

GREENEVILLE CITY BOARD OF EDUCATION

AGENDA

Date of Meeting: February 24, 2026

Time: 5:30 PM

Location: Greeneville Career & Technical Academy

{{Name: Agenda Item Name}} {{AnticipatedTime: Agenda Item Time}}

- I. **Call to Order**
- II. **Pledge to the Flag**
- III. **Recognition of Visitors**
- IV. **TSBA Candidate Recommendation Presentation** (15 Minutes)
- V. **Special Recognition** (10 minutes)
ACT 30+
 - Exemplary District
 - Reward Schools, Level 5 TVASS, & Triple Crown
 - GHS Cross Country
 - Mr. Football Nominees & Finalists
- VI. **Public Comment Period** (20 Minutes)
- VII. **School Report** (10 minutes)
School Report - GCTA
- VIII. **Conflict of Interest Statement** (5 Minutes)

Chair to Board Members:

1. "If you have any relative who is employed by the Board of Education, meaning a spouse, parent, parent-in-law, child, son-in-law, daughter-in-law, grandparent, grandchild, brother, sister, uncle, aunt, nephew, niece, or any person who resides in the same household as you, please acknowledge the same at this time by raising your hand."

Chair to Board Members:

2. "To those board members who just raised their hands, do you hereby certify that any and all votes you will cast during this meeting are in the best interest of the school system? If so, please say, 'Aye.'"

Chair to Board Secretary:

3. "Please reflect within the minutes that possible conflicts were acknowledged, with board members present confirming their intent to act in the best interest of the school system."

IX. **Approval of Agenda** (5 Minutes)

X. **Consent Agenda** (5 minutes)

- A. Consideration of Approving Minutes of February 5, 2026, Board Meeting
- B. Consideration of Accepting Personnel Report
- C. Consideration of Approving Board Policy Revisions (2nd Reading)
- D. Consideration of Approving Board Policy Revisions - No Changes (1st Reading)
- E. Consideration of Approving School Trip Request
- F. Consideration of Approving Disposal of Surplus
- G. Consideration of Approving Disposal of Surplus under \$500.00

XI. **Action Items**

- A. Consideration of Approving Year 2025-2026 Tenure Candidates (5 Minutes)
- B. Consideration of Approving 2027-2028 District/School Calendar (5 Minutes)
- C. Consideration of Approving Board Policy Revisions - 1st Reading (5 minutes)
- D. Consideration of Approving Purchasing Student Devices for GHS (5 Minutes)
- E. Consideration of Approving MOU Between Greeneville City Schools and The Town of Greeneville Maintenance-School Facilities (5 Minutes)
- F. Consideration of Approving Tuition Rates for the 2026-2027 School Year (5 Minutes)

- G. Consideration of Accepting January 2026 Financial Statements (5 minutes)
- H. Consideration of Approving the 2025 Audited Financial Statements (10 minutes)
- I. Consideration of Approving TSBA Recommendation of Candidates to Interview for the Director of Schools Position (15 Minutes)
- J. Consideration of Adding Additional Candidates to Interview for Director of Schools Position (15 Minutes)
- K. Consideration of Approving Interview Timeline for Director of Schools Position (5 minutes)
- XII. **Director's Report** (5 minutes)
- XIII. **Legislative Update** (5 Minutes)
- XIV. **Adjournment**

School Report

Greeneville City Schools Board of Education
February 24, 2026



The logo of Greeneville Career & Technical Academy is a circular emblem. It features a central trident symbol with a vertical shaft and three prongs. The top prong is a simple arrowhead, while the two side prongs are more complex, resembling stylized leaves or blades. The shaft has a series of horizontal lines near the base. The emblem is set against a light green background within a circular border. The words "GREENEVILLE" are written in white, uppercase letters along the top arc of the border, and "CAREER & TECHNICAL ACADEMY" is written along the bottom arc.

Happy CTE Month!

Student Voices: CTE impact

The logo for Greeneville High School Career & Technical Academy is a circular emblem. It features a central shield with three upward-pointing arrows. The shield is set against a background of a stylized tree. The text "GREENEVILLE" is arched across the top, and "CAREER & TECHNICAL ACADEMY" is arched across the bottom.

Health Science: “It helped me get ready for future classes and learn the medical terms I’ll need.”

Nursing Services “It’s guiding me toward nursing or another medical path.”

Cosmetology “This class made a huge difference to me because it is very professional and interesting.”

Automotive Maintenance & Light Repair “I can now work on my vehicle more professionally instead of going in with no knowledge.”

Electrical Systems “It has taught me important electrical skills and continues to make me better at them.”

Engineering “I’ve learned how to make things work even without the perfect tools or parts.”

Career Exploration “My CTE classes helped me realize what I want to do in the future.”

Career & Technical Education

Greeneville City Schools will:

- ✓ **Empower Graduates to Own Their Future:** Ensure every student leaves high school confident, capable, and prepared to take charge of their next steps.
- ✓ **Transform the Career & Technical Education Experience:** Create a learning environment where every student can pursue a meaningful, rewarding, and self-directed future.
- ✓ **Develop Future-Ready Learners:** Equip students with the knowledge, skills, and mindsets needed to thrive in a rapidly evolving economy.
- ✓ **Strengthen Career Pathways:** Provide clear, aligned routes to postsecondary education, industry credentials, and high-demand careers.
- ✓ **Deliver Hands-On, Real-World Learning:** Engage students in authentic career experiences that build practical skills and spark purpose.



Career & Technical Education

18 Programs of Study

Accounting

Audio/Visual Production

BioSTEM

Business Management

Coding

Cosmetology

Culinary Arts

Cybersecurity

Engineering

Entrepreneurship

Industrial Maintenance-Electrical

JROTC

Machine Technology

Marketing Management

MLR-Automotive

Nursing Services

Robotics & Technology

Welding



What's New

New Name, New Branding

- ✓ Program of Study Info Sheets (Folder)
- ✓ [District CTE Webpage](#)

GHS & GCTA: Pathway Opportunities = Location of Services

Expanded Work-Based Learning Opportunities & Partnerships



2025-2026 Data

ASVAB

- ✓ 45 Completed Exams as of 2/20/2026
- ✓ 26 with a 31 or higher (CCR Qualified)

SkillsUSA

- ✓ 52 Members
- ✓ SkillsUSA State Competitions in March



Dual Enrollment

Northeast State Community College (Local Dual Credit)

- ✓ **22 Students Passed Exams** (College Credit)
- ✓ Medical, Business, Automotive, Electrical, Machine Tool Technology
- ✓ Spring 2026 LDC Test - April

TCAT-Morristown

- ✓ 93 Student Enrollments in Fall 2025 & Spring 2026
- ✓ Fall 2025: **2842 Contact Hours** Earned
- ✓ TCAT Estimates for 2025-2026 – **4590 Contact Hours** Total Earned
- ✓ MLR Automotive, Cosmetology, Electrical, Machine Tool, Welding, Nursing



Industry Certifications

- ✓ 100 Exams Passed Fall Semester
- ✓ Adobe, Snap-On PMI, ASE, Microsoft Office, Barbicide, Snap-On Meter NC3, NIMS, HAAS Basic Mill Operator, HAAS Lathe Operator, CPR/AED, Employability Skills
- ✓ Additional Industry Credentials in Spring 2026
- ✓ Industry Certification Pins (See Folder)



Work-Based Learning/ Career Internship Opportunities

- ✓ Fall 2025
 - ✓ 58 Sections of WBL
 - ✓ 38 Students
 - ✓ 22 Paid Internships

- ✓ Spring 2026
 - ✓ 81 Sections of WBL
 - ✓ 61 Students
 - ✓ 36 Paid Internships



Work-Based Learning/ Career Internship Partners

- ✓ United Way
- ✓ Humane Society
- ✓ Greene Media
- ✓ Corley's Pharmacy
- ✓ Mecos
- ✓ Chick-Fil-A
- ✓ YMCA
- ✓ Ballad Health
- ✓ Farm Bureau
- ✓ Benchmark Physical Therapy
- ✓ Ingles
- ✓ Link Hills Country Club
- ✓ Clyde H Austin 4H Center
- ✓ Rocky Top Printing
- ✓ Greeneville Fire Department
- ✓ Pizza Hut
- ✓ Journey's Physical Therapy
- ✓ Collins, Shipley, Blair, and Wright
- ✓ Jessee Law Firm
- ✓ Cornerstone Wealth
- ✓ Greene County Jail
- ✓ Greeneville City Schools
- ✓ Butcher Block
- ✓ Voelker (Jost)
- ✓ Marsh Propane
- ✓ Trinity Methodist Church
- ✓ G & C on the Stax
- ✓ Angeez Catering
- ✓ Azalea Orthodontics
- ✓ Catalyst
- ✓ Rocky Top Veterinary

31 Total Partners for 2025-2026





Questions?



Career & Technical Education

Education & Industry Partnership Team



Dr. Joshua Davis

CTE Director

davisj@gcschools.net



Teresa Clarkson

Career Counselor

clarkson@gcschools.net



Dan Hammonds

WBL Coordinator

hammondsd@gcschools.net

OFFICIAL MINUTES OF THE GREENVILLE CITY BOARD OF EDUCATION

Thursday, February 5, 2026

The Greenville City Board of Education met in Regular session on Thursday, February 5, 2026, at the Professional Development Center at the Kathryn W. Leonard Administrative Office, 129 W Depot St, Greenville, TN 37743. Board Members Present: Pam Botta (Board Member), Crystal Hirschy (Board Member), Cindy Luttrell (Board Member), Josh Quillen (Chair/Treasurer), Dr. Craig Shepherd (Vice-Chair). Others in attendance included Steve Starnes, Director of Schools, several administrative personnel, community members, and media representatives. The Chairman called the meeting to order and welcomed all in attendance.

BUSINESS TRANSACTED

I. Call to Order

II. Pledge to the Flag

Pledge of Allegiance was led by Pam Botta (Board Member)

III. Recognition of Visitors

IV. Special Recognition

- Boys & Girls Club Award Recognition to GCS
- Board Appreciation

V. Public Comment Period

Pam Smead, President of the Greene County Tennis Association, requested to address the Board regarding needed tennis court repairs. Ms. Smead was one of the original board members when the association was founded in 2005. The Greene County Tennis Association is a nonprofit organization dedicated to promoting the growth of the local tennis community. The courts discussed are the only public tennis courts in the city. Ms. Smead expressed a desire to see all eight courts resurfaced as hard courts, enabling the community to host district and regional tennis events locally.

VI. School Report

Dr. Lindsey Weeden, Principal of TOPS, presented the school's report highlighting program growth, instructional success, and student engagement over the past year. Enrollment has steadily increased from 85 students in 2021 to 132 in 2025, with additional early graduates bringing the total served to 140. Dr. Weeden reviewed TVAAS growth data and emphasized the school's instructional model, *Powered by Teaching, Enhanced by Technology*. She noted that TOPS teachers have been actively engaged in professional development, with all teachers accepted to present at state and national educational conferences. The presentation also highlighted student enrichment activities, including Career Week, virtual and in-person events, and community engagement opportunities. Dr. Weeden concluded by sharing positive parent feedback and outlining plans for the continued growth and innovation at TOPS.

VII. Accountability Comparison Report

Richard Tipton and Brandy Shelton presented the Accountability and Comparison Report, which highlighted the following key performance metrics for Greeneville City Schools in 2024-2025. Goals include increasing the percentage of students scoring 21 or higher on the ACT to 65%, with annual subgroup increases of 3%, and increasing the percentage of students scoring 27 or higher to 27%, with annual subgroup increases of 1%. The district will meet or exceed TN Ready Annual Measurable Objective (AMO) targets for all students and student subgroups and ensure that 100% of grade levels and subjects demonstrate at least one year of academic growth, as measured by TVAAS. Long-term targets through the 2028-2029 school year include 59.88% proficiency in grades 3-8 mathematics, 59.52% proficiency in third-grade ELA, a graduation rate exceeding 95%, 80% of graduates achieving Ready Graduate status, and 85% of graduates meeting state college and career readiness criteria.

VIII. Conflict of Interest Statement

Chair to Board Members:

1. "If you have any relative who is employed by the Board of Education, meaning a spouse, parent, parent-in-law, child, son-in-law, daughter-in-law, grandparent, grandchild, brother, sister, uncle, aunt, nephew, niece, or any person who resides in the same household as you, please acknowledge the same at this time by raising your hand."

Chair to Board Members:

2. "To those board members who just raised their hands, do you hereby certify that any and all votes you will cast during this meeting are in the best interest of the school system? If so, please say, 'Aye.'"

Chair to Board Secretary:

3. "Please reflect within the minutes that Botta acknowledged possible conflicts were acknowledged and confirmed her intent to act in the best interest of the school system."

IX. Approval of Agenda

It was recommended to approve the Agenda as presented. Board approval was unanimous on a motion from Luttrell (Board Member) and a second from Hirschy (Board Member).

X. Consent Agenda

It was recommended to approve the Consent Agenda as presented. Board approval was unanimous on a motion from Botta (Board Member) and a second from Hirschy (Board Member).

A. Consideration of Approving Minutes of December 9, 2026, Board Meeting

The minutes of Dec. 9, 2026, Board Meeting were unanimously approved as presented. A copy is on file in the Director of Schools' office.

B. Consideration of Approving Minutes of January 6, 2026, Special Called Board Meeting

The minutes of the January 6, 2026, Special Called Board Meeting were unanimously approved as presented. A copy is on file in the Director of Schools' office.

C. Consideration of Accepting Personnel Report

Board approval was unanimous for acceptance of the changes in personnel since the December report. A copy of the report is attached to the minutes.

D. Consideration of Approving Board Policy Revisions (2nd Reading)

Copies of these policies are attached to the minutes. Board approval was unanimous on 2nd reading for the following policies:

1.405 Rules of Order

1.406 Minutes

1.500 Board-Community Relations

1.501 Visitors to the Schools

1.502 Board - Media Relations

2.600 Bonded Employees

2.801 Petty Cash Accounts

2.809 Vendor Relations

3.401 Scheduling and Routing

3.402 Special Use of School Vehicles

3.404 Private Vehicles

4.402 Reconsideration of Textbooks & Instructional Materials

4.404 Use of Copyrighted Materials

4.405 Employee-Developed Materials

4.407 School and System Websites

4.501 School Volunteers

5.301 Emergency and Legal Leave

5.302 Sick Leave

5.303 Personal and Professional Leave

5.304 Long-Term Leaves of Absence (non-FMLA) for Professional Personnel

5.305 Family and Medical Leave

5.306 Military Leave

5.307 Physical Assault Leave

5.308 Sabbatical Leave

5.309 Legislative Leave

- 5.310 Vacation and Holidays
- 6.316 Suspension
- 6.317 Student Disciplinary Hearing Authority
- 6.318 Admission of Suspended or Expelled Students
- 6.319 Alternative Education
- 6.400 Promoting Student Welfare
- 6.402 Physical Examinations and Immunizations
- 6.408 Supervision of Students
- 6.409 Reporting Child Abuse
- 6.410 Emergency Contact Information
- 6.413 Prevention and Treatment of Sports-Related Concussions
- 6.414 Prevention and Treatment of Sudden Cardiac Arrest
- 6.415 Student Suicide Prevention
- 6.4001 Student Surveys, Analyses, and Evaluations
- 6.4081 Safe Relocation of Students

E. Consideration of Approving Board Policy Revisions - No Changes (1st Reading)

Board approval was unanimous on 1st reading for the following policies:

- 1.600 Policy Development and Adoption
- 1.601 Administrative Procedures
- 1.602 Administrative Committees
- 1.603 Administrative Reports
- 1.701 School District Planning
- 1.703 School Attendance Zones
- 3.500 Food Service Management
- 3.600 Insurance Management
- 3.601 Student Insurance Program
- 3.602 Workers' Compensation
- 4.502 Parent and Family Engagement
- 4.600 Grading System
- 4.603 Promotion and Retention
- 4.605 Graduation Requirements
- 4.606 Graduation Activities
- 4.608 Transcript Alterations
- 4.701 Maintaining Test and Data Security
- 5.400 Personnel Health Examinations-Communicable Diseases
- 5.401 Acquired Immune Deficiency Syndrome (AIDS)
- 5.402 Hepatitis B (HBV)
- 5.403 Drug & Alcohol Testing for Employees

5.500 Discrimination - Harassment of Employees (Sexual, Racial, Ethnic, Religious)

5.501 Complaints and Grievances

5.502 Complaints About School Personnel

6.500 Special Education Students

6.501 Married and/or Pregnant Students

6.502 Foreign Exchange Students

6.503 Homeless Students

6.504 Migrant Students

6.505 Students in Foster Care

6.506 Students from Military Families

F. Consideration of Approving School Trip Request

Board Policy 4.302 specifies that the Board must approve field trips that are both overnight and out-of-state. Additionally, approval is required when students must leave school early for participation in athletic events.

- Greeneville Middle School Lego Team Blockheads requested approval to travel to Cookeville, TN, for the East TN Regional Championship - Lego League from 02/6/2026 - 02/7/2026.
- Greeneville Middle School Lego Team Blockbreakers requested approval to travel to Cookeville, TN, for the East TN Regional Championship - Lego League from 02/6/2026 - 02/7/2026.
- Greeneville High School Band requested approval to travel to Disney, Orlando, for a band performance from 03/20/2027 - 03/25/2027.
- Greeneville High School Bowling Team requested approval to travel to Smyrna, TN, to participate in the TSSAA State Bowling Tournament from 01/20/2026 - 01/22/2026. Executive Approval was granted on 01/18/2026.
- Greeneville High School JROTC requested approval to travel to Monterey, TN, to participate in an Archery Tournament from 02/20/2026 - 02/21/2026.

G. Consideration of Approving Disposal of Surplus

GCS Board Policy 2.403 gives the Greeneville Board of Education the authority to declare district property that is no longer useful nor necessary as surplus and to authorize the disposal of such equipment, books, or materials. The Board unanimously approved the disposal of the surplus.

H. Consideration of Approving School Fee Structure for 2026-2027

Each year, the GCS Board of Education sets and approves school fees. The online registration process begins as soon as the District welcomes both new and returning students. It is important that fees be set before student registration begins. A listing of student fees for the 2025-2026 school year is attached to the minutes. All student fees are subject to a fee waiver. The Elementary Fee is increasing from

\$15 to \$20 due to the continued rising cost of supplies. The Board unanimously approved the 2026-2027 School Fee Structure.

I. Consideration of Approving Purchasing Floor Covering for Hal Henard Gymnasium Floor - Executive Approval Granted 1/28/2026

Hal Henard gymnasium is used many times throughout the year for school and community events. These events can damage the wood basketball floor if it is not adequately protected. A floor covering was purchased for the new floor, but it has proven to be a trip hazard. After exhausting all efforts to use the covering, it has been determined that it is insufficient for events at Hal Henard. Mr. Phillip Graham has spent considerable time researching options that will work for many years to come, providing a non-slip, flat surface that is easy to clean and store. Mr. Graham has requested and received a large sample of the material and placed it in the warehouse to assess its durability against wheel abrasion, mud, water, and forklift traffic. After over a month of abuse, the floor covering still looks new. The floor covering being recommended for approval is to be purchased from Covington, the company that installed the wood floor for \$30,513.00. and will come with a 7-year limited warranty. This purchase will be made off the TIPS cooperative purchasing contract. Capital funds will be utilized. The Board unanimously approved the Floor Covering for the Hal Henard Gymnasium Floor.

XI. Action Items

A. Consideration of Accepting December 2025 Financial Statements

Chief Financial Officer Ellen Lipe presented the December 2025 financial statements to the Board for acceptance. Lipe stated that local revenue collected year-to-date through December is \$4,156,299, which is 42.6% of the total budgeted projection. The amount collected year-to-date is (\$206,116), down from the same period last year. This reflects an actual percentage change of -4.67% compared to last year. The district has 579 tuition students as of January 20, 2026. The General-Purpose Financial Report showed that encumbrances comprise \$1,201,905 year-to-date. The Federal Projects Financial Reports reflected \$796,032.62 in revenue and \$1,039,680.35 in expenditures year-to-date. Federal Projects are reimbursed based, meaning funds have to be expended before requesting reimbursement. Copies of the financial statements are on file in the Chief Financial Officer's office. It was recommended to approve the December 2025 financial statements. Board approval was unanimous on a motion from Luttrell (Board Member) and a second from Botta (Board Member).

B. Consideration of Approving Land Swap and Tennis Court Repair

The Greeneville/Greene County Tennis Center, located on Hal Henard Rd., was originally formed as a partnership between Greene County, the Town of Greeneville, the Sports Complex Commission, and the Greene County Tennis Association. The parties agreed to manage the tennis center cooperatively. The

Sports Complex Commission, the Parks and Recreation Department, and the GCTA agreed to collaborate on a written set of rules for usage of the tennis center. The Greeneville Parks and Recreation has provided routine daily maintenance (trash management and removal; janitorial services for public restroom facilities; landscape and grounds management, including mowing, trimming, and debris removal from landscaped areas; and repair of landscaping materials that deteriorate or are damaged). The Greene County Tennis Association will assume responsibility for the maintenance and upkeep of the two clay-surface courts. Please see the attached agreement.

As the joint owners of the former Greene Technology Center campus and the Sports Complex on Hal Henard Rd., the Town of Greeneville and Greene County are working on an agreement to divide and transfer the real estate.

Lot 4 of the former Greene Technology, consisting of 52.364 acres (Tax Map 097 Parcel 073.01)

Lot 4 is owned 1/3 by the City of Greeneville and 2/3 by the Greene County Board of Education.

The proposed agreement suggests a 50' strip along Hal Henard Road be conveyed to Greeneville. The remainder of Lot 4 will be conveyed to Greene County.

For a limited time (up to 6 months), Greene County shall have the right to cross the adjacent property of the Greeneville Career & Technical Academy for purposes of access to the residence located on Lot 4 and the reasonable use of potable water now provided to the residence.

Sports Complex Property consisting of approximately 91 acres (Tax Map 097 Parcel 008.12)

The Sports Complex Property is owned 1/3 by the City of Greeneville and 2/3 by Greene County. The proposed agreement suggests the Tennis complex and ball fields (12.034 acres) shall be conveyed to Greeneville. The remainder of the Sports Complex property (approximately 79 acres) will be conveyed to Greene County.

Payment Towards Repair of Tennis Courts

Greeneville shall commit \$150,000 (\$75,000 of which shall come from funds of the Greeneville City Schools), and Greene County shall commit \$75,000 towards the repair of the tennis courts.

It is recommended that Greeneville City Schools support and partner with the Town of Greeneville to execute this land swap and repair the Tennis Courts located on Hal Henard Rd.

Impact on Resources:

Total of \$75,000

\$27,000 from Capital Outlay

\$48,000 from undesignated

The Town of Greeneville will consider finalizing this agreement in February. It was recommended that the Land Swap and Tennis Court Repair be approved. Board approval was unanimous on a motion from Hirschy (Board Member) and a second from Botta (Board Member).

