municipal Utility Districts:					
Harris Co MUD #8	0.43000	0.50000	0.57000	0.58250	0.58250
Harris Co MUD #53	0.55000	0.60000	0.60000	0.66000	0.74000
Harris Co MUD #285	0.69000	0.71000	0.72000	0.74000	0.81000
Water Control and Improvement Districts:					
Harris Co WC&ID #36	0.32000	0.35000	0.35000	0.35000	0.35000
Port of Houston Authority	0.01074	0.01155	0.01256	0.01334	0.01342
Other Governmental Entities:					
Harris Co Dept. of Education	0.00500	0.00519	0.00520	0.00520	0.00542
Harris Co Flood Control District	0.02792	0.02877	0.02831	0.02829	0.02733
Harris Co FWSD #51	0.25000	0.25000	0.25000	0.25700	0.28200
San Jacinto Community College District	0.17817	0.17933	0.18334	0.18238	0.17578
District Direct Rates:					
Maintenance and Operations	1.14170	1.24330	1.24330	1.24330	1.24330
Debt Service	0.33000	0.33000	0.32000	0.32000	0.27010
Total District Direct Rates	\$1.47170	\$1.57330	\$1.56330	\$1.56330	\$1.51340

Source: Harris County Appraisal District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
Table 8
PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS AGO

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Oil tanking Houston Inc	\$ 494,908,883	1	4.21%	\$ 204,542,529	5	2.51%
Houston Fuel Oil	446,906,104	2	3.80%	172,654,939	7	2.12%
Kinder Morgan	400,336,799	3	3.40%	275,463,500	2	3.38%
Magellan Terminal Holdings	298,278,696	4	2.54%	176,046,794	6	2.16%
Oil tanking Houston LP	285,973,236	5	2.43%	148,478,732	8	1.82%
Enterprise Terminalling LLC	253,556,127	6	2.16%			
Targa Midstream	212,157,727	7	1.80%	136,360,226	10	1.67%
Stolt Nielsen Inc	208,864,979	9	1.78%			
Aero Products and Services JV, LLC	204,850,339	8	1.74%			
Chevron Chemical Co	173,392,575	10	1.47%			
Helmerich & Payne				324,334,174	1	3.98%
GE Packaged Power LP				268,661,315	3	3.30%
Epik Terminaling				212,097,137	4	2.60%
Shell Oil Co				138,099,426	9	1.70%
	<u>\$ 2,979,225,465</u>		<u>25.33%</u>	<u>\$ 2,056,738,772</u>		<u>25.24%</u>

Source: District Records

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

Table 9

Fiscal Year Ended August 31,	Total Tax Levy for Fiscal Year (1)	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 122,867,017	\$ 121,009,127	98.49%	\$ 1,915,312	\$ 122,924,439	100.05%
2017	126,984,745	124,665,857	98.17%	974,117	125,639,974	98.94%
2018	126,720,248	124,470,324	98.22%	880,562	125,350,886	98.92%
2019	134,244,571	132,339,933	98.58%	157,522	132,497,455	98.70%
2020	143,206,745	137,481,913	96.00%	2,234,118	139,716,031	97.56%
2021	146,097,035	141,879,906	97.11%	440,449	142,320,355	97.41%
2022	143,394,349	138,833,036	96.82%	1,115,331	139,948,366	97.60%
2023	150,332,903	145,564,162	96.83%	1,823,996	147,388,158	98.04%
2024	138,835,051	135,543,454	97.63%	(833,802)	134,709,653	97.03%
2025	135,646,310	133,233,292	98.22%	-	133,233,292	98.22%

(1) Appraised value less exemptions equal taxable assessed value. The beginning taxable value net of adjustments times the tax rate set by the District's Board of Trustees each fall equals the total net tax.