C. Consideration of Approving NPAC Roof Replacement Phase 1

The Niswonger Performing Arts Building has a modified bitumen roofing system that is beginning to fail. The roof will be replaced in phases, with the section over the main entrance and classrooms being replaced first. Coryell Roofing submitted a quote from the TIPS cooperative purchasing contract for a total of \$194,164.10. This roof will be a Duro-last roofing system with a 30-year warranty. Funds will be utilized from the capital account, with the Town of Greeneville reimbursing the school for ½ of the cost. It was recommended to approve the NPAC Roof Replacement Phase 1. Board approval was unanimous on a motion by Botta (Board Member) and a second from Dr. Shepherd (Vice-Chair).

D. Consideration of Approving Greeneville City Schools' Responsible Use Policy 2025-2026

It is customary for the district Technology Responsible Use Policy (RUP) to be reviewed and changed annually in order to reflect changes and innovations in the technological field. The attached Greeneville City Schools Technology Responsible Use Policy (RUP) incorporates language that promotes personal accountability and digital citizenship among all students and employees. The proposed update adds explicit language prohibiting students and staff from using AI-enabled wearable devices, including smart eyewear (such as Ray-Ban Meta, Google Glass, or similar technologies), during school hours on school property. The change clarifies that these devices may not be used to record, photograph, livestream, analyze, or capture audio or video of students, staff, or school activities. Limited exceptions are allowed only when the district explicitly authorizes use for instructional or medical purposes. Unauthorized use is defined as a violation of the Responsible Use Policy and may result in disciplinary action. It was recommended to approve Greeneville City Schools' Responsible Use Policy 2025-26. Board approval was unanimous on a motion from Dr. Shepherd (Vice-Chair) and a second from Hirschy (Board Member).

XII. Director's Report

1. Starnes presented the 2025 Annual Report. This highlights the accomplishments of 2024-25. Before proceeding, he thanked Jamie Galyon for collecting and organizing the information and working with the designer to create the report presented tonight. Starnes stated; “She has done a wonderful job, and the report is something we can all be proud of.”

2. The TN Dept. of Education released school letter grades right before the winter break, and Starnes reported that all schools earned an **A** or **B**, reflecting substantial achievement and growth:
 - **Hal Henard Elementary School: A**
 - **EastView Elementary School: B**
 - **Highland Elementary School: B**
 - **Tusculum View Elementary School: A**
 - **Greeneville Middle School: A**
 - **Greeneville High School: A**

Tennessee Online Public School at Greeneville and Greene Technology Center did not receive traditional school letter grades under the state accountability model.

School letter grades are determined using multiple measures, including:

- **Student Achievement**
 - **Academic Growth**
 - **Growth of Highest-Need Students**
 - **College and Career Readiness** (for high schools)
-
- While GCS is very proud of our schools' letter grade results, these grades represent more than just letters. They reflect the hard work of our students, teachers, and staff. While we celebrate the success evidenced by the results, we also recognize areas where we can continue to grow. Our commitment remains to provide every child with the best possible education and to ensure that our schools are places of opportunity and excellence.
3. Today was GCS's last stockpiled inclement weather day, but due to Governor Lee declaring a state of emergency, we can request a waiver of the days missed during this time period retroactively. This means that if we must miss additional days, we will request that the days missed during the state of emergency be waived.

 4. Starnes bragged on Phillip Graham, the maintenance team, Roger Hensley, and the lead custodians for the great job they have done clearing our school parking lots and sidewalks to make them safe.

5. Starnes recognized our school custodial teams for the Environmental Inspection scores they received during the week of January 19 through 23.
 - *GMS - 96*
 - *HH - 99*
 - *GHS – 98*
 - *TV – 100*
 - *EV – 100*
 - *HL – 100*

6. Starnes asked that the board meet at the Greeneville Career and Technical Academy for our February 24, 2026, meeting. We can tour the building and see the campus improvements after the meeting.

7. In honor of Board Appreciation, Starnes thanked the board for their support and all that they do for the students, staff, and Greeneville Community.

XIII. Legislative Update

Pam Botta provided a legislative update, noting that Governor Lee plans to seek an increase in the number of education vouchers, and she shared a related informational pamphlet.

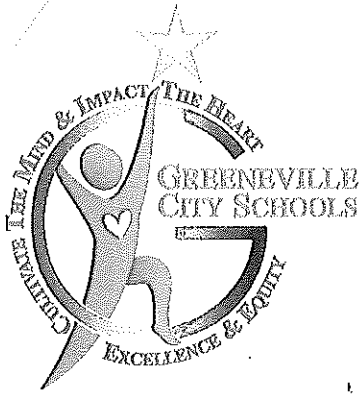
XIV. Adjournment

The meeting was adjourned at approximately 6:05 p.m. Board approval was unanimous on a motion from Hirschy (Board Member) and a second from Botta (Board Member).

Respectfully submitted,

Josh Quillen, Chair

Steve Starnes, Director of Schools



**FIELD TRIP & EXCURSION REQUEST
FORM Out-of-State or Overnight**

Name of the school: GCTA

Person Requesting: Rob Robbins

Purpose of the Field Trip: SkillsUSA State Competitions

Destination of Field Trip: Chattanooga TN

Grade(s) of students attending: 10-12

Dates requested: 3/15-3/18 Departure Time: 12:00 Return Time: 3:00

Approximate # of students to attend: 3

Number, names and affiliation of chaperones attending:

0 female List names and affiliation: _____

2 male List names and affiliation: Rob Robbins - Advisor
Josh Davis - Administrator

("There must be at least one female and one male chaperone if the trip is for a mixed group. A chaperone of the same sex will accompany students on overnight trips")

All Greeneville City Schools guidelines for out-of-state and overnight field trips shall be followed in planning and conducting this field trip per BOE policy 4.302, and approval of my principal, the Director of Schools, and Board of Education is required. For an Overnight or Out-of-State Field Trip Request to be considered for approval, it must be received in the director of school's office 10 days prior to the scheduled date of the Board meeting at which it will be considered for approval.

[Signature], Principal date approved 2/6/26

_____, Director of Schools date approved _____

_____, Chairman, BOE date approved _____

Cultivate the Mind and Impact the Heart through Excellence and Equity



FIELD TRIP & EXCURSION REQUEST
FORM Out-of-State or Overnight

Name of the school: Greeneville High School

Person Requesting: Lilly Million

Purpose of the Field Trip: Softball Spring Break Tournament

Destination of Field Trip: Gulf Shores, Alabama

Grade(s) of students attending: 9th - 12th

Dates requested: 3/15 - 3/19 Departure Time: 1:00 pm Return Time: 3:00 pm

Approximate # of students to attend: 21

Number, names and affiliation of chaperones attending:

3 female List names and affiliation: Lilly Million, Katie Flynn, Caylen Conrad (coaches)

_____ male List names and affiliation: _____

("There must be at least one female and one male chaperone if the trip is for a mixed group. A chaperone of the same sex will accompany students on overnight trips")

All Greeneville City Schools guidelines for out-of-state and overnight field trips shall be followed in planning and conducting this field trip per BOE policy 4.302, and approval of my principal, the Director of Schools, and Board of Education is required. For an Overnight or Out-of-State Field Trip Request to be considered for approval, it must be received in the director of school's office 10 days prior to the scheduled date of the Board meeting at which it will be considered for approval.

[Signature], Principal

date approved 1/29/26

_____, Director of Schools

date approved _____

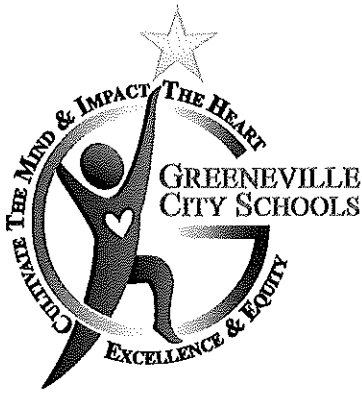
_____, Chairman, BOE

date approved _____

Cultivate the Mind and Impact the Heart through Excellence and Equity

Kathryn W. Leonard Administrative Office
129 W. Depot Street Greeneville, TN 37743-1420
(423) 787-8000 | <http://www.gcschools.net>

Revised 9.25.2023



FIELD TRIP & EXCURSION REQUEST
FORM Out-of-State or Overnight

Name of the school: GHS

Person Requesting: Jason Talmage

Purpose of the Field Trip: JROTC Archery Tournament

Destination of Field Trip: Pleasant Hill Elementary Crossville TN

Grade(s) of students attending: _____

Dates requested: Mar 27-28 Departure Time: 4PM Return Time: 8PM

Approximate # of students to attend: 6 males

Number, names and affiliation of chaperones attending:

1 female List names and affiliation: Deborah Talmage

1 male List names and affiliation: Jason Talmage

("There must be at least one female and one male chaperone if the trip is for a mixed group. A chaperone of the same sex will accompany students on overnight trips")

All Greeneville City Schools guidelines for out-of-state and overnight field trips shall be followed in planning and conducting this field trip per BOE policy 4.302, and approval of my principal, the Director of Schools, and Board of Education is required. For an Overnight or Out-of-State Field Trip Request to be considered for approval, it must be received in the director of school's office 10 days prior to the scheduled date of the Board meeting at which it will be considered for approval.

[Signature], Principal date approved 2-12-26

_____, Director of Schools date approved _____

_____, Chairman, BOE date approved _____

Cultivate the Mind and Impact the Heart through Excellence and Equity

Asset	SN	Model	Temp Location	ESSER Note
N/A	DLVGBG1	EMM		
310306	JS0515010029	DLA3000RM2U		
310307	JS0515010021	DLA3000RM2U		
316456	AS1225344582	SUA3000RM2U		
316454	AS1225344571	SUA3000RM2U		
319871	E5MSCX025426	AR5B22		
319869		DCCP847DYE		
316051	DY3INJR1DRNHN	A1427		
310222	DCYG8F9RDDRS	A1378		
318035 & 318034	K12A001	K12A		
328080	FY0NQV2	P26T		
320821	NXMKEAA0055121B3A37600	ZHN		
N/A	5qvlmx1	Latitude E5430		
322851	415jjc2	P48F		
317783	8PTP3z1	Latitude 3440		
318036 & 318037	K12A001	K12A		
315910	bts3lv1	Latitude E6420		
102520	JT47XY2	K20A		
310430	9B795D1	PowerEdge 2900		
312351	93FFMJ1	Emu01		
310450	HYTXFB1	SVP		
N/a	7V1MBY1	E18S		
310300	6PT47C1	EMU01		
N/A	7V1NBY1	E18S		
N/A	5JX1NW3	E77S		
320210	PS87A8	SU5000RT4UHV		
N/A	E31S001	E31S		
N/A	NNG00104710374	S-1400 R2		
320204	SSA-T8028-0652	S-Series Extreme		
314118	2300575443	B273H		
315919	JK6WV1	Dell E6430		
334820	9BW0NT3	Dell dock		
318599	0004F2632939	Polycom		
326794	H8JXZW2	DELL Latitude 5501		
326693	1V540X2	DELL Latitude 5501		
328271	jklpvy2	DELL Latitude 5501		
326697	52X20X2	DELL Latitude 5501		
326803	GDBXZW2	DELL Latitude 5501		
326879	GH2YZW2	DELL Latitude 5501		
319431	5KC66Y2	DELL Latitude 5501		
326685	4PC40X2	DELL Latitude 5501		
326785	9ZD60X2	DELL Latitude 5501		
326700	405XZW2	DELL Latitude 5501		
326873	B3040X2	DELL Latitude 5501		
337246	8RZLCW3	Dell Latitude 3140		
326819	J9K40X2	DELL Latitude 5501		
326721	29L50X2	DELL Latitude 5501		
328472	CBRMM33	DELL Latitude 5501		
326781	G7920X2	DELL Latitude 5501		
319429	6C086Y2	DELL Latitude 5501		
326690	G4040X2	DELL Latitude 5501		
326850	3HBXZW2	DELL Latitude 5501		
328439	5DQTN13	DELL Latitude 5501		
326788	34H00X2	DELL Latitude 5501		
326805	8HF60X2	DELL Latitude 5501		
326694	49G30X2	DELL Latitude 5501		
326894	38V20X2	DELL Latitude 5501		
326870	3C110X2	DELL Latitude 5501		
326752	2BG30X2	DELL Latitude 5501		
326672	93640X2	DELL Latitude 5501		
326780	F2P00X2	DELL Latitude 5501		
326872	4VS60X2	DELL Latitude 5501		

336438	B6DYCW3	DELL Latitude 3140
333019	6w75hl3	DELL Latitude 5521
319432	3XZB7Y2	DELL Latitude 5501
326724	D5Z60X2	DELL Latitude 5501
326675	1J830X2	DELL Latitude 5501
326891	D5S50X2	DELL Latitude 5501
326784	JQG20X2	DELL Latitude 5501
326905	85H70X2	DELL Latitude 5501
328241	87B53X2	DELL Latitude 5501
326678	D3X20X2	DELL Latitude 5501
322769	635JJC2	DELL Latitude E5570
320718	CN-0FJ44J-74445-56H-B2DS	
332524	2W15WK3	Dell WD19TBS
337305	dyqycw3	Dell Latitude 3140
337298	BWL0DW3	Dell Latitude 3140
101577	11170502905G	C5G124-48P2
N/A	10492063905G	C5G124-48P2
101579	11170477905G	C5G124-48P2

Asset	SN	Model	Temp Location	ESSER	Note
316486	F5XKHV81DFHW	Ipad			
319801	DLXPQ40BG5VJ	Ipad			

Asset	SN	Model	Temp Loca	ESSER	Note
	335296	D9JTW3			Dell Latitude 3140
	335594	JR5JTW3			Dell Latitude 3140
	327170	78M6GHZ			Dell Latitude 3190
	335842	C4WHTW3			Dell Latitude 3140
	309048	CN-0F779N-74261-96C-84RU			Dell LCD monitor
	317003	DMQKPLTF182			Apple iPad 4 16 GB
	318761	0004f2641d5e			Polycom Soundpoint IP550
	327967	76597HJ			Dell 3190 Laptop
	318850	0T12142901F8			Polycom Expansion module
	316945	GWFMX1			Dell E5430 laptop
	306400	xzg34756			DVD Player
	310036	YIO789			DVD/VCR
	318008	PRM789			Activ Hub and expression
	327880	C8L2RV2			Dell Latitude 3190
	327725	CT0ZZW2			Dell Latitude 3191
	328020	6DQNQV2			Dell Latitude 3192
	328889	3FHRM53			Dell Latitude 3193
	330249	CH5W493			Dell Latitude 3194
	328341	39WHZW2			Dell Latitude 3195
	327726	6VV00X2			Dell Latitude 3196
	315110	JWW5M53			Dell Latitude 3197
	329547	3W7TM53			Dell Latitude 3198
	327929	C4JRZW2			Dell Latitude 3199
	327431	9H920X2			Dell Latitude 3200
	327923	CT0ZYW3			Dell Latitude 3201
	327803	GS1SZW2			Dell Latitude 3202
	329051	HSPW493			Dell Latitude 3203
	309048	CN-0F779N-74261-96C-84RU			Dell monitor
	318899		3.11E+17		Dell Dock
	317153	XB789			Dell Latitude E5430
	328696		1234567		Boom box
	308632	72200V7			Dell Laser 1700
	328697		89101112		boom box
	322878	7VMGJC2			Dell Latitude E5570
	331317	186G0F3			Dell Latitude 3190
	330222	J8GV593			Dell Latitude 3190
	331447	6MJC1F3			Dell Latitude 3190
	317817	PNTP3Z1			Dell Latitude 3440
	317969	DMPMRHTNFK10			iPad
	322239	EXC157943			Excelvan
	335846	GD1JTW3			Dell Latitude 3140
	326835	5HSWZW2			Dell Latitude 5501
	335726	J05GTW3			Dell Latitude 3140

335822 63WHTW3	Dell Latitude 3140
335649 7LPJTW3	Dell Latitude 3140
335256 8PBJTW3	Dell Latitude 3140
335413 7VBJTW3	Dell Latitude 3140
335646 5GWJTW3	Dell Latitude 3140
335781 JPHJTW3	Dell Latitude 3140
335506 8TH8TW3	Dell Latitude 3140
335253 9JPJTW3	Dell Latitude 3140
335384 JP5JTW3	Dell Latitude 3140
335710 92DJTW3	Dell Latitude 3140
326881 3HK40X2	Dell latitude 5501
329774 72HJTW3	Dell Latitude 3190
335300 F3JJTW3	Dell Latitude 3140
335359 J9JJTW3	Dell Latitude 3140
315014 DLXFKYSDFJ0	iPad, 64GB
335765 4TPHTW3	Dell Latitude 3140
333145 17JJTW3	Dell Latitude 3140
335316 97JJTW3	Dell Latitude 3140
335261	Dell Latitude 3140
335406 DZBJTW3	Dell Latitude 3140
335395 D3JJTW3	Dell Latitude 3140
335839 3ZVHTW3	Dell Latitude 3140
335716 HJJHTW3	Dell Latitude 3140
335439 CTBJTW3	Dell Latitude 3140
315250 DMPKT3BKF182	Apple iPad 4 16GB A1458
335612 CQ5JTW3	Dell Latitude 3140
335433 J7JJTW3	Dell Latitude 3140
335715 1NJHTW3	Dell Latitude 3140
335782 FNPHTW3	Dell Latitude 3140
335846 GD1JTW3	Dell Latitude 3140
335437 93JJTW3	Dell Latitude 3140
335857 2MJHTW3	Dell Latitude 3140
335598 3S5JTW3	Dell Latitude 3140
335599 JQBJTW3	Dell Latitude 3140
317969 DMPMRHTNFK10	BJ706LL/A iPad Air
335460 GRBJTW3	Dell Latitude 3140
335624 4DXHTW3	Dell Latitude 3140
335535 DDJJTW3	Dell Latitude 3140
335565 JQ5JTW3	Dell Latitude 3140
335809 4MPHTW3	Dell Latitude 3140
335281 83JJTW3	Dell Latitude 3140
335671 CFBGTW3	Dell Latitude 3140
335278 16JJTW3	Dell Latitude 3140
335449 CWBJTW3	Dell Latitude 3140

335949 D3WHTW3	Dell Latitude 3140
327411 X4VTY43	Dell Latitude 3440
316372 DK6ZXW1	Dell Latitude E5430
322908 G7GBJC2	Dell Latitude E5570
335760 3MJHTW3	Dell Latitude 3140
327444 CJS50X2	Dell Latitude 3190
335931 8ZVHTW3	Dell Latitude 3140
335631 BMJHTW3	Dell Latitude 3140
335519 91F9TW3	Dell Latitude 3140
335475 59RCTW3	Dell Latitude 3140
335893 5KHGTW3	Dell Latitude 3140
335301 7RBJTW3	Dell Latitude 3140
335756 1LPHTW3	Dell Latitude 3140
335954 BN1JTW3	Dell Latitude 3140
322163 8C3DJC2	Dell Latitude E5570
335340 B7JJTW3	Dell Latitude 3140
335378 8SBJTW3	Dell Latitude 3140
335946 62WHTW3	Dell Latitude 3140
335881 2L1JTW3	Dell Latitude 3140
335826 HOWHTW3	Dell Latitude 3140
335670 DKHGTW3	Dell Latitude 3140
335706 5V6JTW3	Dell Latitude 3140
335465 74JJTW3	Dell Latitude 3140
335494 HRH8TW3	Dell Latitude 3140
335825 33WHTW3	Dell Latitude 3140
335523 1FJJTW3	Dell Latitude 3140
335743 BS2JTW3	Dell Latitude 3140
335257 69JJTW3	Dell Latitude 3140
335445 F5JJTW3	Dell Latitude 3140
335821 2VPHTW3	Dell Latitude 3140
335758 FCVGTW3	Dell Latitude 3140
335331 2LPJTW3	Dell Latitude 3140
335778 GKJHTW3	Dell Latitude 3140
335273 78JJTW3	Dell Latitude 3140
335263 1TBJTW3	Dell Latitude 3140
335746 F6RHTW3	Dell Latitude 3140
335354 CKPJTW3	Dell Latitude 3140
333983 375XLN3	Dell Latitude 3120
335305 95JJTW3	Dell Latitude 3140
335470 HR5JTW3	Dell Latitude 3140
335416 3YBJTW3	Dell Latitude 3140
335702 91DJTW3	Dell Latitude 3140
335819 28WHTW3	Dell Latitude 3140
333757 96V66M3	Dell Latitude 3140

335272 J3JTW3	Dell Latitude 3140
335770 JNPHTW3	Dell Latitude 3140
335250 98JTW3	Dell Latitude 3140
335362 FVBJWT3	Dell Latitude 3140
335626 F5RHTW3	Dell Latitude 3140
335804 GZVHTW3	Dell Latitude 3140
335989 6N1JTW3	Dell Latitude 3140
335748 JRBGTW3	Dell Latitude 3140
335684 9FBGTW3	Dell Latitude 3140
335727 5NJHTW3	Dell Latitude 3140
326940 3FDXRV2	Dell K20A
334587 FD7XXQ3	Dell Latitude 3120
335357 BKPJTW3	Dell Latitude 3140
317964 DMPMRE0ZFK10	iPad Air
318372 DMRN4MTVFK14	iPad Air
335732 56BGTW3	Dell Latitude 3140
318375 DMRN4MTFFK14	iPad
318373 DMRN4MQBFK14	iPad Air
319015 DMPN8KP7FK10	iPad Air
317960 DMPMRZWBFK10	iPad Air
317959 DMPMQPGXFK10	iPad Air
317956 DMPMQPGXFK10	iPad Air
318347 DMPMNDUZFK10	iPad Air
318348 DMPMNE0GFK10	iPad Air
327731 H9N30X2	Dell Latitude 3190
335320 F6JTW3	Dell Latitude 3140
335657	Dell Latitude 3140
335345	Dell Latitude 3140
319399 U64205L7N614974	Brother MFC Laser Printer
312387 A01107	ActivHub and Expressions
314905 S1007260103	Promethean ActivSlate
312442 S0908020004	Promethean ActivSlate
319342 S0907240079	Promethean ActivSlate
312445 S0908030003	Promethean ActivSlate









20260218080605486

Final Audit Report

2026-02-19

Created:	2026-02-18
By:	Jamie Galyon (galyonj@gcschools.net)
Status:	Signed
Transaction ID:	CBJCHBCAABAALHBLgB7hFFf3ov953L24EWpRBLwERWKb

"20260218080605486" History

-  Document created by Jamie Galyon (galyonj@gcschools.net)
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-  Agreement completed.
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GREENEVILLE CITY SCHOOLS
2026-2027 Calendar

Grade Card Schedule

	<u>Date</u>	<u>Days</u>			
Interim Period Ends	9/2/2027	22			
Interim Reports Go Out	9/10/2027				
1st 9 Weeks Ends	10/9/2027	46			
Grade Cards Go Out	10/23/2027				
Interim Period Ends	11/13/2027	19			
Interim Reports Go Out	11/18/2027				
2nd 9 Weeks Ends	12/17/2027	40			
Grade Cards Go Out	1/13/2028				
Interim Period Ends	2/4/2028	21			
Interim Reports Go Out	2/11/2028				
3rd 9 Weeks Ends	3/17/2028	47			
Grade Cards Go Out	3/31/2028				
Interim Period Ends	4/21/2028	18			
Interim Reports Go Out	4/26/2028				
4th 9 Weeks Ends	5/25/2028	41	86	88	174
Grade Cards Go Out	5/26/2028				

Administrative Days:

- 1.) 8/4/2026
- 2.) 8/6/2026
- 3.) 1/4/2027
- 4.) 5/27/2027

Professional Learning Days (for Certified Staff):

State:	7/28/2027	Local:	9/3/2027*
	7/29/2027		10/8/2027
	7/30/2027		11/3/2027
	1/5/2028		12/17/2027*
	3/7/28*		2/18/2028*
			2/22/2028
			5/2/2028

*Exchange Days

Teacher Vacation Days

Labor Day	1	Presidents Day	1
Fall Break	5	Spring Break	5
Thanksgiving	3	Good Friday/Easter Monday	2
Christmas	10	Memorial Day	1
Martin Luther King Jr.	1		

Central Office Closed-Confirm with Kim Darnell

Independence Day	7/5/2027
Labor Day	9/6/2027
Fall Break	10/14/27-10/15/27
Thanksgiving	11/24/27-11/26/27
Christmas	12/20/27 - 1/3/28
Martin Luther King Jr.	1/17/2028
Spring Break	3/24/28 - 3/25/28
Good Friday	4/14/2028
Memorial Day	5/29/2028

SHARP®

1,000 New Dynabook Education Laptops (N200, 4-Year Warranty)

Prepared for

GREENEVILLE CITY SCHOOLS

129 W DEPOT ST STE 4
GREENEVILLE, TN 37743-1103
423-787-8000
Contact: Aaron McNeese

Prepared By

Payton Spencer

Sharp Business Systems of Tennessee
Phone: (888) 525-4220
Email: payton.spencer@sharpusa.com
Date: 02/03/2026



1,000 New Dynabook Education Laptops (N200, 4-Year Warranty)

Prepared by:
Sharp Business Systems
Payton Spencer
888-525-4220
payton.spencer@sharpusa.com

Prepared for:
GREENEVILLE CITY SCHOOLS
129 W DEPOT ST STE 4
GREENEVILLE, TN 37743-1103
Aaron McNeese
423-787-8000
mcneesea@gcschools.net

Quote Information:
Quote #: 009805
Version: 1
Proposal Date: 02/03/2026
Proposal Expiration Date: 03/01/2026

Special Pricing Based on current Equalis Contract with Sharp:

Special pricing based on current Equalis Contract with Sharp. This quote is for 1,000 units. Price includes a 4-year warranty and USB-C adapter. Dynabook E11 Protective Cases are available for \$17.00 each.

Hardware

Product ID	Description	Qty
EDU10U-033005	Dynabook Education Laptop – Intel N200 Processor - 8 GB RAM – 128GB eMMC – 11.6” Non-Touch HD Display – 1.9 MP Webcam – Intel Wi-Fi 6 – Windows 11 Pro – Spill-Resistant Keyboard w/Anchored Keys – Rubberized Bumpers – Reinforced Chassis – Dual Microphones - ClickPad – Speakers – USB-C Adapter - 4-Year Standard Warranty Included	1000

Price includes a 4-year Warranty and USB-C Adapter. Dynabook E11 Protective Cases are available for \$17.00 each

Subtotal: **\$389,000.00**

Quote Summary

Description	Amount
Hardware	\$389,000.00

Total: **\$389,000.00**

Taxes, shipping, handling and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.

Sharp Business Systems

GREENEVILLE CITY SCHOOLS

Signature: _____
Name: _____
Title: _____
Date: _____

Signature: _____
Name: _____
Date: _____

ADDENDUM – USE OF IT GLUE DOCUMENTATION MANAGEMENT PLATFORM

This Addendum (“Addendum”) is incorporated into and made part of the Master Client Services Agreement (“Agreement”) between Sharp Electronics Corporation, through its Sharp Business Systems division (“Sharp”), and the customer identified in the Agreement (“Client”). This Addendum applies solely to Sharp’s use of the IT Glue documentation and password-management platform (“IT Glue Platform”) in connection with the Services.

1. Purpose

Sharp utilizes the IT Glue Platform, a third-party SaaS product provided by Kaseya/ITG Software, Inc., to store and manage certain documentation, credentials, and configuration information necessary to deliver managed IT services. This Addendum allocates responsibilities and risks associated with the Client’s use of, or reliance on, the IT Glue Platform.

2. Third-Party Platform; No Warranty

Client acknowledges and agrees that:

- a. The IT Glue Platform is a third-party product not owned, operated, or controlled by Sharp.
- b. Sharp makes no representations or warranties regarding the IT Glue Platform, including its security, availability, performance, or fitness for any purpose.
- c. Sharp’s sole responsibility is to use the IT Glue Platform in accordance with industry-standard practices and as reasonably necessary to perform the Services.

3. Data Stored in IT Glue

Client authorizes Sharp to store in the IT Glue Platform any information reasonably required to perform the Services, including:

- system credentials
- network documentation
- configuration data
- asset information
- administrative notes

Client is solely responsible for ensuring that it has obtained all necessary rights, consents, and authorizations to permit Sharp to store such information in the IT Glue Platform.

4. Security and Data Protection

Sharp will implement commercially reasonable administrative and technical safeguards when accessing or entering Client data into the IT Glue Platform. However:

- a. Sharp is not responsible for any unauthorized access, breach, corruption, deletion, or loss of Client data that occurs within or because of the IT Glue Platform.
- b. Sharp is not liable for any security incident, data breach, or service outage affecting the IT Glue Platform.
- c. Client agrees that any claims relating to the IT Glue Platform must be brought solely against the platform provider (Kaseya/ITG Software, Inc.).

5. Limitation of Liability (Specific to IT Glue)

To the maximum extent permitted by law:

- a. Sharp shall have no liability for any indirect, consequential, special, exemplary, or punitive damages arising from or related to the IT Glue Platform, including but not limited to:
 - loss of data
 - loss of access to credentials
 - business interruption
 - security breaches
 - unauthorized access
- b. Sharp’s total aggregate liability for any claims arising from or related to the IT Glue Platform shall not exceed the fees paid by Client to Sharp for the Services during the three (3) months preceding the event giving rise to the claim.

This limitation applies regardless of the theory of liability.

6. Suspension or Loss of Access



Client acknowledges that Sharp's access to the IT Glue Platform may be suspended or terminated by the platform provider for reasons outside Sharp's control, including:

- vendor outages
- vendor security incidents
- vendor account suspension
- vendor policy enforcement

Sharp shall not be liable for any resulting delays, service disruptions, or inability to access Client data.

7. Data Export and Transition

Upon termination of the Agreement or Services:

- Sharp will use commercially reasonable efforts to export or provide Client with available documentation stored in the IT Glue Platform.
- Sharp does not guarantee the availability, completeness, or format of any exported data.
- Sharp has no obligation to maintain or store Client data after termination.
- Sharp shall not be liable for any data loss resulting from the IT Glue Platform's export limitations or data-retention policies.

8. Indemnification

Client agrees to indemnify, defend, and hold harmless Sharp from any claims, damages, liabilities, or expenses arising out of:

- Client's data stored in the IT Glue Platform
- Client's failure to obtain necessary consents
- any third-party claims relating to the IT Glue Platform
- any misuse of the IT Glue Platform by Client personnel

9. Priority

If there is any conflict between this Addendum and the Agreement, this Addendum shall control with respect to the IT Glue Platform.

This Addendum is made as of the date of last signature affixed hereto

**Sharp Electronics Corporation, through its
Sharp Business System division**

Client: GREENEVILLE CITY SCHOOLS

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

CONTRACT OVERVIEW

Dealer Engagement



EQUALIS GROUP
CONTRACT# R10-1173E

Contract Title

Technology Software, Equipment,
Services and Related Solutions

Effective Dates

3/1/25 – 2/28/28

Product Category

AV & Dynabook Products

Awarded Categories

Purchase

Vertical

Local Government / Education

Customer Eligibility

This contract may be used by any Equalis Group Member. Equalis Group is a cooperative purchasing organization that serves all public sector entities, including local governments, K-12 schools, higher education, and state agencies as well as non-profits and churches.

[Click here to become a member](#)

Sharp's awarded Equalis Group contract allows Equalis Group members, at their discretion, to take advantage of pre-negotiated special pricing and terms for Technology products.

Contract Background

- Eliminates need for customer to go out to bid. Sharp has a vetted contract which was competitively awarded by Equalis Group.

Pricing

Established pricing - may not bill higher than awarded contract price.

Contract Participation

- A signed Dealer Agreement is required to sell this contract.

Order Process

- Dealer may bill Equalis Group participating member directly for equipment and service.
- The dealer's purchase order and a copy of the customer's purchase order or Sharp Equalis Contract Purchase Order must be submitted to SNAPCustomerService@sharpsec.com.

NOTE

- Dynabook orders are processed by Dynabook. Both the dealer and Equalis Customer Purchase Order must be sent to dba-enterprise@dynabook.com. Please refer to the order process under Resources.

Order Requirements

The following is **required** for Equalis Group orders:

- Equalis Group Member ID

Contract Benefits

- All Equalis Group sales are eligible for Ultimate Rewards for Sharp products as defined in the Ultimate Rewards Program Details.
- Products other than Sharp may be added to order, but may not exceed 25% of total order value

RESOURCES

[Equalis Group Sharp Website](#)

[Equalis Dynabook Order Process](#)

[Equalis Dynabook BTO & Negotiated Price Request Form](#)

Contract Questions: [Government & Major Account Manager Listing](#)

**MEMORANDUM OF UNDERSTANDING
BETWEEN
GREENEVILLE CITY SCHOOLS AND THE TOWN OF GREENEVILLE
MAINTENANCE – SCHOOL FACILITIES**

WHEREAS, this memorandum of understanding is hereby made and entered into by and between the Greeneville City Schools Board of Education (herein “GCS”) and the Town of Greeneville (herein “the Town”) for the purpose of addressing maintenance needs and associated funding mechanisms of GCS facilities; and,

WHEREAS, the buildings and facilities of GCS are owned by the Town and used by GCS; and,

WHEREAS, GCS and the Town recognize the need to address on-going maintenance for school facilities and immediate repairs to aging school facilities.

THEREFORE, GCS and the Town agree to establish a fund to provide for the borrowing and accumulation of funds for the maintenance and repair of school facilities and the servicing of related debt (herein the “School Maintenance Debt Fund”) and a fund to carry out approved maintenance and repair projects (herein respectively, “Approved Maintenance Projects” and the “School Maintenance Project Fund”) with each fund housed within the Town’s accounting system with participation and responsibilities as follows:

1. The Town will have oversight and the responsibility of preparing the budget for the School Maintenance Debt Fund.
2. GCS will have oversight and the responsibility of preparing the budget for the School Maintenance Project Fund and for implementation and completion of Approved Maintenance Projects.
3. Both the Town and GCS agree to approve an equal allocation within their respective annual budget for the debt service payments (both principal and interest) for all debt issues that fund Approved Maintenance Projects, plus any additional amount as may be agreed for the purpose of setting aside funds for future maintenance and repair of school facilities. Said allocations shall be paid by each party into the School Maintenance Debt Fund in the time and manner as agreed by the parties.
4. Any excess funds available beyond the annual debt service payments will remain in the School Maintenance Debt Service Fund balance until GCS and the Town choose to utilize those funds for either additional debt service or an Approved Maintenance Project as approved in their annual budgets or budget amendments. Funds for Approved Maintenance Projects shall be allocated from the School Maintenance Debt Service Fund to the School Maintenance Project Fund.

5. The Town will include both the School Maintenance Debt Fund and the School Maintenance Project Fund in the annual budget ordinance for the Town which it submits to the Tennessee Comptroller.
6. The Town's Finance Director and GCS's Finance Director shall follow all rules and regulations as prescribed by the Tennessee Board of Education, the Tennessee Comptroller's Office, and each entity's independent auditing firm for both funds listed above.
7. This agreement shall be operative and effective as of the date approved by the governing bodies of Greeneville City Schools and the Town and shall continue in effect unless and until terminated by either party. Either party may terminate its participation in this arrangement effective July 1 of any year by providing written notice to the other party on or before the preceding July 1. Absent such notice, the Agreement shall automatically continue for the succeeding fiscal year. In the event the Memorandum of Understanding is terminated while funds are still present in the School Maintenance Debt Fund and School Maintenance Project Fund, those funds shall become the sole and exclusive property of GCS to be used for maintenance and repair of school facilities. Any debt obligations associated with either fund shall remain the responsibility of the Town.
8. This MOU constitutes the entire Agreement and understanding of the parties and supersedes all offers, negotiations, and other agreements regarding the School Maintenance Debt Fund. There are no representations or understandings of any kind not set forth herein.
9. Any amendment to this MOU must be in writing and approved by the governing bodies of Greeneville City Schools and the Town of Greeneville.

Entered into this the ____ of February, 2026.

Steve Starnes
Director of Greeneville City Schools

Cathy Osborne
Interim City Manager
Town of Greeneville

This sheet has been updated as of February 19, 2026, with preliminary information through January 2026

GREENVILLE CITY SCHOOLS
2025 - 2026
ACTUAL LOCAL REVENUE COLLECTIONS

	Property Tax		Property Tax - Prior Year		Clerk & Master		Interest & Penalty		Pick-up Taxes		In Lieu of - Local Utility		In Lieu of - Other	
	2024-2025	2025-2026	2024-2025	2025-2026	2024-2025	2025-2026	2024-2025	2025-2026	2024-2025	2025-2026	2024-2025	2025-2026	2024-2025	2025-2026
July	\$ -	\$ 23.36	\$ 7,215.08	\$ 6,782.34	\$ 3,350.75	\$ 2,112.89	\$ 1,685.50	\$ 1,575.82	\$ -	\$ -	\$ 28,078.93	\$ 15,531.11	\$ 150.39	\$ 207.35
August	\$ -	\$ 11.68	\$ 4,666.21	\$ 6,379.09	\$ 3,458.14	\$ 2,677.32	\$ 1,887.89	\$ 1,665.32	\$ -	\$ 107.92	\$ 42,118.39	\$ 15,531.11	\$ -	\$ -
September	\$ -	\$ 11.68	\$ 4,804.03	\$ 7,807.80	\$ 3,041.59	\$ 2,920.77	\$ 2,156.26	\$ 1,911.21	\$ -	\$ 366.15	\$ -	\$ -	\$ -	\$ -
October	\$ 248,703.61	\$ 284,808.06	\$ 10,069.51	\$ 13,572.79	\$ 1,801.49	\$ 4,504.17	\$ 2,506.17	\$ 3,177.57	\$ -	\$ -	\$ 28,078.92	\$ -	\$ -	\$ -
November	\$ 229,493.73	\$ 151,018.01	\$ 7,932.86	\$ 5,760.52	\$ 4,124.75	\$ 2,252.11	\$ 3,401.92	\$ 1,600.80	\$ 86.94	\$ -	\$ 14,039.46	\$ 46,593.33	\$ -	\$ -
December	\$ 919,799.79	\$ 835,230.29	\$ 7,138.45	\$ 7,648.07	\$ 6,168.70	\$ 1,464.20	\$ 4,272.65	\$ 1,645.34	\$ (14.88)	\$ -	\$ -	\$ 15,531.11	\$ 1,721.91	\$ -
January	\$ 325,810.87	\$ 279,236.18	\$ 5,790.80	\$ 8,013.42	\$ 1,192.78	\$ 2,591.90	\$ 1,491.38	\$ 2,316.91	\$ 298.58	\$ -	\$ -	\$ 12,628.93	\$ 553.50	\$ 1,548.90
February														
March														
April														
May														
ADA Adj.														
June														
Totals	\$ 1,723,808.00	\$ 1,550,339.26	\$ 47,616.94	\$ 55,964.03	\$ 23,138.20	\$ 18,523.36	\$ 17,401.77	\$ 13,892.97	\$ 370.64	\$ 474.07	\$ 112,315.70	\$ 105,815.59	\$ 2,425.80	\$ 1,756.25
Commission	\$ 34,476.16	\$ 31,006.79	\$ 952.34	\$ 1,119.28	\$ 231.38	\$ 185.23	\$ 348.04	\$ 277.86	\$ 7.41	\$ 9.48	\$ 1,123.16	\$ 1,058.16	\$ 24.26	\$ 17.56
Total Net	\$ 1,689,331.84	\$ 1,519,332.47	\$ 46,664.60	\$ 54,844.75	\$ 22,906.82	\$ 18,338.13	\$ 17,053.73	\$ 13,615.11	\$ 363.23	\$ 464.59	\$ 111,192.54	\$ 104,757.43	\$ 2,401.54	\$ 1,738.69
Difference		\$ (173,468.74)		\$ 8,347.09		\$ (4,614.84)		\$ (3,508.80)		\$ 103.43		\$ (6,500.11)		\$ (669.55)

	Sales Tax		Bank Excise Tax		Mixed Drink Tax		Statutory Local Tax		Marriage Licenses		Subtotal		2024-25% of Actual	2025-26% of Actual
	2024-2025	2025-2026	2024-2025	2025-2026	2024-2025	2025-2026	2024-2025	2025-2026	2024-2025	2025-2026	2024-2025	2025-2026		
July	\$ 475,495.29	\$ 494,356.43	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100.74	\$ 119.41	\$ 516,076.68	\$ 520,708.71	9.8%	10.4%
August	\$ 477,493.70	\$ 454,180.89	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83.55	\$ 102.35	\$ 529,707.88	\$ 480,655.68	10.1%	9.6%
September	\$ 474,027.78	\$ 406,521.46	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127.78	\$ 90.17	\$ 484,157.44	\$ 419,629.24	9.2%	8.3%
October	\$ 468,789.74	\$ 413,252.97	\$ -	\$ -	\$ 4,274.59	\$ -	\$ -	\$ -	\$ 144.97	\$ 136.47	\$ 764,369.00	\$ 719,452.03	14.6%	14.3%
November	\$ 439,287.88	\$ 486,929.88	\$ -	\$ -	\$ -	\$ 10,648.94	\$ 66.20	\$ 70.00	\$ 142.52	\$ 155.97	\$ 698,576.26	\$ 705,029.56	13.3%	14.0%
December	\$ 477,478.87	\$ 504,633.63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71.26	\$ 99.91	\$ 1,416,636.75	\$ 1,366,252.55	27.0%	27.2%
January	\$ 485,058.67	\$ 494,701.34	\$ -	\$ -	\$ 21,347.66	\$ 15,859.67	\$ 70.00	\$ 70.00	\$ 100.74	\$ 80.42	\$ 841,714.98	\$ 817,047.67	16.0%	16.2%
February											\$ -	\$ -	0.0%	0.0%
March											\$ -	\$ -	0.0%	0.0%
April											\$ -	\$ -	0.0%	0.0%
May											\$ -	\$ -	0.0%	0.0%
ADA Adj.											\$ -	\$ -	0.0%	0.0%
June											\$ -	\$ -	0.0%	0.0%
Totals	\$ 3,297,631.93	\$ 3,254,576.60	\$ -	\$ -	\$ 25,622.25	\$ 26,508.61	\$ 136.20	\$ 140.00	\$ 771.56	\$ 784.70	\$ 5,251,238.99	\$ 5,028,775.44		
Commission	\$ 32,976.32	\$ 32,545.77	\$ -	\$ -	\$ 256.22	\$ 265.09	\$ 1.36	\$ 1.40	\$ 7.72	\$ 7.85	\$ 70,404.36	\$ 66,494.46		
Total Net	\$ 3,264,655.61	\$ 3,222,030.83	\$ -	\$ -	\$ 25,366.03	\$ 26,243.52	\$ 134.84	\$ 138.60	\$ 763.84	\$ 776.85	\$ 5,180,834.63	\$ 4,962,280.98		
Difference		\$ (43,055.33)		\$ -		\$ 886.36		\$ 3.80		\$ 13.14		\$ (222,463.55)		

Total budgeted projection for 2025 - 2026 is \$ 9,755,325 The year-to-date collection of \$ 4,962,281 is 50.9% of the total budgeted projection.

The amount collected year-to-date is \$ (222,464) less than this time last year. (This amount does not reflect commission fees.)

Greeneville City Schools Comparative Summary of Revenue Collections For the Month Ended January 31, 2026

<u>LOCAL REVENUE</u>	2024-2025	2025-2026	Variance	Actual % Change
Property Tax	\$ 1,723,808.00	\$ 1,550,339.26	\$ (173,468.74)	-10.06%
Property Tax - Prior Year	47,616.94	55,964.03	\$ 8,347.09	17.53%
Clerk & Master	23,138.20	18,523.36	\$ (4,614.84)	-19.94%
Interest & Penalty	17,401.77	13,892.97	\$ (3,508.80)	-20.16%
Pick-Up Taxes	370.64	474.07	\$ 103.43	100.00%
In Lieu Of - Local Utility	112,315.70	105,815.59	\$ (6,500.11)	-5.79%
In Lieu Of - Other	2,425.80	1,756.25	\$ (669.55)	-27.60%
Sales Tax	3,297,631.93	3,254,576.60	\$ (43,055.33)	-1.31%
Bank Excise Tax	-	-	\$ -	0.00%
Mixed Drink Tax	25,622.25	26,508.61	\$ 886.36	3.46%
Statutory Local Taxes	136.20	140.00	\$ 3.80	2.79%
Marriage Licenses	771.56	784.70	\$ 13.14	1.70%
Totals	\$ 5,251,238.99	\$ 5,028,775.44	\$ (222,463.55)	-4.24%

Note: Amounts reflected do not take into consideration commission fees. Property tax, Interest & Penalty and Pick-Up Tax commission fees are calculated at 2% of total collections, while all other categories are calculated at 1% of total collections.