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

Table 10

Fiscal Year	Governmental Activities					Total Primary Government	Ratio of Debt to Assessed Value (1)	Debt Per Student (2)
	Qualified							
	Schoolhouse and Refunding Bonds	Zone Academy Bonds	Leases	SBITAs				
2016	\$ 236,617,958	\$ 2,111,352	\$ -	\$ -	\$ 238,729,310	3.21%	\$ 10,545	
2017	226,885,674	1,379,833	-	-	228,265,507	2.80%	10,140	
2018	306,325,778	1,034,875	-	-	307,360,653	3.77%	13,490	
2019	389,905,689	689,916	-	-	390,595,605	4.78%	17,290	
2020	376,082,361	344,957	-	-	376,427,318	4.38%	16,888	
2021	466,113,669	-	-	-	466,113,669	4.75%	20,783	
2022	445,459,017	-	-	-	445,459,017	4.40%	20,324	
2023	424,792,486	-	1,004,742	-	425,797,228	3.80%	19,905	
2024	379,507,765	-	1,105,222	1,680,111	382,293,098	3.09%	18,114	
2025	551,077,638	-	561,333	1,443,691	553,082,662	4.70%	26,511	

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

(1) See Table 6 for assessed value information.

(2) See Table 17 for student enrollment information.

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

Table 11

Fiscal Year	Schoolhouse and Refunding Bonds Outstanding	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Net Bonded Debt per Student (2)
2016	\$ 236,617,958	\$ 4,024,630	\$ 232,593,328	2.86%	\$ 10,332
2017	226,885,674	7,539,501	219,346,173	2.69%	9,627
2018	306,325,778	8,430,836	297,894,942	3.64%	13,186
2019	389,905,689	11,195,980	378,709,709	4.41%	16,991
2020	376,082,361	10,442,380	365,639,981	3.73%	16,303
2021	466,113,669	9,888,037	456,225,632	4.51%	20,815
2022	445,459,017	6,021,294	439,437,723	4.42%	20,505
2023	424,792,486	2,523,142	422,269,344	3.77%	19,740
2024	379,507,765	2,864,615	376,643,150	3.04%	17,846
2025	551,077,638	8,142,322	542,935,316	4.62%	26,025

(1) See Table 6 for assessed value information.

(2) See Table 17 for student enrollment.



Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT
For the Year Ended August 31, 2025

Table 12

Governmental Unit	Net Debt		Percentage	Amount of
	Amount	As Of	Overlapping	Overlapping Debt
Cities:				
Galena Park	\$ 3,115,000	08/31/25	100.00%	\$ 3,115,000
Houston	3,438,180,000	08/31/25	0.38%	13,065,084
Jacinto City	-	08/31/25	37.12%	-
Counties:				
Harris	2,358,264,736	08/31/25	1.38%	32,544,053
Municipal Utility Districts:				
Harris Co. MUD 8	445,000	08/31/25	100.00%	445,000
Harris Co. MUD 53	-	08/31/25	21.37%	-
Harris Co. MUD 285	57,305,000	08/31/25	57.73%	33,082,177
Harris Co. MUD 421	30,875,000	08/31/25	56.24%	17,364,100
Water Control and Improvement Districts				
Harris Co. WC&ID 36	10,500,000	08/31/25	99.65%	10,463,250
Port of Houston Authority	406,509,397	08/31/25	1.38%	5,609,830
Other Governmental Entities:				
Harris County Department of Education	28,960,000	08/31/25	1.38%	399,648
Harris County Flood Control District	963,805,000	08/31/25	1.38%	13,300,509
Harris Co. FWSD 47	2,450,000	08/31/25	17.43%	427,035
Harris Co. FWSD 51	7,160,000	08/31/25	100.00%	7,160,000
Harris County Hospital District	867,820,000	08/31/25	1.38%	11,975,916
Harris County Improvement Department	6,790,000	08/31/25	64.33%	4,368,007
San Jacinto Community College District	505,569,308	08/31/25	15.05%	76,088,181
Subtotal, Overlapping Debt				229,407,790
Galena Park Independent School District Direct Debt				553,082,662
Total Direct and Overlapping Debt				\$ 782,490,452

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

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments

that is borne by the residents and businesses of the Galena Park Independent School District. This process

recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for paying the debt, of each overlapping government.

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

Table 13
Page 1 of 2

	2025	2024	2023	2022	2021
Debt Limit	\$ 1,589,512,642	\$ 1,646,674,129	\$ 1,428,781,819	\$ 1,231,857,802	\$ 1,248,240,828
Less: Total Net Debt Applicable to Limit	542,476,038	376,128,622	400,883,389	421,223,088	438,827,388
Legal Debt Margin	\$ 1,047,036,604	\$ 1,270,545,507	\$ 1,027,898,430	\$ 810,634,714	\$ 809,413,440
Total Net Debt Applicable to the Limit					
As a Percentage of Debt Limit	34.13%	22.84%	28.06%	34.19%	35.16%

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed Taxable Value	\$ 11,762,505,602
Add back:	
Exempt Real Property	4,132,620,814
Total Assessed Value	\$ 15,895,126,416
Debt Limit (10% of total assessed value)	\$ 1,589,512,642
Debt Applicable to Limit:	
Schoolhouse and Refunding Bonds	550,618,360
Less: Amount set aside for repayment of bonds	(8,142,322)
Total Net Debt Applicable to Limit	542,476,038
Legal Debt Margin	\$ 1,047,036,604

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

Source: Harris County Appraisal District.