** Total budgeted amount of local revenue attributable to the GTC is \$567,916*

<u>TISA REVENUE</u>	2024-2025	2025-2026	Variance
July	\$ 498,328.00	\$ 646,810.66	\$ 148,482.66
August	2,083,131.49	2,220,203.50	\$ 137,072.01
September	2,083,131.48	2,220,203.51	\$ 137,072.03
October	2,083,131.48	2,220,203.50	\$ 137,072.02
November	2,083,131.49	2,220,203.50	\$ 137,072.01
December	2,330,048.99	2,527,323.01	\$ 197,274.02
January	2,126,911.93	2,220,203.50	\$ 93,291.57
February			\$ -
March			\$ -
April			\$ -
May			\$ -
June			\$ -
Totals	\$ 13,287,814.86	\$ 14,275,151.18	\$ 987,336.32

Greeneville City Schools General Purpose Financial Report For the Month of January 2026

Account #	Description	Month-to-Date	Year-to-Date	Total Budget	YTD % of Total Budget
<u>REVENUE</u>					
34755	Assigned for Education	\$ -	\$ -	217,275.00	0.0%
34760	Assigned for Instruction	\$ -	\$ -	246,918.00	0.0%
34785	Assigned for Capital Projects	\$ -	\$ -	272,925.00	0.0%
34790	Unassigned Fund Balance	\$ -	\$ -	64,723.00	0.0%
39000	Unassigned Fund Balance	\$ -	\$ -	58,668.00	0.0%
40000	Local Taxes	\$ 1,382,012.31	\$ 4,212,600.43	9,806,960.00	43.0%
41000	Marriage Licenses	\$ 99.91	\$ 704.28	1,209.00	58.3%
43511	Tuition	\$ 48,694.25	\$ 580,312.18	764,925.00	75.9% (1)
43570	Receipts from Individual Schools	\$ 14,033.06	\$ 76,686.66	173,568.00	44.2%
44000	Other Local Revenue	\$ 25,429.06	\$ 235,598.70	285,626.00	82.5%
46000	State Education Funds	\$ 2,285,716.07	\$ 14,494,787.32	22,699,444.00	63.9%
47600	Direct Federal Funds (ROTC)	\$ 6,883.84	\$ 27,535.36	81,374.00	33.8%
49000	City Appropriation, Indirect Cost, & Insurance Recovery	\$ 1,204,118.70	\$ 3,069,173.87	6,029,854.00	50.9%
	Total Revenues	\$ 4,966,987.20	\$ 22,697,398.80	\$ 40,703,469.00	55.8%
<u>EXPENDITURES</u>					
		MTD	YTD		
71100	Regular Instruction	\$ 1,376,953.95	\$ 9,475,101.41	\$ 18,605,160.00	50.9%
71150	Alternative Instruction	14,940.79	91,731.39	186,329.00	49.2%
71200	Special Education	226,072.61	1,443,033.30	2,936,396.00	49.1%
71300	Vocational Education	102,036.60	623,612.44	1,332,149.00	46.8%
71400	Student Body	-	150.00	500.00	30.0%
72110	Attendance	8,154.54	127,235.99	131,369.00	96.9% (3)
72120	Health Services	35,383.71	240,833.59	480,242.00	50.1%
72130	Other Student Support	129,117.44	915,631.39	1,873,271.00	48.9%
72210	Regular Instruction Support	132,413.47	947,346.66	1,309,351.00	72.4%
72220	Special Education Support	21,858.87	223,504.14	343,413.00	65.1%
72230	Vocational Education Support	-	-	2,400.00	0.0%
72250	Technology	71,836.73	694,277.12	1,174,312.00	59.1%
72310	Board of Education	99,010.06	793,876.94	1,027,562.00	77.3% (2)
72320	Office of Director	46,180.92	357,518.16	613,699.00	58.3%
72410	Office of Principal	208,878.57	1,448,542.57	2,488,969.00	58.2%
72510	Fiscal Services	30,080.99	219,786.51	402,339.00	54.6%
72520	Human Resources	26,819.24	233,899.39	383,151.00	61.0% (3)
72610	Operation of Plant	199,337.20	1,672,211.88	2,809,225.00	59.5% (3)
72620	Maintenance of Plant	96,802.06	924,033.99	1,171,068.00	78.9%
72710	Transportation	92,229.05	739,151.85	1,185,202.00	62.4%
73100	School Nutrition	3,324.96	4,685.24	-	N/A
73300	Community Services	81.40	1,587.31	20,000.00	7.9%
73400	Early Childhood Education	61,929.77	322,335.07	640,450.00	50.3%
76100	Capital Outlay	-	544,349.37	1,141,425.00	47.7%
81300	Education Debt Service	-	180,000.00	370,487.00	48.6% (4)
99100	Operating Transfers	-	75,000.00	75,000.00	100.0% (4)
	Total Expenditures	\$ 2,983,442.93	\$ 22,299,435.71	\$ 40,703,469.00	54.8%
	Net Revenue (Expense)	\$ 1,983,544.27	\$ 397,963.09		

Explanation of Footnotes

(1) Tuition Count as of 02/19/2026 is 579 Students

(2) 2025-2026 Liability and Workers' Compensation Insurance Payments Reflected

(3) Reflects Routine Encumbrances for Liability Insurance Policies, Software, and Supplies

(4) Reflects EESI Loan & SRO Annual Payments to Town of Greeneville

(4) Encumbrances Total \$ 1,259,904

Greeneville City Schools

Federal Projects Financial Report

For the Month of January 2026

<u>REVENUE</u>	<u>Month-to-Date</u>	<u>Year-to-Date</u>	<u>Total Budget</u>	<u>YTD % of Total Budget</u>
Carl Perkins	\$ 2,334.54	\$ 23,096.26	\$ 44,063.00	52.4%
Carl Perkins Reserve	\$ -	\$ 10,187.95	\$ 50,000.00	20.4%
Consolidated Administration	\$ 11,385.92	\$ 60,823.19	\$ 120,938.00	50.3%
Title I-A	\$ 61,074.68	\$ 273,609.49	706,439.00	38.7%
Title I-A Neglected	\$ 10,025.32	\$ 30,075.96	60,152.00	50.0%
Title II-A	\$ 7,258.70	\$ 47,834.54	133,286.00	35.9%
Title III	\$ 7,807.20	\$ 8,427.20	17,874.00	47.1%
Title IV	\$ 4,753.72	\$ 22,637.39	65,992.00	34.3%
Title V	\$ -	\$ 4,472.54	4,473.00	100.0%
IDEA Part B	\$ 78,455.26	\$ 406,072.88	855,980.00	47.4%
IDEA Pre-School	\$ -	\$ 14,719.00	14,719.00	100.0%
Foundations First: Pre-K Reading	\$ -	\$ 1,000.00	1,000.00	100.0%
21st Century	\$ -	\$ 76,171.56	276,250.00	27.6%
McKinney-Vento Relief	\$ -	\$ -	5,000.00	0.0%
Total Revenues	\$ 183,095.34	\$ 979,127.96	\$ 2,356,166.00	41.6%

<u>EXPENDITURES</u>	<u>MTD</u>	<u>YTD</u>	<u>Total Budget</u>	<u>YTD % of Total Budget</u>
Carl Perkins	\$ 1,352.26	\$ 24,448.52	\$ 44,063.00	55.5%
Carl Perkins Reserve	\$ -	\$ 39,609.84	\$ 50,000.00	79.2%
Consolidated Administration	\$ 9,210.70	\$ 70,033.89	\$ 120,938.00	57.9%
Title I-A	\$ 42,555.89	\$ 316,169.58	706,439.00	44.8%
Title I-A Neglected	\$ 5,012.66	\$ 35,088.62	60,152.00	58.3%
Title II-A	\$ 7,736.86	\$ 55,571.40	133,286.00	41.7%
Title III	\$ -	\$ 8,427.20	17,874.00	47.1%
Title IV	\$ 3,960.98	\$ 26,598.37	65,992.00	40.3%
Title V	\$ -	\$ 4,472.54	4,473.00	100.0%
IDEA Part B	\$ 73,210.38	\$ 479,974.77	855,980.00	56.1%
IDEA Pre-School	\$ -	\$ 14,719.00	14,719.00	100.0%
Foundations First: Pre-K Reading	\$ -	\$ 1,000.00	1,000.00	100.0%
21st Century	\$ 19,597.56	\$ 125,372.02	276,250.00	45.4%
McKinney-Vento Relief	\$ -	\$ 831.89	5,000.00	16.6%
Total Expenditures	\$ 162,637.29	\$ 1,202,317.64	\$ 2,356,166.00	51.0%

Net Revenue (Expense)	\$ 20,458.05	\$ (223,189.68)	\$ -
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*Encumbrances Total \$33,768

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE

Financial Statements with
Supplementary Information
Year Ended June 30, 2025



BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Financial Statements with Supplementary Information
June 30, 2025

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BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Financial Statements with Supplementary Information (Continued)

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INTRODUCTORY SECTION (UNAUDITED)

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Roster of Officials and Board Members
Year Ended June 30, 2025

Officials

Mr. Steve Starnes	Director of Schools
Dr. Jason Horne	Assistant Director of Schools for Administration
Richard Tipton	Assistant Director of Schools for Curriculum & Instruction
Mrs. Ellen Lipe, CPA	Chief Financial Officer

Board Members

Mrs. Cindy Luttrell	Chairwoman
Dr. Craig Shepherd	Vice-Chairman
Mr. Josh Quillen	Treasurer
Mrs. Pamela Botta	Member
Ms. Crystal Hirschy	Member

FINANCIAL SECTION



Independent Auditors' Report

Board of Education, Town of Greeneville, Tennessee
Greeneville, Tennessee

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 the Board of Education, Town of Greeneville, Tennessee (the "Board") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Board as of June 30, 2025, and the respective changes in financial position, and the respective budgetary comparison for the General Fund and Federal Projects Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board 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.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Board of Education, Town of Greeneville, Tennessee and do not purport to, and do not, present fairly the financial position of the Town of Greeneville, Tennessee, as of June 30, 2025 and the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As described in Note 1, the Board has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement 101, *Compensated Absences*. GASB 101 establishes recognition and measurement guidance for all types of compensated absences. As a result of this implementation, the Board changed its method of accounting for compensated absences, which affected the measurement and recognition of related liabilities. Our opinion is not modified with respect to this matter.

As discussed in Note 15 to the financial statements, effective June 17, 2025, the Board acquired all operations, assets, deferred outflows, liabilities, and deferred inflows of Greene Technology Center that ceased to exist as a joint venture between the Board and Greene County, Tennessee. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board'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 Board's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary schedules 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 Board's basic financial statements. The supplementary information as listed in the table of contents, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents, and the schedule of expenditures of federal awards 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 but does not include the basic financial statements and our auditors' 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 29, 2026, on our consideration of the Board'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 Board'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 Board's internal control over financial reporting and compliance.

ClearPoint CPAs PC

Greeneville, Tennessee
January 29, 2026

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

This section of the Town of Greeneville, Tennessee Board of Education's ("Board") annual financial report presents its discussion and analysis of the Board's financial performance during the fiscal year ending June 30, 2025. Please read it in conjunction with the Board's financial statements, which immediately follow this section.

Financial Highlights

- The assets and deferred outflows of the Board exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$17,106,280, an increase of \$312,596 from prior year.
- During the year, the Board received \$8,997,099 in general revenue collections. This was an increase of \$578,474 compared to prior year or a 6.87% increase. Property taxes allocated from Greene County increased \$132,559 while sales tax increased \$312,605. In addition, the Board also collected \$736,397 in tuition revenue which increased slightly from prior year by \$19,917 or 2.78%.
- Expenses for government wide for the year ended June 30, 2025 increased by \$2,693,053 or 6.01% while program revenues decreased \$118,238 or -0.30% compared to prior year. The increase in expenses is because an increase in teacher salaries to help fund an upcoming 2026-2027 state minimum teacher salary mandate. Bonus payments of \$2,000 per teacher were also paid in June 2025. The Board also conducted a salary study for non-certified employees and adopted a new non teacher-certified hourly pay scale with 13 pay lanes.
- Effective June 17, 2025, the Board of Education Town of Greeneville, Tennessee acquired the operations of Greene Technology Center, which had previously been operated as a joint venture between Board of Education Town of Greeneville, Tennessee and Greene County, Tennessee. The transaction was accounted for as a government acquisition in accordance with GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*. As a result of the acquisition, Greene Technology Center ceased to exist as a separate legal entity, and the Board of Education Town of Greeneville assumed responsibility for all operations, governance, and taxing authority as of the acquisition date. As part of the acquisition, the Board of Education Town of Greeneville, Tennessee provided monetary consideration to Greene County, Tennessee in the amount of \$1,520,919, which was paid in cash and funded from the Board's General Fund. The consideration was provided in accordance with the acquisition agreement. In June 2025, the Town of Greeneville, Tennessee, for the benefit of the Board, signed a Capital Outlay Note, Series 2025 for total funding of \$1,000,000 to purchase the building from Greene County, Tennessee that housed the Greene Technology Center that the Board acquired. There is an agreement between the Town of Greeneville, Tennessee and the Board for the Board to pay the entire debt service of the note to the Town of Greeneville, Tennessee. The remaining \$520,919 was paid for the capital assets acquired from the Greene Technology Center from the Board's cash.
- The beginning balance of the net position has been restated to implement the provisions of GASB 101, *Compensated Absences*. The effect of implementing GASB 101 resulted in a decrease in beginning net position of \$3,913,337 for the Board's government-wide net position. As a result of implementing GASB 101 and an increase in the net pension asset, the Board has a negative unrestricted deficit of \$4,270,434.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Board's financial statements. The basic financial statements consist of three parts: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains additional supplementary information beyond the basic financial statements themselves.

Government-wide financial statements The government-wide financial statements are designed to provide both long-term and short-term information about the Board's overall financial standing in a manner similar to a private-sector business.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Management's Discussion and Analysis (Unaudited) (Continued)

There are two government-wide financial statements:

Statement of Net Position - presents information about the Board's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating.

Statement of Activities - presents information showing how the Board's net position changed during the most recent fiscal year. All current year revenues and expenses are taken into account 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 years (e.g., earned but unused vacation leave and retiree's medical and life insurance costs).

Both government-wide financial statements distinguish between functions of the Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Board include education, community services, health, debt service, capital outlay, school nutrition and internal school fund. The Board functions as a department of the Town of Greeneville, Tennessee, and therefore has been included as a governmental activity of the primary government.

Fund financial statements The fund financial statements provide more detailed information about the most significant funds. 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 Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Board are governmental funds.

Governmental funds - The Board's basic services are included in governmental funds. The focus of these funds is on (1) how cash and other financial assets that can readily be converted to cash were received and used and (2) what remains at the end of the fiscal year for future spending. This detailed short-term view helps in determining whether there are more or fewer financial resources that can be spent in the near future to finance the Board's programs. Because this information does not include the additional long-term focus of the government-wide statements, we provide additional information after the governmental fund statement that explains the differences between the long-term view and the short-term view.

The Board maintains a General Fund, a Federal Projects Fund, an Internal School Fund, and a School Nutrition Fund. Information is presented separately in the financial statements for each of these Funds. The General Fund and Federal Projects Fund are major funds.

The Board adopts a budget for each of its governmental funds except for the Internal School Fund. Budgetary comparisons for the General Fund and Federal Projects Fund are part of the basic financial statements. Budgetary comparisons for the School Nutrition Fund is provided as supplementary information. Budgetary comparisons are provided to demonstrate compliance with the budget.

Notes to the financial statements - The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The additional information contained in these notes is essential to a full understanding of the information provided in the government-wide and fund financial statements.

Other information - In addition to the basic financial statements discussed above, this report also presents required supplementary information concerning the Board's progress in funding its obligation to provide pension and OPEB benefits to its employees.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Management's Discussion and Analysis (Unaudited) (Continued)

Financial Analysis of the Board as a Whole

Net Position

Net position may serve over time as a useful indicator of a school system's financial position. In the case of the Board, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$17,106,280 at the close of the most recent fiscal year. By far the largest portion of the Board's net position reflects its investment in capital assets (land, buildings, equipment, etc.), less any related debt used to acquire those assets that is still outstanding. Because capital assets are used to provide services to schools, the assets are not available for future spending. Although the Board's investment in capital assets is shown 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.

An additional portion of the Board of Education's net position represents resources that are restricted in how they may be used. At the end of the fiscal year, the restricted net position was \$8,947,933. The Board presents an unrestricted (deficit) net position of (\$4,270,434) at June 30, 2025 compared to the unrestricted (deficit) net position at June 30, 2024 of (\$1,377,428). The negative unrestricted net position at June 30, 2025 and 2024 is primarily attributable to the implementation of GASB Statement No. 101, which revised the recognition and measurement of compensated absences. The adoption resulted in the recognition of additional long-term liabilities that were previously unreported of \$3,913,337. This accounting change does not affect the Board's cash flows or ability to meet current obligations. The unrestricted net position decreased \$2,893,006 due to change in net position for fiscal year 2025 of \$312,596 less the increase in the investment in capital assets of \$724,051 and also an increase in restricted assets of \$2,481,551. The large increase in restricted net position is a result of an increase in the pension asset and TCRS Stabilization Trust due to the acquisition of GTC as well as an overall increases per the actuary reports.

Board of Education's Net Position

	2025	2024
Current and other assets	\$ 10,655,672	\$ 10,736,125
Pension assets	6,512,498	3,902,727
Restricted investments	526,386	380,484
Capital assets, net	26,010,317	25,524,497
Total assets	\$ 43,704,873	\$ 40,543,833
Deferred outflows of resources	8,211,638	8,402,054
Current liabilities	5,109,407	5,276,415
Non-current liabilities	25,994,836	24,272,673
Total liabilities	31,104,243	29,549,088
Deferred inflows of resources	3,705,988	2,603,115
Net investment in capital assets	12,428,781	11,704,730
Restricted	8,947,933	6,466,382
Unrestricted (deficit)	(4,270,434)	(1,377,428)
Total net position	\$ 17,106,280	\$ 16,793,684

Total assets of the Board increased \$3,161,040 or 7.80% as of June 30, 2025 compared to June 30, 2024. The most significant increase was the increase in the pension asset of \$2,609,771 and capital assets, net of \$485,820. The pension asset increased because the Board acquired GTC which resulted in an acquisition of pension asset of \$521,000. The remaining increase is a result of the actuary reports for the Legacy and Hybrid pension plans. Deferred

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Management's Discussion and Analysis (Unaudited) (Continued)

Net Position (Continued)

outflows of resources decreased \$190,416 at June 30, 2025 compared to June 30, 2024. The decrease is a result of the decrease in deferred outflows for the three pension plans of \$1,013,922 and an increase in the three OPEB plans of \$823,506. Total current liabilities for the Board decreased \$167,008 or 0.03% as of June 30, 2025 compared to June 30, 2024. Total noncurrent liabilities increased \$1,722,163 at June 30, 2025 compared to June 30, 2024 as a result of bonds paid down and a new capital outlay of \$1,000,000 to acquire GTC. The Board also acquired new subscription right-to-use liabilities. The deferred inflows also increased \$1,102,873 as a result of the three pension plans increased \$1,527,411 and a decrease in the three OPEB plans of \$407,234. More detailed information regarding pensions and OPEB can be accessed in the Notes and Required Supplementary Information sections of the audit report.

Changes in Net Position

Net position of the Board's governmental activities increased \$312,596. Program revenues decreased slightly by \$118,238 or -0.30%. During the year, the Board received \$8,997,099 in general revenue collections. This was an increase of \$578,474 compared to prior year because Greene County property tax collections increased \$132,559, while sales tax increased \$312,605. Expenses increased \$2,693,053 for 2025 compared to 2024 because the Board continues to increase teacher salaries to fund an upcoming 2026-2027 state minimum teacher salary mandate. Bonus payments of \$2,000 per teacher were also paid in June 2025. The Board also conducted a salary study for non-certified employees and adopted a new non teacher-certified hourly pay scale with 13 pay lanes. The Board also implemented GASB 101 in the current year which resulted in a prior period restatement of \$3,913,337 that decreased net position.

Acquisition of Greene Technology Center

Effective June 17, 2025, the Board of Education Town of Greeneville, Tennessee acquired the operations of Greene Technology Center, which had previously been operated as a joint venture between Board of Education Town of Greeneville, Tennessee and Greene County, Tennessee. The transaction was accounted for as a government acquisition in accordance with GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*. As a result of the acquisition, Greene Technology Center ceased to exist as a separate legal entity, and the Board of Education Town of Greeneville assumed responsibility for all operations, governance, and taxing authority as of the acquisition date.

The acquisition was reported using the acquisition method as prescribed by GASB 69. Assets acquired, liabilities assumed, and deferred outflows and inflows of resources were recognized as of the acquisition date. Capital assets and other nonfinancial assets were recorded at acquisition value, defined as the price that would be paid to acquire an asset with equivalent service capacity at the acquisition date. Financial assets and liabilities were recorded at fair value, where applicable.

As part of the acquisition, the Board of Education Town of Greeneville, Tennessee provided monetary consideration to Greene County, Tennessee in the amount of \$1,520,919, which was paid in cash and funded from the Board's General Fund. The consideration was provided in accordance with the acquisition agreement. In June 2025, the Town of Greeneville, Tennessee, for the benefit of the Board, signed a Capital Outlay Note, Series 2025 for total funding of \$1,000,000 to purchase the building from Greene County, Tennessee that housed the Greene Technology Center that the Board acquired. There is an agreement between the Town of Greeneville, Tennessee and the Board for the Board to pay the entire debt service of the note to the Town of Greeneville, Tennessee. The remaining \$520,919 was paid for the capital assets acquired from the Greene Technology Center from the Board's cash.

In accordance with GASB Statement No. 69, the acquisition resulted in a special item of \$9,154 for the net position acquired.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Management's Discussion and Analysis (Unaudited) (Continued)

The following is a summary of financial activities for the Board during the fiscal year ended June 30, 2025 compared to June 30, 2024.

	2025	2024
Program revenue		
Charges for services	\$ 2,427,133	\$ 2,430,489
Grants	36,345,502	36,460,384
General revenues		
Local taxes	8,938,011	8,404,357
Other	14,018	13,234
Interest	45,070	1,034
Total revenues	47,769,734	47,309,498
Governmental activities expenses		
Instruction	32,455,956	30,098,674
School Nutrition	2,257,695	2,071,120
Technology	974,178	844,389
Greene Technology Center	162,520	240,612
Student Support Services	1,304,883	1,436,642
Board of Education	431,367	498,352
Internal school	1,260,168	1,216,113
Administration	3,523,584	3,262,522
Transportation	1,009,970	950,877
Health	451,129	463,448
Maintenance and Operations	3,490,352	3,536,360
Debt Service	144,490	154,130
Total expenses	47,466,292	44,773,239
Change in net position from governmental activities	303,442	2,536,259
Special Item		
Acquisition of Greene Technology Center	9,154	-
Total special item	9,154	-
Change in net position	312,596	2,536,259
Net Position at the beginning of the year, restated	16,793,684	18,170,762
Prior period restatement	-	(3,913,337)
Net position at the beginning of the year, restated	16,793,684	14,257,425
Net Position at the end of the year	\$ 17,106,280	\$ 16,793,684

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Management's Discussion and Analysis (Unaudited) (Continued)

Financial Analysis of the Board's Funds

The Board uses fund accounting to help it control and manage money for particular purposes or to demonstrate compliance with legal requirements. More detailed analysis is provided below for the Board's funds.

General Fund Budgetary Highlights

- The Board of Education paid the Town of Greeneville its annual quarter cent sales tax payment of \$190,487 and contributed \$75,000 of State TISA Funds to help support the School Resource Officers in every school.
- The Board of Education paid \$162,520 toward the operating costs of the Greene Technology Center. The Board acquired Greene Technology Center as of June 17, 2025.
- The Board through the Town of Greeneville, Tennessee, did a loan issuance of \$1,000,000 as part of the acquisition of Greene Technology Center.
- The Board acquired \$10,944 in net position recorded as a special item in accordance with GASB No. 69 for the acquisition of Greene Technology Center.
- The Board through the Town of Greeneville, Tennessee, assumed additional interest owed of \$45,720 during the year on the EESI.
- The General Fund also had a subscription right-to-use lease issuance of \$1,221,980 for 8 new software subscriptions.

Federal Projects Fund Budgetary Highlights

The Federal Projects fund serves to receive and disburse all funds related to the various Title programs, as well as IDEA and any other federally mandated programs. This fund operated within its budget for the 2024 - 2025 school year.

School Nutrition Fund Budgetary Highlights

The School Nutrition fund serves to receive and distribute all funds necessary to operate the cafeterias housed in the four elementary schools, the middle school and the high school. This fund operated with an excess of expenditures over revenue for the 2024 - 2025 school year of \$297,440. The Fund had an increase in salaries and employee benefits because of raises budgeted for fiscal year 2025 and increases in health insurance benefit costs.

Capital Asset and Debt Administration

Capital Assets

At the end of this year, the Board had \$26,010,317 (net of accumulated depreciation) invested in capital assets, including land and land rights, construction in progress, buildings, machinery and equipment, furniture and fixtures, intangible right-to-use asset, and subscription right-to-use asset.

Board's Capital Assets

	2025	2024
Land	\$ 696,928	\$ 696,928
Construction in progress	10,075	474,893
Buildings and improvements	55,740,378	54,304,998
Equipment	11,812,096	10,739,600
Vehicles	2,183,867	1,966,490
Less accumulated depreciation	(45,537,317)	(42,831,678)
Intangible right-to-use asset, net	53,242	106,120
Subscription right-to-use asset, net	1,051,048	67,146
	\$ 26,010,317	\$ 25,524,497

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Management's Discussion and Analysis (Unaudited) (Continued)

Board's Capital Assets (Continued)

The Board's net capital assets increased \$485,820. Depreciation expense for the year ended June 30, 2025 was \$3,263,999 and amortization for the intangible and subscription right-to use-assets was \$311,627. Capital asset additions of \$3,291,575 were added during the year as well as 5 new software subscriptions for \$1,221,980 for right-to-use assets. Construction in progress at June 30, 2025 was \$10,075 for a concrete replacement project at NPAC. Disposals from construction in progress were \$679,262 for assets put in service during the year that included \$314,287 for the partial reroof for Highland Elementary and \$364,975 for the HVAC replacement at Highland Elementary. Other additions during the year included \$1,000,000 for the purchase of the Greene Technology Center, \$520,919 for equipment purchased at the Greene Technology Center, \$233,679 for an extreme switching network, \$297,699 for an audio enhancement at Greeneville High, and \$138,868 for a new bus.

Debt

At the end of the current fiscal year, The Board of Education had \$29,235,901 in long-term debt outstanding as noted below:

	2025	2024
Bonds payable	\$ 6,125,000	\$ 7,835,000
Premium on bonds payable	623,006	850,693
Note payable	5,810,563	4,965,747
Lease payable	50,090	103,800
Subscription payable	972,877	64,527
Other post employment benefits	10,797,938	8,621,232
Net pension liability	352,408	723,863
Accrued retirement incentive	319,164	323,650
Accrued compensated absences, restated	4,184,855	4,059,658
 Total long-term debt	 \$ 29,235,901	 \$ 27,548,170

The Board had an increase of \$1,687,731 or 6.13% from last year due to a new capital outlay note issuance, through the Town of Greeneville, Tennessee, of \$1,000,000, an increase in subscription payable of \$908,350, an increase in OPEB of \$2,176,706 and pay down of debt.

Discussion of known facts, decisions, or conditions expected to have a significant effect

The Board adopted a budget for the general fund for fiscal year 2026 at \$40,148,546, which included using \$349,675 of fund balance to balance the budget. The Board, following the acquisition of Greene Technology Center, rebranded the name to Greeneville Career and Technical Academy. The Board is also in the process after year end to move all operations housed at George Clem to the Greeneville Career and Technical Academy.

Contacting the Board of Education's Financial Management

This financial report is designed to provide the taxpayers, citizens and all interested parties with a general overview of the Board of Education's finances and to demonstrate the Board of Education's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, Greeneville City School System, 129 West Depot Street, Greeneville, TN 37743.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Statement of Net Position
June 30, 2025

	Governmental Activities	Total
ASSETS		
Current Assets		
Cash	\$ 7,690,277	\$ 7,690,277
Accounts receivable	39,839	39,839
Intergovernmental receivables	2,787,035	2,787,035
Other	61,908	61,908
Inventory	76,613	76,613
Total current assets	10,655,672	10,655,672
Noncurrent Assets		
Net pension asset, legacy plan	6,330,825	6,330,825
Net pension asset, hybrid plan	181,673	181,673
Restricted investments, TCRS Stabilization Trust	526,386	526,386
Land	696,928	696,928
Construction in progress	10,075	10,075
Depreciable capital assets, net	24,199,024	24,199,024
Intangible right-to-use asset, net	53,242	53,242
Subscription right-to-use assets, net	1,051,048	1,051,048
Total noncurrent assets	33,049,201	33,049,201
Total assets	43,704,873	43,704,873
DEFERRED OUTFLOWS OF RESOURCES		
Pension	4,929,786	4,929,786
Other post employment benefits	3,281,852	3,281,852
Total deferred outflows of resources	8,211,638	8,211,638

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Statement of Net Position (Continued)

	Governmental Activities	Total
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 146,435	\$ 146,435
Compensation payable	1,721,907	1,721,907
Current portion of retirement incentive payable	172,955	172,955
Current portion of compensated absences	934,300	934,300
Current portion of right-to-use asset	41,870	41,870
Current portion of subscription right-to-use asset	204,324	204,324
Current portion of notes payable	427,616	427,616
Current portion of bonds payable	1,460,000	1,460,000
Total current liabilities	5,109,407	5,109,407
Noncurrent Liabilities		
Retirement incentive payable, less current portion	146,209	146,209
Compensated absences, less current portion	3,250,555	3,250,555
Bonds payable, less current portion	5,288,006	5,288,006
Note payable, less current portion	5,382,947	5,382,947
Right-to-use asset, less current portion	8,220	8,220
Subscription right-to-use asset, less current portion	768,553	768,553
Other post employment benefits	10,797,938	10,797,938
Pension liability, public employee retirement plan	352,408	352,408
Total noncurrent liabilities	25,994,836	25,994,836
Total liabilities	31,104,243	31,104,243
DEFERRED INFLOWS OF RESOURCES		
Gain on bond refunding	69,139	69,139
Pension	1,937,450	1,937,450
Other post employment benefits	1,699,399	1,699,399
Total deferred inflows of resources	3,705,988	3,705,988
NET POSITION		
Net investment in capital assets	12,428,781	12,428,781
Restricted for:		
Pension asset	6,512,498	6,512,498
TCRS Stabilization Trust	526,386	526,386
School nutrition	1,089,401	1,089,401
Internal school	715,391	715,391
Education	78,339	78,339
Support Services	6,820	6,820
Other	19,098	19,098
Unrestricted (deficit)	(4,270,434)	(4,270,434)
Total net position	\$ 17,106,280	\$ 17,106,280

See accompanying notes to the financial statements.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Statement of Activities
Year Ended June 30, 2025

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental	Total
					Activities	Total
Governmental Activities						
Instruction	\$ 32,455,956	\$ 736,397	\$ 23,986,718	\$ -	\$ (7,732,841)	\$ (7,732,841)
School nutrition	2,257,695	409,948	1,844,031	-	(3,716)	(3,716)
Technology	974,178	-	-	-	(974,178)	(974,178)
Greene Technology Center	162,520	-	136,691	-	(25,829)	(25,829)
Student support services	1,304,883	-	1,097,503	-	(207,380)	(207,380)
Board of education	431,367	-	362,811	-	(68,556)	(68,556)
Internal schools	1,260,168	1,280,788	-	-	20,620	20,620
Administration	3,523,584	-	2,963,594	-	(559,990)	(559,990)
Transportation	1,009,970	-	849,459	-	(160,511)	(160,511)
Health	451,129	-	379,433	-	(71,696)	(71,696)
Maintenance and operations	3,490,352	-	2,926,438	-	(563,914)	(563,914)
Debt service	144,490	-	-	1,798,824	1,654,334	1,654,334
Total governmental activities	\$ 47,466,292	\$ 2,427,133	\$ 34,546,678	\$ 1,798,824	(8,693,657)	(8,693,657)
General Revenues						
Property taxes, including interest and penalty					3,225,529	3,225,529
In-lieu tax					222,219	222,219
Sales tax					5,490,263	5,490,263
Other					14,018	14,018
Interest					45,070	45,070
Total general revenues					8,997,099	8,997,099
Change in net position from governmental activities					303,442	303,442
Special Item						
Acquisition of Greene Technology Center					9,154	9,154
Total special item					9,154	9,154
Change in net position					312,596	312,596
Net position at the beginning of the year					20,707,021	20,707,021
Prior period restatement (See Note 14)					(3,913,337)	(3,913,337)
Net position at the beginning of the year, restated					16,793,684	16,793,684
Net position at the end of the year					\$ 17,106,280	\$ 17,106,280

See accompanying notes to the financial statements.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Balance Sheet - Governmental Funds
June 30, 2025

	General Fund	Federal Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 6,039,716	\$ -	\$ 1,650,561	\$ 7,690,277
Equity in pooled cash	-	673,053	-	673,053
Accounts receivable, net of allowance	33,069	-	6,770	39,839
Due from other governments	2,632,070	-	153,696	2,785,766
Restricted investments	526,386	-	-	526,386
Other assets	-	-	1,908	1,908
Inventories	-	-	76,613	76,613
Total assets	\$ 9,231,241	\$ 673,053	\$ 1,889,548	\$ 11,793,842
LIABILITIES				
Accounts payable	\$ 137,022	\$ 1,269	\$ 8,143	\$ 146,434
Due to other funds	-	671,784	-	671,784
Salaries payable	1,186,395	-	-	1,186,395
Payroll taxes payable	457,876	-	-	457,876
Other payroll deductions	77,636	-	-	77,636
Total liabilities	1,858,929	673,053	8,143	2,540,125
FUND BALANCES				
Nonspendable:				
School Nutrition Food Inventory	-	-	67,497	67,497
Inventory internal school fund	-	-	9,116	9,116
Restricted for:				
School Nutrition	-	-	1,089,401	1,089,401
TCRS Stabilization Trust	526,386	-	-	526,386
Internal school	-	-	715,391	715,391
Education	78,339	-	-	78,339
Support Services	6,820	-	-	6,820
Instruction	964	-	-	964
Other	18,134	-	-	18,134
Assigned to:				
Instruction	1,554	-	-	1,554
Education	464,193	-	-	464,193
Other	96,467	-	-	96,467
Capital Projects	272,925	-	-	272,925
Subsequent year's budget	349,675	-	-	349,675
Unassigned	5,556,855	-	-	5,556,855
Total fund balances	7,372,312	-	1,881,405	9,253,717
Total liabilities, deferred inflows of resources, and fund balances	\$ 9,231,241	\$ 673,053	\$ 1,889,548	\$ 11,793,842

See accompanying notes to the financial statements.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position
June 30, 2025

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

Total fund balance of Governmental Funds	\$ 9,253,717
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. The cost of the assets is \$72,043,740 and the accumulated depreciation is (\$46,033,423).	26,010,317
Other assets paid in advance are not considered "available" and are not reported in the governmental funds balance sheet.	60,000
Long-term other post employment benefit payments are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. This amount is the net other post employment benefits asset (liability), net of deferred outflows and deferred inflows related to other post employment benefits.	(9,215,485)
Long-term pension plan retirement payments are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. This amount is the net pension asset (liability), net of deferred outflows and deferred inflows related to pensions.	9,152,426
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(18,154,695)</u>
Net position of governmental activities	<u>\$ 17,106,280</u>

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
Year Ended June 30, 2025

	General Fund	Federal Projects Fund	Formerly Major Fund School Nutrition	Non-Major Governmental Funds	Total Governmental Funds
Revenues					
State of Tennessee	\$ 22,956,432	\$ -	\$ -	\$ 14,903	\$ 22,971,335
Federal funds through state	-	2,417,377	-	1,730,201	4,147,578
Direct federal funds	846,351	-	-	-	846,351
Town of Greeneville	5,940,322	-	-	-	5,940,322
Local taxes	8,923,085	-	-	-	8,923,085
Charges for current services	948,638	-	-	469,877	1,418,515
Investment income	45,070	-	-	-	45,070
Other local revenue	525,860	-	-	1,319,785	1,845,645
Total revenues	40,185,758	2,417,377	-	3,534,766	46,137,901
Expenditures					
Instruction	26,319,387	2,400,377	-	-	28,719,764
School nutrition	18,369	-	-	2,551,418	2,569,787
Internal school	-	-	-	1,260,168	1,260,168
Technology	1,281,165	-	-	-	1,281,165
Board of education	912,651	-	-	-	912,651
Health	451,043	-	-	-	451,043
Greene Technology Center	162,520	-	-	-	162,520
Student support services	1,396,927	-	-	-	1,396,927
Transportation	1,238,355	-	-	-	1,238,355
Administration	3,783,791	-	-	-	3,783,791
Maintenance and operations	5,353,548	-	-	-	5,353,548
Debt service					
Principal	685,316	-	-	-	685,316
Interest	73,434	-	-	-	73,434
Total expenditures	41,676,506	2,400,377	-	3,811,586	47,888,469
Excess of revenue over expenditures	(1,490,748)	17,000	-	(276,820)	(1,750,568)
Other Financing Sources (Uses)					
Loan issuance through Town of Greeneville	1,045,720	-	-	-	1,045,720
SBITA issuance	1,221,980	-	-	-	1,221,980
Transfer to the Town of Greeneville	(265,488)	-	-	-	(265,488)
Proceeds from sale of equipment and materials	16,248	-	-	-	16,248
Insurance recoveries	21,266	-	-	-	21,266
Operating transfers in	17,000	-	-	-	17,000
Operating transfers out	-	(17,000)	-	-	(17,000)
Total other financing sources	2,056,726	(17,000)	-	-	2,039,726
Special Item					
Acquisition of Greene Technology Center	10,944	-	-	38,309	49,253
Total special item	10,944	-	-	38,309	49,253
Net change in fund balance	576,922	-	-	(238,511)	338,411
Fund balance, beginning of year as previously reported	6,795,390	-	1,454,338	665,578	8,915,306
Change within financial reporting entity (major to nonmajor)	-	-	(1,454,338)	1,454,338	-
Fund balance, beginning of year as adjusted	6,795,390	-	-	2,119,916	8,915,306
Fund balance, end of year	\$ 7,372,312	\$ -	\$ -	\$ 1,881,405	\$ 9,253,717

See accompanying notes to the financial statements.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Reconciliation of Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

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

Net change in fund balances of Governmental Funds	\$ 338,411
Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which depreciation and amortization expense of \$3,195,575 exceeded capital outlay additions of \$2,826,756.	(368,819)
Some pension expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(270,620)
Other post employment benefits expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(220,436)
Expenses for compensated absences and termination benefits do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.	(95,629)
Liabilities assumed from Greene Technology Center not reported as expenditures in the governmental funds.	(40,099)
Revenue for accounts receivable do not require the use of current financial resources and therefore, are not reported as revenue in the governmental funds.	(213,544)
The issuance of long-term debt (e.g., bonds, notes, leases, and subscriptions) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes financial resources of governmental funds. Neither transaction, however, has any effect on 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<u>1,183,332</u>
Change in net position of governmental activities	<u>\$ 312,596</u>

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Budgetary Comparison Statement - General Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
State of Tennessee	\$ 20,950,205	\$ 22,700,340	\$ 22,956,432	\$ 256,092
Federal funds through state	50,000	50,000	-	(50,000)
Direct federal funds	55,493	430,772	846,351	415,579
Town of Greeneville	5,941,874	6,050,874	5,940,322	(110,552)
Local taxes	8,486,886	8,486,886	8,923,085	436,199
Charges for current services	913,185	913,185	948,638	35,453
Investment income	933	933	45,070	44,137
Other revenue	166,024	311,476	525,860	214,384
	<u>36,564,600</u>	<u>38,944,466</u>	<u>40,185,758</u>	<u>1,241,292</u>
Expenditures				
Instruction				
Salaries	17,128,243	18,157,934	18,034,891	123,043
Employee benefits	4,894,547	5,078,387	4,908,407	169,980
Contracted services	248,215	327,222	297,052	30,170
Fee waivers	25,000	25,000	25,000	-
Equipment	212,453	983,321	977,506	5,815
Materials and supplies	450,641	723,782	1,707,307	(983,525)
Textbooks	193,650	91,650	67,834	23,816
Staff development	176,187	179,098	145,052	34,046
Travel	19,250	19,314	11,347	7,967
Other	74,064	168,033	144,991	23,042
	<u>23,422,250</u>	<u>25,753,741</u>	<u>26,319,387</u>	<u>(565,646)</u>
Technology				
Salaries	562,015	483,652	483,463	189
Employee benefits	193,175	173,575	166,775	6,800
Staff development	32,500	28,400	11,662	16,738
Equipment	301,899	305,057	564,695	(259,638)
Materials and supplies	11,000	12,300	2,516	9,784
Other	78,004	78,904	52,054	26,850
	<u>1,178,593</u>	<u>1,081,888</u>	<u>1,281,165</u>	<u>(199,277)</u>
Board of Education				
Salaries	149,130	159,130	158,520	610
Employee benefits	213,408	234,148	232,284	1,864
Contracted services	340,257	366,677	353,569	13,108
Trustee commissions	123,997	132,997	120,809	12,188
Dues and memberships	11,098	11,098	10,772	326
Other	55,060	40,115	36,697	3,418
	<u>892,950</u>	<u>944,165</u>	<u>912,651</u>	<u>31,514</u>

See accompanying notes to the financial statements.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Budgetary Comparison Statement - General Fund - (Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Expenditures (continued)				
Health				
Salaries	\$ 316,833	\$ 336,833	\$ 304,705	\$ 32,128
Employee benefits	136,458	124,764	120,015	4,749
Contracted services	3,380	2,100	877	1,223
Materials and supplies	26,551	23,751	20,164	3,587
Travel	100	100	59	41
Other	5,250	5,330	5,223	107
Total health	488,572	492,878	451,043	41,835
Greene Technology Center	162,520	162,520	162,520	-
Student support services				
Salaries	1,017,131	968,687	968,522	165
Employee benefits	325,797	303,777	298,773	5,004
Evaluation and testing	85,731	75,615	75,584	31
Equipment	38,568	32,068	29,503	2,565
Other	108,072	24,672	24,545	127
Total student support services	1,575,299	1,404,819	1,396,927	7,892
Transportation				
Salaries	581,266	643,591	643,018	573
Employee benefits	234,359	262,769	261,816	953
Contracted services	4,800	13,700	13,329	371
Materials and supplies	271,752	395,518	283,345	112,173
Maintenance and repairs	12,500	24,500	23,476	1,024
Other	14,137	13,462	13,371	91
Total transportation	1,118,814	1,353,540	1,238,355	115,185
Administration				
Salaries	2,491,806	2,765,197	2,749,935	15,262
Employee benefits	684,242	734,544	731,946	2,598
Contracted services	2,764	6,508	25,752	(19,244)
Equipment	141,046	159,813	72,742	87,071
Materials and supplies	19,503	20,256	14,531	5,725
Communications	106,423	79,572	74,089	5,483
Travel	1,400	6,443	6,360	83
Dues and memberships	9,118	9,163	8,157	1,006
Other	84,752	108,478	100,279	8,199
Total administration	3,541,054	3,889,974	3,783,791	106,183

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Budgetary Comparison Statement - General Fund - (Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Expenditures (continued)				
Maintenance and operations				
Salaries	\$ 1,454,705	\$ 1,439,537	\$ 1,425,187	\$ 14,350
Employee benefits	556,879	577,708	570,973	6,735
Insurance	193,090	195,890	195,869	21
Contracted services	115,950	154,150	130,511	23,639
Equipment	-	10,100	9,957	143
Utilities	793,167	780,561	731,298	49,263
Materials and supplies	84,600	143,520	138,431	5,089
Maintenance and repairs	436,380	418,415	362,250	56,165
Communications	5,871	5,871	4,046	1,825
Building improvements	720,000	2,041,025	1,743,690	297,335
Other	13,150	24,967	41,336	(16,369)
Total maintenance and operations	<u>4,373,792</u>	<u>5,791,744</u>	<u>5,353,548</u>	<u>438,196</u>
Operation of Non-Instructional Services				
Food Service				
Salaries	-	17,125	14,871	2,254
Employee benefits	-	4,400	3,229	1,171
Other	-	4,200	269	3,931
Total operation of non-instructional services	<u>-</u>	<u>25,725</u>	<u>18,369</u>	<u>7,356</u>
Debt service:				
Principal	351,404	380,910	685,316	(304,406)
Interest	8,400	8,400	73,434	(65,034)
Total expenditures	<u>37,113,648</u>	<u>41,290,304</u>	<u>41,676,506</u>	<u>(386,202)</u>
Other Financing Sources (Uses)				
Loan issued through Town of Greeneville	-	1,000,000	1,045,720	45,720
SBITA issuance	-	-	1,221,980	1,221,980
Transfer to the Town of Greeneville	(349,112)	(349,112)	(265,488)	83,624
Proceeds from sale of equipment and materials	7,431	18,325	16,248	(2,077)
Insurance recoveries	5,000	7,000	21,266	14,266
Operating transfers in	17,000	17,000	17,000	-
Total other financing sources (uses)	<u>(319,681)</u>	<u>693,213</u>	<u>2,056,726</u>	<u>1,363,513</u>
Special Item				
Acquisition of Greene Technology Center	-	-	10,944	10,944
Total special item	<u>-</u>	<u>-</u>	<u>10,944</u>	<u>10,944</u>
Net change in fund balance	(868,729)	(1,652,625)	576,922	3,001,951
Fund balance, beginning of year	<u>6,795,390</u>	<u>6,795,390</u>	<u>6,795,390</u>	<u>-</u>
Fund balance, end of year	<u>\$ 5,926,661</u>	<u>\$ 5,142,765</u>	<u>\$ 7,372,312</u>	<u>\$ 3,001,951</u>

See accompanying notes to the financial statements.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Budgetary Comparison Statement - Federal Projects Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Federal through State				
Title I	\$ 713,335	\$ 791,069	\$ 723,532	\$ (67,537)
IDEA, Part B	709,247	1,064,582	915,938	(148,644)
Preschool	127,869	414,274	407,058	(7,216)
Title II	97,460	144,812	100,225	(44,587)
Title IV	49,819	50,400	44,577	(5,823)
Title VI	92,026	109,686	105,014	(4,672)
Title III	12,294	17,472	15,751	(1,721)
ESSER	-	50,619	50,619	-
Other federal revenues	51,925	54,663	54,663	-
	1,853,975	2,697,577	2,417,377	(280,200)
Expenditures				
Regular instruction				
Salaries	1,297,332	1,754,522	1,622,311	132,211
Employee benefits	348,866	458,740	400,070	58,670
Contracted services	20,750	21,744	21,782	(38)
Materials and supplies	66,055	93,612	91,603	2,009
Staff development	50,749	115,972	48,771	67,201
Equipment	54,184	113,261	118,910	(5,649)
Other	16,039	122,726	96,930	25,796
	1,853,975	2,680,577	2,400,377	280,200
Excess of revenues over expenditures	-	17,000	17,000	-
Other Financing Uses				
Operating transfers out	-	(17,000)	(17,000)	-
	-	(17,000)	(17,000)	-
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity - The Board of Education (the “Board”), Town of Greeneville, Tennessee is part of the primary government of the Town of Greeneville, Tennessee (the “Town”). These financial statements reflect only the financial activities attributable to the Board. These financial statements do not present the financial position or the changes in the financial position of the Town of Greeneville, Tennessee.