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

Table 13
Page 2 of 2

	2020	2019	2018	2017	2016
Debt Limit	\$ 1,221,607,494	\$ 1,072,053,056	\$ 1,058,419,004	\$ 1,021,936,312	\$ 1,030,578,622
Less: Total Net Debt Applicable to Limit	454,849,426	364,311,123	377,143,291	237,832,528	161,102,136
Legal Debt Margin	\$ 766,758,068	\$ 707,741,933	\$ 681,275,713	\$ 784,103,784	\$ 869,476,486
Total Net Debt Applicable to the Limit					
As a Percentage of Debt Limit	37.23%	33.98%	35.63%	23.27%	15.63%

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

Source: Harris County Appraisal District.

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

Table 14

Fiscal Year	Residential Units (1)	Total	Average	Median Annual Income (2)	Per Capita Personal Income (2)	Unemployment Rate (2)
		Assessed Value per Residential Unit (1)	Assessed Value per Residential Unit (1)			
2016	20,911	\$ 1,210,395,703	\$ 57,883	\$ 51,831	\$ 236,747,445	5.8%
2017	21,000	1,371,699,481	65,319	52,874	255,361,808	5.2%
2018	21,123	1,490,080,386	70,543	53,815	274,514,924	4.4%
2019	21,240	1,592,091,619	74,957	54,294	284,905,380	3.9%
2020	21,275	1,855,452,355	87,213	54,294	291,723,832	8.5%
2021	21,284	2,066,108,071	97,073	55,951	311,430,719	6.1%
2022	21,341	2,321,575,872	108,785	57,788	Not Available	4.7%
2023	21,383	2,577,495,087	120,539	45,610	Not Available	4.9%
2024	21,461	2,372,934,072	110,570	46,958	Not Available	4.1%
2025	21,540	2,401,156,546	111,474	48,492	Not Available	4.1%

(1) Harris County Appraisal District

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

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

GALENA PARK INDEPENDENT SCHOOL DISTRICT
Table 15
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2025			2016		
	Employees	Rank	Percentage of Principal Employers	Employees	Rank	Percentage of Principal Employers
Galena Park Independent School District	3,231	1	45%	2,940	1	31%
Shell Oil Products	840	2	12%	190	6	2%
Walmart	700	3	10%	750	3	8%
San Jacinto College North	666	4	9%			-
Commissioner Adrian Garcia	400	5	6%			-
Chevron (Pasadena Plastics Plant)	367	6	5%	400	4	4%
Stolt-Nielson	394	7	5%			-
Sams Club @ East Freeway	203	8	3%	200	5	2%
United States Gypsum Co	200	9	3%			-
Home Depot	197	10	2%	175	7	2%
East Houston Regional Hospital			-	4,611	2	48%
Lowes			-	140	8	1%
Academy			-	103	9	1%
National Oilwell Varco			-	95	10	1%
	<u>7,198</u>		<u>100%</u>	<u>9,604</u>		<u>100%</u>

Source: District records or managerial contact for referenced Employer.



Galena Park
Independent School District

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

Table 16

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Professional Staff										
Teachers	1,391	1,396	1,425	1,397	1,404	1,375	1,359	1,409	1,401	1,410
Professional Support	390	406	419	405	397	384	412	370	393	401
Campus Administration	88	88	88	89	89	88	87	78	78	80
Central Administration	53	53	55	56	59	62	54	52	57	51
Education Aides	328	313	300	253	231	271	250	239	245	204
Auxiliary Staff	<u>981</u>	<u>1,013</u>	<u>1,026</u>	<u>1,016</u>	<u>1,045</u>	<u>1,075</u>	<u>1,057</u>	<u>1,044</u>	<u>980</u>	<u>794</u>
Total	<u>3,231</u>	<u>3,269</u>	<u>3,313</u>	<u>3,216</u>	<u>3,225</u>	<u>3,255</u>	<u>3,219</u>	<u>3,192</u>	<u>3,154</u>	<u>2,940</u>

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

GALENA PARK INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Table 17
Page 1 of 2

Fiscal Year August 31,	Average Daily Attendance	Governmental Funds		Government-wide	
		Operating Expenditures (1)	Cost Per Student	Governmental Activities Expenses	Cost Per Student
2016	21,002	\$ 223,536,308	\$10,644	\$ 241,031,451	\$11,477
2017	21,185	230,893,394	10,934	260,630,662	12,303
2018	20,899	241,063,898	11,535	204,436,023	9,782
2019	20,773	243,570,461	11,725	300,075,713	14,445
2020	20,203	261,120,139	12,925	304,521,400	15,073
2021	20,696	276,928,350	13,381	314,761,392	15,209
2022	19,295	289,360,045	14,997	301,109,441	15,606
2023	19,329	315,885,988	16,888	324,564,657	16,792
2024	19,323	310,345,129	16,061	289,496,051	14,982
2025	18,958	294,169,498	15,517	316,527,385	16,696

Source: District Records

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

GALENA PARK INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Table 17
Page 2 of 2

Fiscal Year August 31,	District Employees				Final Enrollment	Percentage Change in Enrollment	Student/ Teacher Ratio	Students
	Teachers	Professionals	Other	Total				Participating in Free/Reduced Lunch Program
2016	1,410	401	1,129	2,940	22,511	-0.57%	16	17,919
2017	1,401	393	1,359	3,153	22,784	1.21%	16	18,263
2018	1,409	370	1,444	3,223	22,591	-0.85%	16	17,964
2019	1,359	412	1,448	3,219	22,289	-1.34%	16	11,754
2020	1,375	384	1,496	3,255	22,428	0.62%	16	11,922
2021	1,404	397	1,423	3,224	21,918	-1.66%	16	12,888
2022	1,397	405	1,415	3,217	21,431	-2.22%	15	13,301
2023	1,425	419	1,469	3,313	21,392	-4.02%	15	13,795
2024	1,396	406	1,467	3,269	21,105	-1.34%	15	13,795
2025	1,391	390	1,450	3,231	20,862	-1.15%	15	11,782

Source: District Records

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



Galena Park
Independent School District

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

Table 18

Fiscal Year	Minimum Salary (1)	Maximum Salary (1)	Statewide Average (2)
2016	\$ 51,000	\$ 74,500	\$ 51,891
2017	52,500	75,250	52,525
2018	54,000	76,700	53,334
2019	55,000	79,320	54,122
2020	58,000	79,320	57,091
2021	59,000	79,845	57,641
2022	60,850	81,470	58,887
2023	62,750	83,145	60,717
2024	64,450	84,620	62,474
2025	65,500	76,950	62,474

(1) Source: District Records

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

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

Table 19

Page 1 of 10

Building:	Year Built	2025	2024	2023	2022	2021
HIGH SCHOOLS						
Galena Park	1950					
Square Footage		295,556	295,556	277,914	277,914	277,914
Additions (see note #8)		95,789	-	17,642	-	-
Revised Sq Ft		391,345	295,556	295,556	277,914	277,914
Capacity (see note #1)		2,919	2,289	2,289	1,869	1,869
Enrollment		1,815	1,903	1,914	1,872	1,876
North Shore West	1954					
Square Footage		390,876	390,876	390,876	390,876	390,876
Capacity (see note #1)		1,378	1,378	1,378	1,378	1,678
Enrollment		1,119	1,130	1,166	1,078	1,100
North Shore East (see note #3)	1956					
Square Footage		120,555	120,555	120,555	120,555	120,555
Capacity (see note #1)		1,134	1,134	1,134	1,134	1,134
Enrollment (see note #2)		N/A	N/A	N/A	N/A	N/A
North Shore Senior High - 10th Grade	2018					
Square Footage (see note #4)		125,020	125,020	125,020	125,020	125,020
Capacity (see note #1)		1,200	1,200	1,200	1,200	1,200
Enrollment		1,081	1,169	1,109	1,107	1,167
North Shore Senior High	1998					
Square Footage		492,913	492,913	492,913	492,913	492,913
Capacity (see note #1)		3,384	3,384	3,384	3,384	3,384
Enrollment		2,169	2,319	2,294	2,343	2,335
Sub-Total Sq Ft. High Schools		1,520,709	1,424,920	1,407,278	1,407,278	1,407,278
MIDDLE SCHOOLS						
Galena Park	1993					
Square Footage		149,394	149,394	149,394	149,394	149,394
Capacity (see note #1)		1,106	1,106	1,106	1,106	1,106
Enrollment		896	906	943	985	1,081
North Shore	1993					
Square Footage		216,836	216,836	216,836	216,836	216,836
Capacity (see note #1)		1,449	1,449	1,449	1,449	1,449
Enrollment		1,299	1,264	1,260	1,337	1,380