The Board receives funding from state, local and federal government sources. There are no component units.

The financial statements of the Board have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Joint Venture - The Board participated in the following joint venture:

Greene Technology Center - The Board, along with Greene County, Tennessee, operates the Greene Technology Center (the “Center”). The Center is dependent upon funding from the Board and Greene County, Tennessee. A summary of the funding for the Center may be found in Note 7 to the financial statements. Effective June 17, 2025, the Board acquired all operations, assets, deferred outflows, liabilities, and deferred inflows of Greene Technology Center that ceased to exist as a joint venture between the Board and Greene County, Tennessee, see Note 15.

Change in Reporting Entity - During the current fiscal year, the Board reevaluated the presentation of its governmental funds in accordance with the criteria established by the Governmental Accounting Standards Board. As a result of this evaluation, the School Nutrition Fund, which had previously been presented as a major governmental fund, no longer met the criteria for major fund reporting and is now presented as a nonmajor governmental fund. This change reflects updated financial information and does not represent a change in the underlying operations or financial position of the fund. The change in presentation is considered a change in reporting entity presentation under GASB Statement No. 100. Accordingly, the change did not result in a restatement of beginning fund balances or net position, and had no effect on the total governmental fund balances.

Financial Statements

Basic Financial Statements - Government-Wide Statements - The Board’s basic financial statements include both government-wide (reporting the Board as a whole) and fund financial statements (reporting the Board’s major funds). The Board only has governmental activities. The government-wide statements are reported using the economic resources measurement focus.

Basic Financial Statements - Fund Financial Statements - The financial transactions of the Board are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Board:

Governmental Funds

The governmental funds’ financial statements are reported using the current financial resource measurement focus. The following is a description of the governmental funds of the Board:

General Fund - The General Fund is the general operating fund of the Board. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. This is a major fund.

Federal Projects Fund - The Federal Projects Fund is used to account for the Board’s revenues and expenditures for federal programs such as Title I and IDEA, Part B. This is a major fund.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

School Nutrition Fund - The School Nutrition Fund is used to account for the Board's cafeteria operations in the high school, middle school, and four elementary schools. This is a nonmajor governmental fund.

Internal School Fund - The internal school fund is used to account for funds held at the individual schools for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. A more detailed reporting of the fund activities at each individual school may be found at <https://comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>. This is a nonmajor governmental fund.

Basis of Accounting - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Accrual - The government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual - The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid sick pay which is not accrued; and (2) principal and interest on general obligation long-term debt which is recognized when due.

Encumbrance Accounting is used for the General Purpose School, Federal Projects, and School Nutrition Funds. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbrances are reported as a reservation of fund balance in the governmental fund financial statements. Encumbrances do not lapse at the close of the fiscal year but are carried forward as reserved fund balance until liquidated.

Budgets and Budgetary Accounting - The Board presents its budget on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles. The Internal School fund is not budgeted. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- (a) The budget process begins with the development of the Board goals. The administrative team, school administrators, and central office administrators identify priorities. The Board reviews the budget, and the team makes refinement to the budget until it is adopted by the Board of Education.
- (b) The statements of revenues and expenditures - budget and actual for the General Purpose School Fund present comparisons of legally adopted budgets with actual data on a budgetary basis.
- (c) The Board submits a proposed fiscal year operating budget to the Greeneville City Council. The Greeneville City Council does not have the authority to make line item adjustments to the budget; they control only the Town appropriation. The operating budget includes proposed revenues and expenditures.
- (d) Public hearings are conducted to obtain citizen comments on the proposed budget. Upon second reading by the Greeneville City Council, the budget is legally adopted. A copy of the budget must be filed with the Commissioner of Education.
- (e) The Board has the authority to make revisions to the budget as deemed necessary. The amended budget is approved by the Board and reflected in the official minutes of the Board. The original and amended budget is reflected in these financial statements. Actual expenditures may not legally exceed budget appropriations at the individual fund level.
- (f) Unused appropriations lapse at the end of the year.
- (g) The Capital Projects Fund Budget is a project-length budget that corresponds to the expected length of the construction project. The Board did not adopt an annual budget for the Capital Project Fund.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For fiscal year ended June 30, 2025, expenditures exceeded budgeted appropriations in the general fund as follows: instruction \$565,646 due to subscription based technology agreements issuance recorded of \$1,221,980 and technology of \$199,277 due to E Rate federal funding recorded of \$391,222.

Cash - The Board's cash is considered to be cash on hand and demand deposits.

Restricted assets - Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System ("TCRS") for the benefit of the Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used to fund retirement benefits upon approval for the TCRS Board of Directors. To date, no funds have been withdrawn from the trust to pay pension costs. Trust documents provide that the funds are not subject to the claims of general creditors of the Board.

Inventories - Food and supply inventories for School Nutrition and Internal School consist of food and expendable supplies stated on a first-in, first-out basis. They are carried at cost and are subsequently charged to expenditures when consumed.

Commodities - School Nutrition Fund - Commodities received from the U.S.D.A. are recognized as revenue in the period when all eligibility requirements are met (usually, when the commodities are received).

Pricing of Meals - School Nutrition - The cost of meals exceeds the price charged to students set by the Board of Education. The costs are supplemented by the USDA reimbursements on all meals and USDA donated commodities.

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

Accumulated Compensated Absences - It is the Board's policy to permit employees to accumulate a limited amount of earned but unused vacation up to twenty days, which will be paid to employees upon separation from the Board. Sick leave can be accumulated indefinitely but can only be used as service time for retirement if not used for sickness. Effective for the fiscal year ended June 30, 2025, the Board implemented the provisions of GASB Statement No. 101, *Compensated Absences*. The Board now recognizes an estimated amount of sick leave more likely than not to be used and paid out in the government-wide financial statements.

Capital Assets - Capital assets, which include buildings, equipment, vehicles, intangible right-to-use assets, and subscription right-to-use assets are reported in the governmental activities column in the government-wide financial statements. All capital assets are carried at historical cost. Donated assets are valued at the fair market value on the date donated. Repairs and maintenance are recorded as expenses. Assets capitalized have an original cost of \$5,000 or more. Depreciation is computed using the straight-line method based on estimated useful lives as follows:

Buildings	30 years
Equipment	3-25 years
Vehicles	5-7 years
Intangible right-to-use assets	5 years
Subscription right-to-use assets	3 years

Long-term Debt - All long-term debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term debt consists of bonds payable, notes payable, accrued retirement incentive, pension, OPEB, and accrued compensated absences. Long-term debt is not reported as liabilities in the fund financial statements, but the payment of principal and interest is reported in the fund financial statements.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Items - The Board has implemented GASB Statement 54 employing new terminology and classifications for fund balance items.

Nonspendable items - This category includes items that cannot be spent because of their form. School Nutrition and Internal School inventories of \$76,613 are included in this category at year end.

Restricted items - This category includes fund balances that are constrained by external parties, constitutional provisions, or enabling legislation. The remaining balance in School Nutrition is included in this category at year end of \$1,089,401, the internal school balance of \$715,391, TCRS Stabilization Trust of \$526,386, education of \$78,339, support services of \$6,820, instruction of \$964 and other needs of \$18,134.

Committed items - This category includes fund balances that contain self-imposed constraints of the government from the Board, its highest level of decision making authority, by passing a resolution. There was no balance in this category at year end.

Assigned items - This category includes fund balances that contain self-imposed constraints of the government to be used for a particular purpose. These constraints are imposed by the Board or management. The various assignments include \$1,554 for instruction, \$464,193 for education, \$272,925 for capital projects, \$349,675 for subsequent year's budget, and \$96,467 assigned for other needs.

Unassigned items - Represents the remainder of the Board's fund balance that is not constrained for any particular purpose.

When both restricted and unrestricted fund balances are available for use, it is the Board's policy to use restricted fund balance first, then use unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

Internal Activity - Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Program revenues include the following:

Charges for Services - tuition and transportation provided to the schools.

Operating Grants and Contributions - funds the Board receives to finance its operations.

Capital Grants and Contributions - principal and interest payments made by the Town of Greeneville, Tennessee on bond and notes payable.

Leases - The Board enters into lease agreements as the lessee. For short-term leases with a maximum possible term of 12 months or less at commencement, the Board recognizes periodic inflows or outflows of resources. For lease agreements of more than 12 months, the Board recognizes a lease liability and an intangible right-to-use asset based on the present value of future lease payments. Lease right-to-use assets are reported as capital assets and lease liabilities are reported liabilities in the statement of net position. The right-to-use lease assets are amortized over the term of the lease. Unless the rate is explicitly stated in the lease contract, the Board uses its estimated incremental borrowing rate. Lease amendments that are expected to significantly change the amount of the lease liability from the previous measurement are remeasured and adjusted accordingly.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subscription-Based Information Technology Arrangements (“SBITAs”) - The Board enters into contracts that convey control of the right to use another party’s information technology (“IT”) software. For short-term SBITA contracts with a maximum possible term of 12 months or less at commencement, the Board recognizes periodic inflows or outflows of resources. For SBITA contracts of more than 12 months in which the Board has a noncancellable right to use the underlying IT assets, the Board recognizes a subscription liability and an intangible right-to-use subscription asset based on the present value of future subscription payments in accordance with the contract. Subscription right-to-use assets are reported as capital assets and subscription liabilities are reported as liabilities in the statement of net position. The right-to-use subscription assets are amortized over the term of the SBITA contract. Unless the rate is explicitly stated in the SBITA contract, the Board uses its estimated incremental borrowing rate. SBITA amendments that are expected to significantly change the amount of the subscription liability from the previous measurement are remeasured and adjusted accordingly.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses) until that time. The Board had certain pension and OPEB items, that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Board had a gain on refunding bonds payable, pension items, and OPEB items that qualify for reporting in this category.

Other Post-Employment Benefits (“OPEB”) - For purposes of measuring the other post-employment benefits (“OPEB”) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Board’s OPEB’s additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, the Plans recognize benefit payments when due and payable in accordance with the benefit terms. The Plans have no investments as the net OPEB liability is not funded but expenses are paid as incurred.

Pensions - For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Legacy Pension Plan, the Teacher Retirement Plan, and the Public Employee Retirement Plan in the Tennessee Consolidated Retirement System (“TCRS”), and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis as they are reported by TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of each plan. Investments are reported at fair value.

Impact of Recently Issued Accounting Pronouncements - In June 2022, the Governmental Accounting Standards Board (“GASB”) issued Statement No. 101 - *Compensated Absences*, which revises the recognition and measurement guidance for compensated absences. Effective for financial statements for periods beginning after December 15, 2023, the 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. Additionally, that objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previous required disclosures. The effect of implementing GASB 101 resulted in a decrease in prior year net position of \$3,913,337 for the Board’s government-wide net position.

Date of Managements Review - Management has evaluated subsequent events and transactions for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through January 29, 2026, which is the date these financial statements were available to be issued.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 2 - CASH AND INVESTMENTS

State statutes require that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105 percent of the value of the deposits, less so much of such amount as is insured by federal deposit insurance. The collateral must be held by the Board or its agent in the Board’s name, or by the Federal Reserve in the Board’s name.

Statutes also authorize the Board to invest in bonds, notes, or treasury bills of the United States or any of its agencies, certificates of deposit at Tennessee state chartered banks and savings and loan associations and federally chartered banks and savings and loan associations, repurchase agreements utilizing obligations of the United States or its agencies as the underlying securities, state pooled investment fund, and money market mutual funds. Statutes also require that securities underlying repurchase agreements must have a market value at least equal to the amount of funds invested in the repurchase transaction.

Bank balances totaled \$7,263,190, all of which was covered by federal depository insurance and bank participation in the Tennessee Bank Collateral Pool.

Restricted Investments - TCRS Stabilization Trust

Legal Provisions - Greeneville City Schools is a member of the Tennessee Consolidated Retirement System (“TCRS”) Stabilization Reserve Trust. The school department has placed funds into the irrevocable trust as authorized by statute under Tennessee Code Annotated (“TCA”), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member’s funds are restricted for the payment of retirement benefits of that member’s employees. Trust funds are not subject to the claims of general creditors of the school department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. Greeneville City Schools may not impose any restrictions on investments placed by the trust on their behalf. It is the intent of the plan trustees to allocate these funds in the future to offset pension costs.

The Greeneville City Schools had the following investments held by the trust on its behalf. These funds are recognized as restricted assets in the General Fund.

Investments at fair value	Weighted Average Maturity (Days)	Maturities	Fair Value
U.S. Equity	N/A	N/A	\$ 163,180
Developed Market International Equity	N/A	N/A	73,694
Emerging Market International Equity	N/A	N/A	21,055
U.S. Fixed Income	N/A	N/A	105,277
Real Estate	N/A	N/A	52,639
Short-term Securities	N/A	N/A	5,264
NAV: Private Equity and Strategic Lending	N/A	N/A	105,277
Total			<u>\$ 526,386</u>

For further information concerning the legal provisions, investment policies, investment types, and credit risks of the Board’s investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2022/ag21066.pdf>.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 3 - CAPITAL ASSETS

Capital assets activity for the year was as follows:

Governmental Activities	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets not being depreciated				
Land	\$ 696,928	\$ -	\$ -	\$ 696,928
Construction in progress	474,893	214,444	(679,262)	10,075
Total capital assets not being depreciated	<u>1,171,821</u>	<u>214,444</u>	<u>(679,262)</u>	<u>707,003</u>
Other capital assets				
Buildings and improvements	54,304,998	1,435,380	-	55,740,378
Equipment	10,739,600	1,638,818	(566,322)	11,812,096
Vehicles	1,966,490	217,377	-	2,183,867
Total other capital assets depreciated	<u>67,011,088</u>	<u>3,291,575</u>	<u>(566,322)</u>	<u>69,736,341</u>
Less accumulated depreciation for				
Buildings and improvements	(38,145,669)	(1,431,891)	-	(39,577,560)
Equipment	(3,239,732)	(1,689,820)	558,360	(4,371,192)
Vehicles	(1,446,277)	(142,288)	-	(1,588,565)
Total accumulated depreciation	<u>(42,831,678)</u>	<u>(3,263,999)</u>	<u>558,360</u>	<u>(45,537,317)</u>
Total capital assets depreciated, net	<u>24,179,410</u>	<u>27,576</u>	<u>(7,962)</u>	<u>24,199,024</u>
Intangible right-to-use assets				
Copiers	263,271	20,671	-	283,942
Postage meter	16,341	-	-	16,341
Less accumulated amortization	(173,492)	(73,549)	-	(247,041)
Net intangible right-to-use assets	<u>106,120</u>	<u>(52,878)</u>	<u>-</u>	<u>53,242</u>
Subscription right-to-use assets				
Software	170,985	1,221,980	(92,852)	1,300,113
Less accumulated amortization	(103,839)	(238,078)	92,852	(249,065)
Net subscription right-to-use assets	<u>67,146</u>	<u>983,902</u>	<u>-</u>	<u>1,051,048</u>
Governmental activities capital assets, net	<u>\$ 25,524,497</u>	<u>\$ 1,173,044</u>	<u>\$ (687,224)</u>	<u>\$ 26,010,317</u>

Depreciation expense charged to the Board for the year was \$3,263,999. Amortization expense charged to the Board for the year was \$311,627 for the intangible right-to-use assets and subscription right-to-use assets.

Depreciation expense is charged to instruction in the Statement of Activities.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 4 - LEASE OBLIGATIONS

As of 06/30/2025, the Board had two active leases. The leases have payments that range from \$3,311 to \$58,121 and interest rates that range from 0.5000% to 0.9480%. As of 06/30/2025, the total combined value of the lease liability is \$50,090, the total combined value of the short-term lease liability is \$41,870. The combined value of the right to use asset, as of 06/30/2025 of \$300,283 with accumulated amortization of \$247,041 is included within the lease obligation activity table found below. The leases had \$- variable payments and \$- of other payments, not included in the lease liability, within the fiscal year. Remaining payments on the two leases include:

Year Ended June 30	Leases	
	Principal	Interest
2026	\$ 41,870	\$ 189
2027	3,276	35
2028	3,292	19
2029	1,652	3
	\$ 50,090	\$ 246

Lease obligation activity for the year was as follows:

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Amounts Due Within One Year
	Copiers	\$ 89,076	\$ 6,994	\$ (57,460)	\$ 38,610
Postage machine	14,724	-	(3,244)	11,480	3,260
	\$ 103,800	\$ 6,994	\$ (60,704)	\$ 50,090	\$ 41,870

NOTE 5 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

As of 06/30/2025, the Board had twelve active subscriptions. The subscriptions have payments that range from \$5,491 to \$40,763 and interest rates that range from 2.1840% to 4.9500%. As of 06/30/2025, the total combined value of the subscription liability is \$972,877, and the total combined value of the short-term subscription liability is \$204,324. The combined value of the right to use asset, as of 06/30/2025 of \$1,300,113 with accumulated amortization of \$249,065 is included within the subscription liability activity table found below. The subscriptions had \$- of variable payments and \$- of other payments, not included in the subscription liability, within the fiscal year.

Subscription liability activity for the year was as follows:

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Amounts Due Within One Year
	Software	\$ 64,527	\$ 1,221,980	\$ (313,630)	\$ 972,877

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 5 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (Continued)

The annual principal and interest expected to maturity are as follows:

Year Ended June 30	Subscriptions	
	Principal	Interest
2026	204,324	47,877
2027	203,418	38,043
2028	213,488	27,974
2029	186,176	17,407
2030	165,471	8,191
	\$ 972,877	\$ 139,492

NOTE 6 - LONG-TERM DEBT

General Obligation and Revenue Bonds and Direct Borrowing and Direct Placement

The Board is a department of the Town of Greeneville, Tennessee (“Town”) which issues general obligation and revenue bonds and direct borrowing and direct placement to provide funds for various construction improvements for the Board. The bonds and direct borrowing and direct placement are direct obligations and are payable from and are secured by a pledge of the tax authority of the Town of Greeneville, Tennessee, capital assets, as well as payments made by the Board to assist with debt payments. The debt is paid directly by the Town of Greeneville, Tennessee. The bond payments and direct borrowing and direct placement that the Board is responsible for paid to the Town of Greeneville, Tennessee will be paid from the General Fund.

During the fiscal year 2022, the Town of Greeneville, Tennessee, for the benefit of the Board, signed an Energy Efficient Schools Initiative (“EESI”) loan for total funding of \$4,965,747 for interior and exterior lighting upgrades, dedicated outdoor air system, HVAC, equipment controls, and water upgrades at their 10 district schools and facilities. At June 30, 2024, the project was completed and EESI loan expenditures of \$4,965,747 had been spent. During the fiscal year 2025, \$45,720 in additional interest payable was added to the loan for a total funding amount of \$5,011,467. Reimbursements from the loan are requested by the Town of Greeneville, Tennessee. There is also an agreement between the Town of Greeneville, Tennessee and the Board stating that the Board’s total debt service each year will be \$180,000 with the remaining debt service of the note payable being paid by the Town of Greeneville, Tennessee.

In June 2025, the Town of Greeneville, Tennessee, for the benefit of the Board, signed a Capital Outlay Note, Series 2025 for total funding of \$1,000,000 to purchase the building from Greene County, Tennessee that housed the Greene Technology Center that the Board acquired. There is an agreement between the Town of Greeneville, Tennessee and the Board for the Board to pay the entire debt service of the note to the Town of Greeneville, Tennessee.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 6 - LONG-TERM DEBT (Continued)

General Obligation and Revenue Bonds and Direct Borrowing and Direct Placement (Continued)

During the fiscal year, the following debt transactions occurred:

	Balance June 30, 2024			Balance June 30, 2025	Amounts Due Within One Year
	Restated	Additions	Reductions		
Bonds payable					
General obligation bonds	\$ 7,835,000	\$ -	\$ (1,710,000)	\$ 6,125,000	\$ 1,460,000
Plus: Premiums	<u>850,693</u>	<u>-</u>	<u>(227,687)</u>	<u>623,006</u>	<u>-</u>
Total bond payable	8,685,693	-	(1,937,687)	6,748,006	1,460,000
Direct Borrowing and Direct Placement					
Energy Efficient Schools Initiative					
loan program 2022 note payable	4,965,747	45,720	(200,904)	4,810,563	302,616
Capital Outlay Series 2025	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>	<u>125,000</u>
Total direct borrowing and direct placement	4,965,747	1,045,720	(200,904)	5,810,563	427,616
Other noncurrent liabilities					
Accrued retirement	323,650	25,082	(29,568)	319,164	172,955
Accrued compensated absences, restated	<u>4,059,658</u>	<u>125,197</u>	<u>-</u>	<u>4,184,855</u>	<u>934,300</u>
Total other noncurrent liabilities	<u>4,383,308</u>	<u>150,279</u>	<u>(29,568)</u>	<u>4,504,019</u>	<u>1,107,255</u>
Total long term obligations	<u>\$ 18,034,748</u>	<u>\$ 1,195,999</u>	<u>\$ (2,168,159)</u>	<u>\$ 17,062,588</u>	<u>\$ 2,994,871</u>

Other long-term obligations noted above for accrued retirement and accrued compensated absences will be paid from the General Fund. The Board also includes other post-employment benefit and pension obligations that will be paid from the General Fund.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 6 - LONG-TERM DEBT (Continued)

The long-term debt from direct borrowings at June 30, 2025, consisted of the following:

\$6,540,000 bond issue (G.O. Refunding Bonds, Series 2020). Proceeds to the Town were used to pay off G.O. Refunding Bonds, Series 2010A. Interest is due semi-annually. The bond matures on June 1, 2029; interest rate was 5.00% at June 30, 2025.	\$ 6,125,000
Energy Efficient School Initiative Loan Program 2022, \$4,965,747 original issue dated January 2022, for a term of 16 years at 0.50% interest. \$45,720 was added during fiscal year 2025 for additional interest owed. The note matures July 31, 2040.	4,810,563
Capital Outlay Series 2025, \$1,000,000 original issue dated June 16, 2025, for a term of 7 years at 4.95% interest. The note matures June 30, 2032.	1,000,000
Unamortized premium related to \$6,540,000 bond issue (G.O. Refunding Bonds, Series 2020)	<u>623,006</u>
	12,558,569
Less: current portion	<u>(1,887,616)</u>
Total long-term bonds and note payable	<u>\$ 10,670,953</u>

The full faith and credit of the Town of Greeneville, Tennessee are irrevocably pledged for the bonds and direct borrowing and direct placement listed above.