Source: District Records

Note #1: Capacity does not include temporary buildings

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

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

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

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

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

Note #7: New campus construction completed in January 2024, open for the 2023-24 school year.

Note #8: New campus construction (Phase I) open for the 2022-23 school year. New campus construction (Phase II) completed in July 2024, open for the 2024-25 school year.

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

Table 19
Page 2 of 10

Building:	Year Built	2020	2019	2018	2017	2016
HIGH SCHOOLS						
Galena Park	1950					
Square Footage		277,914	277,914	277,914	277,914	277,914
Additions (see note #8)		-	-	-	-	-
Revised Sq Ft		<u>277,914</u>	<u>277,914</u>	<u>277,914</u>	<u>277,914</u>	<u>277,914</u>
Capacity (see note #1)		1,869	1,869	1,869	1,869	1,869
Enrollment		1,813	1,843	2,016	2,051	2,062
North Shore West	1954					
Square Footage		390,876	390,876	390,876	390,876	390,876
Capacity (see note #1)		1,678	1,678	1,678	1,678	1,678
Enrollment		1,151	1,162	1,192	1,251	1,185
North Shore East (see note #3)	1956					
Square Footage		120,555	120,555	120,555	120,555	120,555
Capacity (see note #1)		1,134	1,134	1,134	1,134	1,134
Enrollment (see note #2)		N/A	N/A	N/A	N/A	N/A
North Shore Senior High - 10th Grade	2018					
Square Footage (see note #4)		125,020	125,020	-	-	-
Capacity (see note #1)		1,200	1,200	-	-	-
Enrollment		1,173	1,116	-	-	-
North Shore Senior High	1998					
Square Footage		492,913	492,913	492,913	492,913	492,913
Capacity (see note #1)		3,384	3,384	3,384	3,384	3,384
Enrollment		<u>2,228</u>	<u>2,259</u>	<u>3,586</u>	<u>3,590</u>	<u>3,373</u>
Sub-Total Sq Ft. High Schools		<u>1,407,278</u>	<u>1,407,278</u>	<u>1,282,258</u>	<u>1,282,258</u>	<u>1,282,258</u>
MIDDLE SCHOOLS						
Galena Park	1993					
Square Footage		149,394	149,394	149,394	149,394	149,394
Capacity (see note #1)		1,106	1,106	1,106	1,106	1,106
Enrollment		1,104	1,064	1,013	1,024	999
North Shore	1993					
Square Footage		216,836	216,836	216,836	216,836	216,836
Capacity (see note #1)		1,449	1,449	1,449	1,449	1,449
Enrollment		1,351	1,380	1,406	1,398	1,396

Source: District Records

Note #1: Capacity does not include temporary buildings

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

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

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

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Note #7: New campus construction completed in January 2024, open for the 2023-24 school year.

Note #8: New campus construction (Phase I) open for the 2022-23 school year. New campus construction (Phase II) completed in July 2024, open for the 2024-25 school year.

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

Table 19
Page 3 of 10

Building:	Year Built	2025	2024	2023	2022	2021
MIDDLE SCHOOLS (continued)						
Woodland Acres	1947					
Square Footage		97,086	97,086	97,086	97,086	97,086
Capacity (see note #1)		659	659	659	659	659
Enrollment		570	585	603	570	569
Cunningham	1981					
Square Footage		167,234	167,234	167,234	167,234	167,234
Capacity (see note #1)		1,123	1,123	1,123	1,123	1,123
Enrollment		802	981	928	986	977
Cobb 6th Grade Campus	2000					
Square Footage		130,893	130,893	130,893	130,893	130,893
Capacity (see note #1)		1,240	1,240	1,240	1,240	1,240
Enrollment		991	981	1,030	1,016	1,153
Sub-Total Sq Ft. Middle Schools		761,443	761,443	761,443	761,443	761,443
ELEMENTARY SCHOOLS						
Cimarron	1954					
Square Footage		90,123	90,123	90,123	90,123	90,123
Capacity (see note #1)		1,034	1,034	1,034	1,034	1,034
Enrollment		669	644	677	684	724
Cloverleaf	2019					
Square Footage (see note #5)		114,450	114,450	114,450	114,450	114,450
Capacity (see note #1)		968	968	968	968	968
Enrollment		821	824	803	766	769
Galena Park	2018					
Square Footage (see note #4)		91,901	91,901	91,901	91,901	91,901
Capacity (see note #1)		700	700	700	700	700
Enrollment		588	602	597	574	574

Source: District Records

Note #1: Capacity does not include temporary buildings

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Note #7: New campus construction completed in January 2024, open for the 2023-24 school year.

Note #8: New campus construction (Phase I) open for the 2022-23 school year. New campus construction (Phase II) completed in July 2024, open for the 2024-25 school year.

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

Table 19
Page 4 of 10

Building:	Year Built	2020	2019	2018	2017	2016
MIDDLE SCHOOLS (continued)						
Woodland Acres	1947					
Square Footage		97,086	97,086	97,086	97,086	97,086
Capacity (see note #1)		659	659	659	659	659
Enrollment		546	514	534	542	523
Cunningham	1981					
Square Footage		167,234	167,234	167,234	167,234	167,234
Capacity (see note #1)		1,123	1,123	1,123	1,123	1,123
Enrollment		986	962	988	1,015	958
Cobb 6th Grade Campus	2000					
Square Footage		130,893	130,893	130,893	130,893	130,893
Capacity (see note #1)		1,240	1,240	1,240	1,240	1,240
Enrollment		1,253	1,155	1,142	1,168	1,167
Sub-Total Sq Ft. Middle Schools		761,443	761,443	761,443	761,443	761,443
ELEMENTARY SCHOOLS						
Cimarron	1954					
Square Footage		90,123	90,123	90,123	90,123	90,123
Capacity (see note #1)		1,034	1,034	1,034	1,034	1,034
Enrollment		745	735	749	780	799
Cloverleaf	2019					
Square Footage (see note #5)		114,450	89,346	89,346	89,346	89,346
Capacity (see note #1)		968	1,048	1,048	1,048	1,048
Enrollment		810	772	836	805	831
Galena Park	2018					
Square Footage (see note #4)		91,901	91,901	79,396	79,396	79,396
Capacity (see note #1)		700	700	700	700	700
Enrollment		582	602	603	622	644

Source: District Records

Note #1: Capacity does not include temporary buildings

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Note #8: New campus construction (Phase I) open for the 2022-23 school year. New campus construction (Phase II) completed in July 2024, open for the 2024-25 school year.

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

Table 19
Page 5 of 10

Building:	Year Built	2025	2024	2023	2022	2021
ELEMENTARY SCHOOLS (continued)						
Green Valley	1958					
Square Footage		96,041	96,041	96,041	96,041	96,041
Capacity (see note #1)		988	988	988	988	988
Enrollment		565	591	598	636	619
Jacinto City	2021					
Square Footage (see note #6)		119,712	119,712	119,712	119,712	119,712
Capacity (see note #1)		980	980	980	980	980
Enrollment		689	690	714	697	685
MacArthur	1951					
Square Footage		88,864	88,864	88,864	88,864	88,864
Capacity (see note #1)		790	790	790	790	790
Enrollment		556	583	614	622	631
North Shore	2018					
Square Footage (see note #4)		135,598	135,598	135,598	135,598	135,598
Capacity (see note #1)		1,010	1,010	1,010	1,010	1,010
Enrollment		965	891	951	1,008	969
Pyburn	2024					
Square Footage (see note #7)		104,473	104,473	73,654	73,654	73,654
Capacity (see note #1)		750	750	720	720	720
Enrollment		454	461	461	479	554
Woodland Acres	2018					
Square Footage (see note #4)		80,497	80,497	80,497	80,497	80,497
Capacity (see note #1)		500	500	500	500	500
Enrollment		458	440	443	445	468