To assist the Town of Greeneville, Tennessee with the bond and note payments noted above, the Board agreed to pay the Town of Greeneville, Tennessee for the renovation of two schools. The agreements the Board has with the Town of Greeneville, Tennessee are as follows:

- (a) The Board agreed to pay \$1,800,000 to the Town of Greeneville, Tennessee for the renovation of Greeneville Middle School. The principal and interest are paid in annual installments, and the last payment is due June 2025. The interest rate is 6.0%. The amount paid to the Town of Greeneville, Tennessee for June 30, 2025 was \$148,400. The principal balance the Board owes the Town of Greeneville, Tennessee for Greeneville Middle School at June 30, 2025 is \$-.
- (b) To assist the Town of Greeneville, Tennessee for the construction of Greeneville High School, the Board agreed to pay to the Town of Greeneville, Tennessee, on an annual basis, the quarter cent sales tax money the Board receives. The amount paid to the Town of Greeneville, Tennessee for June 30, 2025 was \$190,487. This payment will be made each year until fiscal year ended 2025.
- (c) The Board agreed to pay annually \$180,000 to the Town of Greeneville, Tennessee to assist in paying the Energy Efficient Schools Initiative (“EESI”) loan. This payment will be paid annually from fiscal year 2025 through fiscal year 2040 with a final payment of \$60,051 to be paid in fiscal year 2041 for a total contribution of \$2,880,051.
- (d) The Board agreed to pay variable amounts to the Town of Greeneville, Tennessee to pay the Capital Outlay Note, Series 2025 loan of \$1,000,000. The variable payments will be paid annually from fiscal year 2026 through fiscal year 2032 for a total contribution of \$1,205,095.

The net effect of interest and principal paid by the Town of Greeneville, Tennessee on the bonds and note, and the interest and principal paid to the Town of Greeneville, Tennessee by the Board to assist in the payment of the bonds and note, is included on the Statement of Activities. Also, included in Capital Grants and Contributions on the Statement of Activities is the total net effect of payments made by the Town of Greeneville, Tennessee.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 6 - LONG-TERM DEBT (Continued)

Future maturities of long-term debt for the bonds payable are as follows:

Year Ended June 30	Bonds Payable		Notes Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 1,460,000	\$ 290,350	\$ 427,616	\$ 70,658	\$ 1,887,616	\$ 361,008
2027	1,495,000	217,350	434,128	65,021	1,929,128	282,371
2028	1,580,000	142,600	440,652	57,061	2,020,652	199,661
2029	1,590,000	63,600	447,094	48,937	2,037,094	112,537
2030	-	-	458,724	40,377	458,724	40,377
2031-2035	-	-	1,886,984	86,303	1,886,984	86,303
2036-2040	-	-	1,606,738	22,441	1,606,738	22,441
2041	-	-	108,627	78	108,627	78
	<u>\$ 6,125,000</u>	<u>\$ 713,900</u>	<u>\$ 5,810,563</u>	<u>\$ 390,876</u>	<u>\$ 11,935,563</u>	<u>\$ 1,104,776</u>

Deferred bond refunding consists of the following:

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025
Deferred gain on bond refunding	\$ 86,443	\$ -	\$ (17,304)	\$ 69,139

Premiums on long-term debt were as follows:

Unamortized premium on notes payable related to:	
G.O. Refunding Bonds, Series 2020	<u>\$ 623,006</u>

NOTE 7 - RELATED PARTY TRANSACTIONS

The Board acts as the fiscal agent for the Greene Technology Center ("GTC"). The GTC is a related party as a result of shared directors from the city and county school boards. In this role, the Board received money during the year for the GTC from the following sources:

State of Tennessee and federal funds	\$ 313,345
Greene County	490,263
Greene County Board of Education	592,437
Greeneville Board of Education	<u>162,520</u>
	<u>\$ 1,558,565</u>

The GTC maintains its own bank account, through which all revenues and expenses are run. The Board is responsible for this account. The GTC's general fund expenditures totaling \$1,781,870 were paid out of this account during the year. Effective June 17, 2025, the Board acquired GTC, see Note 15.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 8 - PENSION PLANS

A. Teacher Legacy Pension Plan

Plan descriptions. The Tennessee Consolidated Retirement System (TCRS) was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Teachers employed by Greeneville City Schools, which includes the Greene Technology Center, with membership in the TCRS before July 1, 2014 are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. The Teacher Retirement Plan became effective July 1, 2014 for teachers employed by Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan.

This plan also includes employees of the Greene Technology Center (representing 8.00% of the plan), which is a joint venture as described in Note 1. Effective June 17, 2025, the Board acquired Greene Technology Center (GTC) and acquired all assets, deferred outflows, and deferred inflows of the Plan, see Note 15.

Benefits Provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit, or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive years average compensation and the member's service credit. A reduced early retirement benefit is available at age 55 if vested. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The LEAs make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by Greeneville City Schools for the year ended June 30, 2025 to the Teacher Legacy Pension Plan were \$747,575 which is 6.36 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 8 - PENSION PLANS (Continued)

A. Teacher Legacy Pension Plan (Continued)

Pension liabilities (assets). At June 30, 2025, the Greeneville City Schools reported a liability (asset) of (\$6,330,825) for its proportionate share of net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. Greeneville City Schools' proportion of the net pension liability (asset) was based on Greeneville City Schools' share of the contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024, Greeneville City Schools' proportion was 0.367460 percent. The proportion measured as of June 30, 2023 was 0.351105 percent.

Pension expense (negative pension expense). For the year ended June 30, 2025, Greeneville City Schools recognized pension expense (negative pension expense) of \$1,208,235.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, Greeneville City Schools reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,688,263	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	1,232,987
Changes in proportion of Net Pension Liability (Asset)	121,396	217,396
Acquisition of Greene Technology Center	-	-
GTC Contributions subsequent to measurement date of June 30, 2024	65,006	-
Contributions subsequent to measurement date of June 30, 2024	747,575	-
Total	\$ 2,622,240	\$ 1,450,383

Greeneville City Schools employer contributions of \$747,575 and GTC employer contributions of \$65,006, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction (increase) to the net pension liability (asset) in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	\$ (737,037)
2027	2,388,774
2028	(643,287)
2029	(649,174)
Total	\$ 359,276

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 8 - PENSION PLANS (Continued)

A. Teacher Legacy Pension Plan (Continued)

Actuarial assumptions. The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.25 percent
Salary increases:	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return:	6.75 percent, net of pension plan investment expense, including inflation
Cost of living adjustment:	2.125 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016 through June 30, 2020. As a result of the 2020 actuarial experience study, investment and demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates 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 of 2.25 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
U.S. equity	4.88%	31%
Developed market international equity	5.37%	14%
Emerging market international equity	6.09%	4%
Private equity and strategic lending	6.57%	20%
U.S. fixed income	1.20%	20%
Real estate	4.38%	10%
Short-term securities	0.00%	1%
		<u>100%</u>

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the three factors described above.

Discount rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive 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.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 8 - PENSION PLANS (Continued)

A. Teacher Legacy Pension Plan (Continued)

Sensitivity of the proportionate share of net pension liability (asset) to changes in the discount rate. The following presents Greeneville City Schools' proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what Greeneville City Schools' proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	1 % Decrease (5.75%)	Current Discount Rate (6.75%)	1 % Increase (7.75%)
Proportionate share of the net pension liability (asset) \$	8,042,341	\$ (6,330,825)	\$ (18,251,404)

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

Pension plan payable. At June 30, 2025, Greeneville City Schools reported a payable of \$228,351 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2025.

B. Teacher Retirement Plan

Plan description. The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Teachers employed by GREENEVILLE CITY SCHOOLS with memberships in TCRS before July 1, 2014 are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees.

This plan also includes employees of the Greene Technology Center (representing 8.00% of the plan), which is a joint venture as described in Note 1. Effective June 17, 2025, the Board acquired Greene Technology Center (GTC) and acquired all assets, deferred outflows, and deferred inflows of the Plan, see Note 15.

The Teacher Retirement Plan became effective July 1, 2014 for teachers employed by Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan.

Benefits provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Retirement Plan are eligible to retire with an unreduced benefit at age 65 with 5 years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 60 and vested or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 8 - PENSION PLANS (Continued)

B. Teacher Retirement Plan (Continued)

Benefits provided (Continued) A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (“COLAs”) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (“CPI”) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers contribute 5 percent of salary. The LEAs make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing the TCRS, the employer contribution rate cannot be less than 4 percent, except in years when the maximum funded level, as established by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2025 to the Teacher Retirement Plan were \$189,963, which is 3.00 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension liabilities (assets). At June 30, 2025, Greeneville City Schools reported an asset of \$181,673 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2024, and the total pension asset used to calculate the net pension asset was determined by an actuarial value as of that date. Greeneville City Schools’ proportion of the net pension asset was based on Greeneville City Schools’ share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2024 Greeneville City Schools’ proportion was 0.254941 percent. The proportion measured as of June 30, 2023 was 0.242106 percent.

Pension Expense. For the year ended June 30, 2025, Greeneville City Schools recognized pension expense of \$136,305.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2025, Greeneville City Schools reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,007	\$ 55,815
Net differences between projected and actual earnings on plan investments	-	30,645
Changes in assumptions	72,193	-
Changes in proportion of Net Pension Liability (Asset)	5,395	34,644
GTC Contributions subsequent to measurement date of June 30, 2024	16,518	-
Contributions subsequent to measurement date of June 30, 2024	189,963	-
Total	\$ 299,076	\$ 121,104

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 7 - PENSION PLANS (Continued)

B. Teacher Retirement Plan (Continued)

Greeneville City Schools' employer contributions of \$189,963 and GTC employer contributions of \$16,518 reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as a reduction in net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	\$ (21,396)
2027	21,003
2028	(14,944)
2029	(14,776)
2030	206
Thereafter	<u>1,398</u>
Total	<u>\$ (28,509)</u>

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial assumptions. The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.25 percent
Salary increases:	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return:	6.75 percent, net of pension plan investment expense, including inflation
Cost of living adjustment:	2.125 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016 through June 30, 2020. As a result of the 2020 actuarial experience study, investment and demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates 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 of 2.25 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 8 - PENSION PLANS (Continued)

B. Teacher Retirement Plan (Continued)

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
U.S. equity	4.88%	31%
Developed market international equity	5.37%	14%
Emerging market international equity	6.09%	4%
Private equity and strategic lending	6.57%	20%
U.S. fixed income	1.20%	20%
Real estate	4.38%	10%
Short-term securities	0.00%	1%
		<u>100%</u>

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the three factors described above.

Discount rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of net pension liability (asset) to changes in the discount rate. The following presents Greeneville City Schools’ proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75 percent, as well as what Greeneville City Schools’ proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	<u>1 % Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1 % Increase (7.75%)</u>
Proportionate share of the net pension liability (asset) \$	479,130	\$ (181,673)	\$ (673,449)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in a separately issued TCRS financial report.

Pension plan payable. At June 30, 2025, Greeneville City Schools reported a payable of \$95,103 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2025.

C. Public Employee Retirement Plan

Plan Description. Non-certified employees of Greeneville City Schools, through the Town of Greeneville, are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The non-certified employees of Greeneville City Schools represent approximately 28.87 percent of the plan. The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 8 - PENSION PLANS (Continued)

C. Public Employee Retirement Plan (Continued)

Benefits Provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Employees Covered by Benefit Terms. The Plan for the Town of Greeneville consists of Greeneville Water Commission, Greeneville-Greene County Library, Greeneville-Greene County Landfill, the Town of Greeneville, Tennessee Board of Education, Greeneville Airport and the funds of the Town of Greeneville. At the measurement date of June 30, 2024, the following employees were covered by the benefit terms for the Town of Greeneville:

Inactive employees or beneficiaries currently receiving benefits	437
Inactive employees entitled to but not yet receiving benefits	258
Active employees	<u>381</u>
	<u>1,076</u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are non-contributory. The Board makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, the employer contributions were \$911,967 based on a rate of 14.40 percent of covered payroll. By law, employer contributions are required to be paid. TCRS may intercept the Board's state shared taxes if required employer contributions are not remitted. The employer's ADC and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset) - The Board reported a liability of \$352,408 for its proportionate share of the net pension liability. The Board's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Board's proportionate share of the net pension liability was based on the Board's share of the contributions to the pension plan relative to the contributions of all participating entities of the Town of Greeneville. At the measurement date of June 30, 2025, the Board's proportion was 28.87%. The Board's proportion in the prior year was 29.10% and the proportionate share of the net pension liability of \$723,863 compared to the liability \$352,408 in the current year.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 8 - PENSION PLANS (Continued)

C. Public Employee Retirement Plan (Continued)

Actuarial Assumptions - The total pension liability as of June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary Increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent.
Investment rate of return	6.75 percent, net of pension plan investment expenses, including inflation
Cost of Living Adjustment	2.125 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study performed for the period of July 1, 2016 through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates 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 of 2.25 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
U.S. equity	4.88%	31%
Developed market international equity	5.37%	14%
Emerging market international equity	6.09%	4%
Private equity and strategic lending	6.57%	20%
U.S. fixed income	1.20%	20%
Real estate	4.38%	10%
Short-term securities	0.00%	1%
		<u>100%</u>

The long-term rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount Rate - The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from the Board will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive 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.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 8 - PENSION PLANS (Continued)

C. Public Employee Retirement Plan (Continued)

Sensitivity of the net pension liability (asset) changes in the discount rate. The following presents the net position liability (asset) of the Board calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75) than the current rate:

	1 % Decrease (5.75%)	Current Discount Rate (6.75%)	1 % Increase (7.75%)
Net pension liability (asset)	\$ 4,092,064	\$ 352,408	\$ (2,751,566)

Pension Expense (negative pension expense). For the year ended June 30, 2025, the Board recognized pension expense (negative pension expense) of \$698,033.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2025, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 800,864	\$ 58,478
Net differences between projected and actual earnings plan investments	-	307,485
Changes in assumption	295,639	-
Contributions subsequent to measurement date of June 30, 2024	<u>911,967</u>	<u>-</u>
Total	<u>\$ 2,008,470</u>	<u>\$ 365,963</u>

The amounts shown above for “Contributions subsequent to the measurement date of June 30, 2024,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

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

Year ended June 30:	
2026	\$ 78,054
2027	662,393
2028	4,452
2029	<u>(14,359)</u>
Total	<u>\$ 730,540</u>

In the table above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

Pension plan payable. At June 30, 2025, the Board reported a payable of \$105,468 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2025.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 9 - DEFINED CONTRIBUTION PLAN

Greeneville City Schools offers a 401(k) plan to its employees, administered by Empower Retirement. The Greeneville City Schools 401(k) Plan (the “Plan”) is available to employees who were hired after July 1, 2014. Retirement eligibility begins at age 65 and vested or if the Rule of 90 applies, where the sum of service and age must be equal to ninety. This Plan is offered in conjunction with the aforementioned TCRS Teacher Retirement Plan. Employees contribute 2.00% of eligible compensation, with an opt-out feature, with the Schools providing a 5.00% match. Employee and employer contributions for the Board totaled \$286,555 and \$316,603 for the year ended June 30, 2025.

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS

A. Closed Teacher Group Insurance Plan

Plan Description - Employees of the Greeneville City Schools, including Greene Technology Center, who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Teacher Group OPEB Plan (“TGOP”) administered by the Tennessee Department of Finance and Administration. This plan is considered to be a multiple-employer defined benefit plan that is used to provide postemployment benefits other than pensions (“OPEB”). However, for accounting purposes, this plan will be treated as a single employer plan. All eligible pre-65 retired teachers, support staff and disability participants of local education agencies, who choose coverage, participate in the TGOP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

This plan also includes employees of the Greene Technology Center (representing 8.00% of the plan), which is a joint venture as described in Note 1. Effective June 17, 2025, the Board acquired Greene Technology Center (GTC) and acquired all liabilities, deferred outflows, and deferred inflows of the Plan, see Note 15.

Benefits Provided - The Greeneville City Schools offers the TGOP to provide health insurance coverage to eligible pre-65 retired teachers, support staff and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the TGOP. All members have the option of choosing between the premier preferred provider organization (“PPO”), standard PPO, limited PPO or the wellness health savings consumer driven health plan (CDHP) for healthcare benefits. Retired plan members, of the TGOP, receives the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retiree’s premiums, based on years of service. Therefore, retirees with 30 or more years of service will receive 45%; 20 but less than 30 years, 35%; and less than 20 years, 20% of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP. The TGOP is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

Employees covered by benefit terms - At July 1, 2024, the following employees of Greeneville City Schools were covered by the benefit terms of the TGOP:

Inactive employees currently receiving benefits	46
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>237</u>
Total	<u><u>283</u></u>

An insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the TGOP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

A. Closed Teacher Group Insurance Plan (Continued)

establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the Greeneville City Schools paid \$483,405 to the TGOP for OPEB benefits as they came due.

Total OPEB Liability

Actuarial assumptions - The collective total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	Graded salary ranges from 3.44% to 8.72% based on age, Including inflation, averaging 4%.
Healthcare cost trend rates	10.68% for pre-65 in 2024, decreasing annually over an 13 year period to an ultimate rate of 4.50%. 13.44% for post-65 in 2024, decreasing annually over an 12 year period to an ultimate rate of 4.50%.
Retiree’s share of benefit-related costs	Members are required to make monthly contributions in order to maintain their coverage. For purpose of this Valuation a weighted average has been used with weights derived from the current distribution of members among plans offered.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2020 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (“TCRS”). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The pre-retirement mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted Employee mortality table for Teacher Employees projected generationally with MP-2021 from 2010. Post-retirement tables are Headcount-weighted Teacher Below Median Healthy Annuitant and adjusted with a 19% load for males and an 18% load for females, projected generationally from 2010 with MP-2021. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load, projected generationally from 2018 with MP-2021.

Discount rate - The discount rate used to measure the total OPEB liability was 3.93 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds, prevailing on the measurement date, with an average rating of AA/Aa as shown on the Bond Buyer 20-Year Municipal GO AA index.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

A. Closed Teacher Group Insurance Plan (Continued)

Changes in Collective Total OPEB Liability

	Total OPEB Liability
Balances - beginning	\$ 11,305,264
Changes for the year:	
Service Cost	479,043
Interest	420,685
Changes of benefit terms	-
Differences between expected and actual experience	1,120,670
Changes in assumptions	182,175
Benefit payments	(522,079)
Acquisition of Greene Technology Center	1,129,196
Net changes	2,809,690
Balances - ending	\$ 14,114,954
 Nonemployer contributing entities proportionate share of the collective total OPEB liability	 \$ 3,539,889
Employer's proportionate share of the collective total OPEB liability	\$ 10,575,065
 Employer's proportion of the collective total OPEB liability	 74.92%

The Greeneville City Schools has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the TGOP. Greeneville City School's proportionate share of the collective total OPEB liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The proportion changed 0.79% from the prior measurement date. Greeneville City Schools recognized \$248,598 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the TGOP for Greeneville City School's retirees.

Changes in assumptions - The discount rate was changed from 3.65% as of the beginning of the measurement period to 3.93% as of June 30, 2024. This change in assumption decreased the total OPEB liability.

Sensitivity of proportionate share of the collective total OPEB liability to changes in the discount rate - The following presents the proportionate share of the collective total OPEB liability related to the TGOP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Proportionate share of collective total OPEB liability	\$ 11,353,074	\$ 10,575,065	\$ 9,835,447

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

A. Closed Teacher Group Insurance Plan (Continued)

Sensitivity of proportionate share of the collective total OPEB liability to changes in the healthcare cost trend rate -
The following presents the proportionate share of the collective total OPEB liability related to the TGOP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate.

	Healthcare Cost	
1 % Decrease (9.68%/12.44% decreasing to 3.50%)	Trend Rates (10.68%/13.44% decreasing to 4.50%)	1 % Increase (11.68%/14.44% decreasing to 5.50%)

Proportionate share of collective total OPEB liability \$ 9,539,405 \$ 10,575,065 \$ 11,766,780

OPEB Expense - For the fiscal year ended June 30, 2025, the Schools recognized OPEB expense of \$1,108,721.

Deferred outflows of resources and deferred inflows of resources. For the fiscal year ended June 30, 2025, Greeneville City Schools reported deferred outflows of resources and deferred inflows of resources related to OPEB benefits in the TGOP from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 1,401,299	\$ 468,286
Changes of assumptions	1,031,101	842,649
Changes in proportion and differences between amounts paid as benefits came and proportionate share certain amounts paid by the employer and nonemployer contributors as the benefits came due	260,804	254,621
GTC Employer payments subsequent to the measurement date	42,035	-
Employer payments subsequent to the measurement date	483,405	-
Total	\$ 3,218,644	\$ 1,565,556

The amounts shown above for “Employer payments subsequent to the measurement date” will be included as a reduction to total OPEB liability in the following measurement period.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

A. Closed Teacher Group Insurance Plan (Continued)

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

Year ended June 30:		
2026	\$	202,215
2027		228,830
2028		155,365
2029		153,216
2030		186,000
Thereafter		<u>202,022</u>
Total	\$	<u>1,127,648</u>

In the table above, positive amounts will increase OPEB expense, while negative amounts will decrease OPEB expense.

B. Closed Tennessee Plan

Plan Description - Employees of Greeneville City Schools who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan (“TNP”) administered by the Tennessee Department of Finance and Administration. This plan is considered to be multiple-employer defined benefit plan that is used to provide postemployment benefits other than pensions (“OPEB”). However, for accounting purposes, this plan will be treated as a single-employer plan. All eligible post-65 retired teachers and disability participants of local education agencies, who choose coverage, participate in the TNP. The TNP also includes eligible retirees of the state, certain component units of the state, and certain local governmental entities. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

This plan also includes employees of the Greene Technology Center (representing 8.00% of the plan), which is a joint venture as described in Note 1. Effective June 17, 2025, the Board acquired Greene Technology Center (GTC) and acquired all liabilities, deferred outflows, and deferred inflows of the Plan, see Note 15.

Benefits Provided - The state offers the TNP to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TN plan does not include pharmacy. In accordance with TCA 8-27-209, benefits of the TNP are established and amended by cooperation of insurance committees created by TCA 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receives a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The state, as a governmental nonemployer contributing entity contributes to the premiums of eligible retirees of local education agencies based on years of service. Therefore, retirees with 30 years of service receive \$50 per month; 20 but less than 30 years, \$37.50; and 15 but less than 20 years, \$25. The TNP is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

B. Closed Tennessee Plan (Continued)

Employees covered by benefit terms - At July 1, 2024, the following employees of Greeneville City Schools were covered by the benefit terms of the TNP:

Inactive employees currently receiving benefits	99
Inactive employees entitled to but not yet receiving benefits	51
Active employees	<u>249</u>
Total	<u><u>399</u></u>

In accordance with TCA 8-27-209, the state insurance committees established by TCAs 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the Greeneville City Schools paid \$5,529 to the TNP for OPEB benefits as they came due.