Source: District Records

Note #1: Capacity does not include temporary buildings

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

Table 19
Page 6 of 10

Building:	Year Built	2020	2019	2018	2017	2016
ELEMENTARY SCHOOLS (continued)						
Green Valley	1958					
Square Footage		96,041	96,041	96,041	96,041	96,041
Capacity (see note #1)		988	988	988	988	988
Enrollment		689	677	763	780	806
Jacinto City	1943					
Square Footage (see note #6)		95,554	95,554	95,554	95,554	95,554
Capacity (see note #1)		864	864	864	864	864
Enrollment		700	721	784	791	827
MacArthur	1951					
Square Footage		88,864	88,864	88,864	88,864	88,864
Capacity (see note #1)		790	790	790	790	790
Enrollment		672	708	768	711	707
North Shore	2018					
Square Footage (see note #4)		135,598	135,598	88,789	88,789	88,789
Capacity (see note #1)		1,010	1,010	920	920	920
Enrollment		1,002	992	969	995	987
Pyburn	2024					
Square Footage (see note #7)		73,654	73,654	73,654	73,654	73,654
Capacity (see note #1)		720	720	720	720	720
Enrollment		594	599	653	642	649
Woodland Acres	2018					
Square Footage (see note #4)		80,497	80,497	62,010	62,010	62,010
Capacity (see note #1)		500	500	499	499	499
Enrollment		459	481	469	459	438

Source: District Records

Note #1: Capacity does not include temporary buildings

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

Table 19
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Building:	Year Built	2025	2024	2023	2022	2021
ELEMENTARY SCHOOLS (continued)						
Tice	1981					
Square Footage		80,680	80,680	80,680	80,680	80,680
Capacity (see note #1)		792	792	792	792	792
Enrollment		669	679	668	655	716
Purple Sage	1990					
Square Footage		92,795	92,795	92,795	92,795	92,795
Capacity (see note #1)		747	747	747	747	747
Enrollment		428	455	451	544	559
Havard	2000					
Square Footage		102,713	102,713	102,713	102,713	102,713
Capacity (see note #1)		890	890	890	890	890
Enrollment		694	704	664	607	652
Normandy Crossing	2004					
Square Footage		106,800	106,800	106,800	106,800	106,800
Capacity (see note #1)		777	777	777	777	777
Enrollment		596	618	660	607	656
Shirley J Williamson	2003					
Square Footage		105,000	105,000	105,000	105,000	105,000
Capacity (see note #1)		797	797	797	797	797
Enrollment		621	641	661	659	685
Sam Houston	2007					
Square Footage		105,000	105,000	105,000	105,000	105,000
Capacity (see note #1)		880	880	880	880	880
Enrollment		703	740	708	737	803
Sub-Total Sq Ft. Elementary Schools		1,514,647	1,514,647	1,483,828	1,483,828	1,483,828

Source: District Records

Note #1: Capacity does not include temporary buildings

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

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

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

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Note #8: New campus construction (Phase I) open for the 2022-23 school year. New campus construction (Phase II) completed in July 2024, open for the 2024-25 school year.

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

Table 19
Page 8 of 10

Building:	Year Built	2020	2019	2018	2017	2016
ELEMENTARY SCHOOLS (continued)						
Tice	1981					
Square Footage		80,680	80,680	80,680	80,680	80,680
Capacity (see note #1)		792	792	792	792	792
Enrollment		680	690	714	700	690
Purple Sage	1990					
Square Footage		92,795	92,795	92,795	92,795	92,795
Capacity (see note #1)		747	747	747	747	747
Enrollment		528	548	596	568	560
Havard	2000					
Square Footage		102,713	102,713	102,713	102,713	102,713
Capacity (see note #1)		890	890	890	890	890
Enrollment		711	690	700	682	696
Normandy Crossing	2004					
Square Footage		106,800	106,800	106,800	106,800	106,800
Capacity (see note #1)		777	777	777	777	777
Enrollment		632	664	668	643	630
Shirley J Williamson	2003					
Square Footage		105,000	105,000	105,000	105,000	105,000
Capacity (see note #1)		797	797	797	797	797
Enrollment		680	688	628	641	621
Sam Houston	2007					
Square Footage		105,000	105,000	105,000	105,000	105,000
Capacity (see note #1)		880	880	880	880	880
Enrollment		826	837	854	869	848
Sub-Total Sq Ft. Elementary Schools		1,459,670	1,434,566	1,356,765	1,356,765	1,356,765

Source: District Records

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

Table 19
Page 9 of 10

Building:	Year Built	2025	2024	2023	2022	2021
OTHER CAMPUSES						
Becker Early Head Start						
Square Footage		9,295	9,295	9,295	9,295	9,295
Capacity		64	64	64	64	64
Enrollment		64	64	64	64	64
PEP Center	2007					
Square Footage		9,651	9,651	9,651	9,651	9,651
Capacity		48	48	48	48	48
Enrollment		58	55	54	43	48
Childcare Center	2019					
Square Footage		23,147	23,147	23,147	23,147	23,147
Capacity		238	238	238	238	238
Enrollment		102	115	99	115	70
Sub-Total Sq Ft. Other Campuses		42,093	42,093	42,093	42,093	42,093
OTHER FACILITIES						
ACT Clinic	2008					
Square Footage		3,100	3,100	3,100	3,100	3,100
Administration Building	2001					
Square Footage		81,000	81,000	81,000	81,000	81,000
Facilities & Planning/Warehouse						
Square Footage		18,456	18,456	18,456	18,456	18,456
Grounds Maintenance Dept.						
Square Footage		5,670	5,670	5,670	5,670	5,670
FFA Agricultural Facility	2002					
Square Footage		28,880	28,880	28,880	28,880	28,880
South Annex	1944					
Square Footage		5,603	5,603	5,603	5,603	5,603
Maintenance Facility	1950					
Square Footage		22,154	22,154	22,154	22,154	22,154
Stadium/Natatorium	2002					
Square Footage		44,519	44,519	44,519	44,519	44,519
Transportation Department	2001					
Square Footage		17,700	17,700	17,700	17,700	17,700
Athletics Office	2002					
Square Footage		10,669	10,669	10,669	10,669	10,669
North Annex						
Square Footage		2,250	2,250	2,250	2,250	2,250
Sub-Total Sq Ft. Other Facilities		240,001	240,001	240,001	240,001	240,001
GRAND TOTAL		4,078,893	3,983,104	3,934,643	3,934,643	3,934,643

Source: District Records

Note #1: Capacity does not include temporary buildings

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

Table 19
Page 10 of 10

Building:	Year Built	2020	2019	2018	2017	2016
OTHER CAMPUSES						
Becker Early Head Start	1978					
Square Footage		9,295	9,295	9,295	9,295	9,295
Capacity		64	64	64	64	64
Enrollment		64	64	64	64	64
PEP Center	2007					
Square Footage		9,651	9,651	9,651	9,651	9,651
Capacity		48	48	48	48	48
Enrollment		48	48	48	48	48
Childcare Center	2019					
Square Footage		-	-	-	-	-
Capacity		-	-	-	-	-
Enrollment		-	-	-	-	-
Sub-Total Sq Ft. Other Campuses		18,946	18,946	18,946	18,946	18,946
OTHER FACILITIES						
ACT Clinic	2008					
Square Footage		3,100	3,100	3,100	3,100	3,100
Administration Building	2001					
Square Footage		81,000	81,000	81,000	81,000	81,000
Facilities & Planning/Warehouse	1955					
Square Footage		18,456	18,456	18,456	18,456	18,456
Grounds Maintenance Dept.						
Square Footage		5,670	5,670	5,670	5,670	5,670
FFA Agricultural Facility	2002					
Square Footage		28,880	28,880	28,880	28,880	28,880
South Annex	1944					
Square Footage		5,603	5,603	5,603	5,603	5,603
Maintenance Facility	1950					
Square Footage		22,154	22,154	22,154	22,154	22,154
Stadium/Natatorium	2002					
Square Footage		44,519	44,519	44,519	44,519	44,519
Transportation Department	2001					
Square Footage		17,700	17,700	17,700	17,700	17,700
Athletics Office	2002					
Square Footage		10,669	10,669	10,669	10,669	10,669
North Annex						
Square Footage		2,250	2,250	2,250	2,250	2,250
Sub-Total Sq Ft. Other Facilities		240,001	240,001	240,001	240,001	240,001
GRAND TOTAL		3,911,496	3,862,234	3,659,413	3,659,413	3,659,413

Source: District Records

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Galena Park
Independent School District

GALENA PARK INDEPENDENT SCHOOL DISTRICT
REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
For the Year Ended August 31, 2025

Schedule L-1

SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	
	(If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments.) Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued.	
	Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?	Yes
SF8	Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end.	\$59,921,469

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



Galena Park
Independent School District