Total OPEB Liability

Actuarial assumptions - The collective total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	Graded salary ranges from 3.44% to 8.72% based on age, including inflation, averaging 4%.
Healthcare cost trend rates	The premium subsidies provided to retirees in the Tennessee Plan are assumed to remain unchanged for the entire projection, therefore trend rates are not applicable.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2020 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the headcount-weighted below median teachers PUB-2010 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2021. Post-retirement tables are adjusted with a 19% load for males and a 18% load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load with mortality improvement projected to all future years using Scale MP-2021.

Discount rate - The discount rate used to measure the total OPEB liability was 3.93 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds, prevailing on the measurement date, with an average rating of AA/Aa as shown on the Bond Buyer 20-Year Municipal GO AA index.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

B. Closed Tennessee Plan (Continued)

Changes in Collective Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances - beginning	\$ 1,014,534
Changes for the year:	
Service Cost	14,473
Interest	36,626
Differences between expected and actual experience	16,195
Changes in assumptions	(35,136)
Benefit payments	(51,548)
Acquisition of Greene Technology Center	86,535
Net changes	<u>67,145</u>
Balances - ending	<u>\$ 1,081,679</u>
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ 970,568
Employer's proportionate share of the collective total OPEB liability	\$ 111,111
Employer's proportion of the collective total OPEB liability	10.27%

TN Plan Through Town of Greeneville

111,762

The Greeneville City Schools has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the TNP. Greeneville City School's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefits paid through the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The Greeneville City School's proportion changed -1.81% from the prior measurement date. Greeneville City Schools recognized \$103,513 in revenue for support provided by nonemployer contributing entities for benefits paid to the TNP for Greeneville City Schools' retired employees.

Changes in assumptions - The discount rate was changed from 3.65% as of the beginning of the measurement period to 3.93% as of June 30, 2024. This change in assumption decreased the total OPEB liability.

Sensitivity of proportionate share of the collective total OPEB liability to changes in the discount rate - The following presents the proportionate share of the collective total OPEB liability related to the TNP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Proportionate share of collective total OPEB liability	\$ 126,150	\$ 111,111	\$ 98,673

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

B. Closed Tennessee Plan (Continued)

OPEB Expense - For the fiscal year ended June 30, 2025, Greeneville City Schools recognized negative OPEB expense of (\$31,640).

Deferred outflows of resources and deferred inflows of resources - For the fiscal year ended June 30, 2025, Greeneville City Schools reported deferred outflows of resources and deferred inflows of resources related to OPEB benefits in the TNP from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 8,724	\$ 2,533
Changes of assumptions	8,108	25,174
Changes in proportion and differences between amounts paid as benefits came and proportionate share certain amounts paid by the employer and nonemployer contributors as the benefits came due	24,563	55,720
GTC Employer payments subsequent to the measurement date	481	-
Employer payments subsequent to the measurement date	5,529	-
Total	\$ 47,405	\$ 83,427

The amounts shown above for “Employer payments subsequent to the measurement date” will be included as a reduction to total OPEB liability in the following measurement period.

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

Year ended June 30:		
2026	\$	(30,564)
2027		(322)
2028		(5,795)
2029		(4,200)
2030		(1,151)
Total	\$	(42,032)

In the table above, positive amounts will increase OPEB expense while negative amounts will decrease OPEB expense.

C. Closed Tennessee Medicare Supplement Plan through Town of Greeneville, Tennessee

Plan Description - Non-certified employees of Greeneville City Schools, through the Town of Greeneville, Tennessee, are provided with post-65 retiree health insurance benefits through the Tennessee Plan (“TNP”) administered by the Tennessee Department of Finance and Administration. The non-certified employees of Greeneville City Schools represent approximately 28.87 percent of the plan. This plan is considered to be multiple-employer defined benefit plan that is used to provide postemployment benefits other than pensions (“OPEB”). However, for accounting purposes, this plan will be treated as a single-employer plan. All eligible post-65 retirees and disability participants of local governments, who choose coverage, participate in the TNP. The TNP also includes eligible retirees of the state, certain component units of the state, and local education agencies.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

C. Closed Tennessee Medicare Supplement Plan through Town of Greeneville, Tennessee (Continued)

Benefits provided - The state offers the TNP to help fill most of the coverage gaps created by Medicare for eligible post-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. The TNP does not include pharmacy. In accordance with TCA 8-27-209, benefits of the TNP are established and amended by cooperation of insurance committees created by TCA 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receives a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The TNP is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

Employees Covered by Benefit Terms. The Plan for the Town of Greeneville, Tennessee consists of Greeneville Water Commission, Greeneville-Greene County Library, Greeneville-Greene County Landfill, the Greeneville Airport, the Town of Greeneville, Tennessee Board of Education non-certified employees, and the funds of the Town of Greeneville. At the measurement date of June 30, 2024, the following employees were covered by the benefit terms for the Town of Greeneville:

Inactive employees or beneficiaries currently receiving benefits	28
Inactive employees entitled to but not yet receiving benefits	37
Active employees	<u>155</u>
	<u>220</u>

In accordance with TCA 8-27-209, the state insurance committees established by TCAs 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the Greeneville City Schools paid \$4,931 to the TNP for OPEB benefits as they came due.

Actuarial assumptions - The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	Graded salary ranges from 3.44% to 8.72% based on age, including inflation, averaging 4%.
Healthcare cost trend rates	The premium subsidies provided to retirees in the Tennessee Plan are assumed to remain unchanged for the entire projection, therefore trend rates are not applicable.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2020 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the PUB-2010 Headcount-Weighted Employee mortality table for General Employees for non-disabled pre-retirement mortality, with mortality improvement projected generationally with MP-2021 from 2010. Post-retirement tables are Headcount-Weighted Below Median Healthy Annuitant and adjusted with a 6% load for males and a 14% load for females, projected generationally from 2010 with MP-2021. Mortality rates for impaired lives are the same as

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

C. Closed Tennessee Medicare Supplement Plan through Town of Greeneville, Tennessee (Continued)

those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load, projected generationally from 2018 with MP-2021.

Discount rate - The discount rate used to measure the total OPEB liability was 3.93 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds, prevailing on the measurement date, with an average rating of AA/Aa as shown on the Bond Buyer 20-Year Municipal GO AA index.

Proportionate Share of Total OPEB Liability - At June 30, 2025, Greeneville City Schools reported a liability of \$111,762 for its proportionate share of the total OPEB liability. The Greeneville City Schools' total OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the liability was determined by an actuarial valuation as of that date. The Greeneville City Schools' proportionate share of the total OPEB liability was based on contribution data provided to TCRS for the pension plan. At the measurement date of June 30, 2024, the proportion was 28.87%. The proportion in the prior year was 29.10% and the proportionate share of the OPEB liability was \$111,762 compared to \$118,201 in the prior year.

Changes in assumptions - The discount rate was changed from 3.65% as of the beginning of the measurement period to 3.93% as of June 30, 2024. This change in assumption decreased the total OPEB liability.

Sensitivity of total OPEB liability to changes in the discount rate - The following presents the total OPEB liability related to the TNP, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Proportionate share of collective total OPEB liability	\$ 126,611	\$ 111,762	\$ 99,304

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

OPEB expense - For the fiscal year ended June 30, 2025, Greeneville City Schools recognized negative OPEB expense of (\$9,387).

Deferred outflows of resources and deferred inflows of resources - For the fiscal year ended June 30, 2025, Greeneville City Schools reported deferred outflows of resources and deferred inflows of resources related to OPEB benefits in the TNP from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ -	\$ 15,458
Changes of assumptions	10,872	34,958
Employer payments subsequent to the measurement date	4,931	-
Total	\$ 15,803	\$ 50,416

The amounts shown above for "Employer payments subsequent to the measurement date" will be recognized as a reduction to total OPEB liability in the following measurement period.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

C. Closed Tennessee Medicare Supplement Plan through Town of Greeneville, Tennessee (Continued)

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

2026	\$	(12,537)
2027		(7,521)
2028		(9,690)
2029		(6,456)
2030		(2,479)
Thereafter		<u>(861)</u>
 Total	 \$	 <u>(39,544)</u>

NOTE 11 - SPECIAL TERMINATION BENEFITS

The Board of Education offers an Early Retirement Incentive Program in accordance with Tennessee Code Annotated 49-2-203(b)(9). All state certified teaching personnel who have completed 15 years of employment with the Greeneville City Schools Systems and who meet the retirement eligibility requirements for full benefits under TCRS, are eligible to participate in the Early Retirement Incentive Program. The benefits to be received by the participants are as follows:

- A. An employee who chooses to participate in the Early Retirement Incentive Program the first year of eligibility shall receive an annual amount equal to 20% of his/her annual base salary.
- B. Benefits shall begin in July following retirement and shall be paid annually or biannually at the election of the recipient for three (3) years from the date of retirement.
- C. Any applicant with thirty (30) years or more of credited service, as defined by TCRS, or any applicant who has less than thirty (30) years of credited service, as defined by TCRS, but who has attained age sixty (60) by the end of the fiscal school year (June 30) and who fails to make timely application for the total benefits provided by the program, shall be deemed to have waived the right to claim total benefits. Benefits in the program will then be determined in the following manner:
 - a. Second year eligibility participation: 15% of the most recent annual contractual salary (to be paid in two years)
 - b. Third year eligibility participation: 10% of the most recent annual contractual salary (to be paid in one year)
- D. Benefits provided by the Program may not be assigned or transferred in any manner. Program benefits shall automatically cease at the death of the participant and shall not pass on to the estate or beneficiary of the participant.

The benefits expensed during the year were \$158,521. At June 30, 2025, the Board had a liability of \$319,164 for future benefits of current participants, assuming all participants live until eligibility expires.

NOTE 12 - INTERFUND TRANSFERS

The composition of interfund transfers for the year ended June 30, 2025 is as follows:

Transfer in Fund	Transfer Out Fund	Amount	Purpose
General	Federal Projects	\$ 17,000	Indirect costs for ESSER 3.0

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 13 - RISK MANAGEMENT

The Board purchases commercial insurance for the risks of loss for general liability, and employee, administration, and Board member dishonesty. Settled claims have not exceeded this commercial coverage in the past three fiscal years.

The Board is the defendant in lawsuits arising principally in the normal course of operations. In the opinion of management and attorneys consulted, the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements and accordingly, no provision for losses has been recorded.

NOTE 14 - PRIOR PERIOD RESTATEMENT

The beginning balance of the net position has been restated to implement the provisions of GASB 101, *Compensated Absences*. The effect of implementing GASB 101 resulted in a decrease in beginning net position of \$3,913,337 for the Board's government-wide net position.

NOTE 15 - ACQUISITION OF GREENE TECHNOLOGY CENTER

Effective June 17, 2025, the Board of Education Town of Greeneville, Tennessee acquired the operations of Greene Technology Center, which had previously been operated as a joint venture between Board of Education Town of Greeneville, Tennessee and Greene County, Tennessee. The transaction was accounted for as a government acquisition in accordance with GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*. As a result of the acquisition, Greene Technology Center ceased to exist as a separate legal entity, and the Board of Education Town of Greeneville assumed responsibility for all operations, governance, and taxing authority as of the acquisition date.

The acquisition was reported using the acquisition method as prescribed by GASB 69. Assets acquired, liabilities assumed, and deferred outflows and inflows of resources were recognized as of the acquisition date. Capital assets and other nonfinancial assets were recorded at acquisition value, defined as the price that would be paid to acquire an asset with equivalent service capacity at the acquisition date. Financial assets and liabilities were recorded at fair value, where applicable.

As part of the acquisition, the Board of Education Town of Greeneville, Tennessee provided monetary consideration to Greene County, Tennessee in the amount of \$1,520,919, which was paid in cash and funded from the Board's General Fund. The consideration was provided in accordance with the acquisition agreement. In June 2025, the Town of Greeneville, Tennessee, for the benefit of the Board, signed a Capital Outlay Note, Series 2025 for total funding of \$1,000,000 to purchase the building from Greene County, Tennessee that housed the Greene Technology Center that the Board acquired. There is an agreement between the Town of Greeneville, Tennessee and the Board for the Board to pay the entire debt service of the note to the Town of Greeneville, Tennessee. The remaining \$520,919 was paid for the capital assets acquired from the Greene Technology Center.

Following the acquisition, the Board of Education Town of Greeneville, Tennessee continued substantially all educational programs previously operated by the Greene Technology Center. Employees of the Greene Technology Center were offered employment with the Board of Education Town of Greeneville, Tennessee in accordance with the Board's policies and contractual obligations.

In accordance with GASB Statement No. 69, the acquisition resulted of a special item Board's government-wide financial statements of \$9,154. In accordance with GASB Statement No. 69, the acquisition resulted in the recognition of a special item in the Board's fund financial statements of \$49,253.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Financial Statements (Continued)

NOTE 15 - ACQUISITION OF GREENE TECHNOLOGY CENTER (Continued)

The following summarizes the assets and deferred outflows acquired and the liabilities and deferred inflows assumed from Greene Technology Center as of the acquisition date:

ASSETS	
Cash	\$ 104,387
Accounts receivable	15,535
Restricted investments, TCRS Stabilization Trust	38,586
Net pension asset	521,000
Intangible right-to-use asset, net	<u>6,994</u>
Total assets acquired	<u>686,502</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension	315,232
Other post employment benefits	<u>261,284</u>
Total deferred outflows of resources acquired	<u>576,516</u>
LIABILITIES	
Accounts payable	109,257
Retirement incentive payable	25,082
Right-to-use liability	6,994
OPEB liability	<u>854,894</u>
Total liabilities acquired	<u>996,227</u>
DEFERRED INFLOWS OF RESOURCES	
Pension	125,719
Other post employment benefits	<u>131,918</u>
Total deferred inflows acquired	<u>257,637</u>
NET POSITION ACQUIRED	<u>\$ 9,154</u>

REQUIRED SUPPLEMENTARY INFORMATION

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Changes in Proportionate Share of Collective OPEB
Liability and Related Ratios - Teacher Group OPEB Plan
Year Ended June 30, 2025

Measurement period ended	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Total OPEB liability								
Service cost	\$ 395,721	\$ 365,651	\$ 577,798	\$ 455,336	\$ 510,920	\$ 539,184	\$ 431,387	\$ 479,043
Interest	258,825	303,167	393,411	345,141	232,703	227,814	380,184	420,685
Changes of benefit terms	-	995,778	-	-	-	266,873	-	-
Differences between expected and actual experien	-	657,784	(279,107)	(559,290)	183,195	848,267	(391,836)	1,120,670
Changes of assumptions	(388,118)	419,092	(734,193)	622,585	(377,803)	(989,536)	900,392	182,175
Benefit payments	(571,884)	(596,708)	(612,422)	(498,843)	(573,491)	(546,064)	(640,720)	(522,079)
Other (Acquisition of Greene Technology Center)	-	-	-	-	-	-	-	1,129,196
Net change in total OPEB liability	(305,456)	2,144,764	(654,513)	364,929	(24,476)	346,538	679,407	2,809,690
Total OPEB liability - beginning	8,754,071	8,448,615	10,593,379	9,938,866	10,303,795	10,279,319	10,625,857	11,305,264
Total OPEB liability - ending (a)	\$ 8,448,615	\$ 10,593,379	\$ 9,938,866	\$ 10,303,795	\$ 10,279,319	\$ 10,625,857	\$ 11,305,264	\$ 14,114,954
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ 2,510,439	\$ 2,240,669	\$ 2,155,382	\$ 2,410,109	\$ 2,517,991	\$ 2,619,253	\$ 2,924,798	\$ 3,539,889
Employer's proportionate share of the collective total OPEB liability	\$ 5,938,176	\$ 8,352,710	\$ 7,783,484	\$ 7,893,686	\$ 7,761,328	\$ 8,006,604	\$ 8,380,466	\$ 10,575,065
Covered-employee payroll	\$ 15,117,279	\$ 12,034,572	\$ 11,320,479	\$ 11,040,279	\$ 11,521,826	\$ 11,246,875	\$ 11,305,095	\$ 11,934,726
Employer's proportionate share of collective total OPEB liability as a percentage of covered-employee payroll	39.28%	69.41%	68.76%	71.50%	67.36%	71.19%	74.13%	88.61%

Notes to Schedule:

There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, related to this OPEB plan.

This schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Changes in assumptions and other inputs include the change in the discount rate from 3.65% as of the beginning of the measurement period to 3.93% as of June 30, 2024. This change in assumption decreased the total OPEB liability.

Board of Education Town of Greeneville, Tennessee acquired Greene Technology Center on June 17, 2025. The remaining OPEB liability of \$1,129,196 was assumed by Board of Education Town of Greeneville, Tennessee, the acquiring government .

See accompanying independent auditors' report.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Changes in Proportionate Share of Collective OPEB
Liability and Related Ratios - Closed Tennessee OPEB Plan
Year Ended June 30, 2025

Measurement period ended	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Total OPEB liability								
Service cost	\$ 46,430	\$ 37,646	\$ 20,847	\$ 17,706	\$ 26,858	\$ 23,635	\$ 14,521	\$ 14,473
Interest	72,782	81,815	40,901	36,228	28,513	24,603	34,391	36,626
Changes of benefit terms	-	(946,156)	-	-	-	-	-	-
Differences between expected and actual experience	-	(245,079)	(87,802)	18,113	29,043	35,616	44,084	16,195
Changes of assumptions	(209,512)	(9,236)	10,111	186,875	(188,201)	(195,747)	(11,011)	(35,136)
Benefit payments	(94,905)	(95,654)	(45,759)	(43,913)	(43,616)	(44,724)	(48,432)	(51,548)
Other (Acquisition of Greene Technology Center)	-	-	-	-	-	-	-	86,535
Net change in total OPEB liability	(185,205)	(1,176,664)	(61,702)	215,009	(147,403)	(156,617)	33,553	67,145
Total OPEB liability - beginning	2,493,563	2,308,358	1,131,694	1,069,992	1,285,001	1,137,598	980,981	1,014,534
Total OPEB liability - ending (a)	\$ 2,308,358	\$ 1,131,694	\$ 1,069,992	\$ 1,285,001	\$ 1,137,598	\$ 980,981	\$ 1,014,534	\$ 1,081,679
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ 1,151,876	\$ 1,037,312	\$ 969,661	\$ 1,136,124	\$ 986,651	\$ 860,802	\$ 891,969	\$ 970,568
Employer's proportionate share of the collective total OPEB liability	\$ 1,156,482	\$ 94,382	\$ 100,331	\$ 148,877	\$ 150,947	\$ 120,179	\$ 122,565	\$ 111,111
Employer's proportionate share of collective total OPEB liability	50.10%	8.34%	9.38%	11.59%	13.27%	12.25%	12.08%	10.27%
Covered-employee payroll	\$ 1,661,384	\$ 1,606,287	\$ 1,786,467	\$ 2,542,039	\$ 2,864,942	\$ 3,790,465	\$ 4,484,143	\$ 5,994,722
Net OPEB liability as a percentage of covered-employee payroll	69.61%	5.88%	5.62%	5.86%	5.27%	3.17%	2.73%	1.85%

Notes to Schedule:

There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, related to this OPEB plan.

This schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Changes in assumptions and other inputs include the change in the discount rate from 3.65% as of the beginning of the measurement period to 3.93% as of June 30, 2024. This change in assumption decreased the total OPEB liability.

Board of Education Town of Greeneville, Tennessee acquired Greene Technology Center on June 17, 2025. The remaining OPEB liability of \$86,535 was assumed by Board of Education Town of Greeneville, Tennessee, the acquiring government .

See accompanying independent auditors' report.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Changes in the Total OPEB Liability and Related Ratios
Tennessee OPEB Plan Through Town of Greeneville
Year Ended June 30, 2025

Measurement period ended	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Board of Education Town of Greeneville, Tennessee's proportion of the total OPEB liability	26.89%	26.93%	27.19%	27.40%	29.23%	29.88%	29.10%	28.87%
Board of Education Town of Greeneville, Tennessee's proportionate share of the total OPEB liability	\$ 171,800	\$ 139,831	\$ 145,039	\$ 174,540	\$ 147,702	\$ 121,823	\$ 118,201	\$ 111,762
Board of Education Town of Greeneville, Tennessee's covered payroll	\$ 3,560,742	\$ 3,677,735	\$ 3,729,007	\$ 3,890,209	\$ 4,102,147	\$ 4,720,970	\$ 5,154,167	\$ 5,295,536
Board of Education Town of Greeneville, Tennessee's proportionate share of the total OPEB liability as a percentage of covered payroll	4.82%	3.80%	3.89%	4.49%	3.60%	2.58%	2.29%	2.11%

Notes to Schedule:

There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, related to this OPEB plan.

This is a 10-year schedule as required by GASB 75. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in the future fiscal years until 10 years of information is available.

Changes in assumptions and other inputs include the change in the discount rate from 3.65% as of the beginning of the measurement period to 3.93% as of June 30, 2024. This change in assumption decreased the total OPEB liability.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Proportionate Share of the Net Pension Asset
Teacher Legacy Pension Plan of TCRS
Year Ended June 30, 2025

	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Proportion of the net pension liability (asset)	\$ 132,761	\$ 2,078,022	\$ (106,962)	\$ (1,159,286)	\$ (3,505,676)	\$ (2,471,372)	\$ (14,621,376)	\$ (4,054,952)	\$ (3,808,280)	\$ (6,330,825)
Proportionate share of the net pension liability (asset)	0.341147%	0.350024%	0.350024%	0.346784%	0.358905%	0.352264%	0.368465%	0.359388%	0.351105%	0.367460%
Covered-employee payroll	\$ 12,132,307	\$ 12,003,427	\$ 11,556,537	\$ 11,536,037	\$ 11,434,038	10,786,305	11,126,154	10,881,065	10,482,048	11,933,472
Proportionate share of the net pension liability (asset) as a percentage of covered-employee payroll	1.09%	17.31%	-0.93%	-10.05%	-30.66%	-22.91%	-131.41%	-37.27%	-36.33%	-53.05%
Plan fiduciary net position as a percentage of the total pension liability	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%	104.11%	105.76%

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Contributions
Teacher Legacy Pension Plan of TCRS
Year Ended June 30, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required	\$ 1,109,125	\$ 1,044,710	\$ 1,047,475	\$ 1,195,876	\$ 1,173,582	\$ 1,142,657	\$ 1,120,750	\$ 910,889	\$ 749,665	\$ 747,575
Contributions in relation to the contractually required contribution	1,109,125	1,044,710	1,047,475	1,195,876	1,173,582	1,142,657	1,120,750	910,889	749,665	747,575
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 12,269,082	\$ 11,556,537	\$ 11,587,113	\$ 11,432,849	\$ 11,040,279	\$ 11,126,164	\$ 10,881,065	\$ 10,482,048	\$ 10,976,061	\$ 11,754,324
Contributions as a percentage of covered employee payroll	9.04%	9.04%	9.04%	10.46%	10.63%	10.27%	10.30%	8.69%	6.83%	6.36%

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Proportionate Share of the Net Pension Asset
Teacher Retirement Plan of TCRS
Year Ended June 30, 2025

	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Proportion of the net pension asset	0.087070%	0.118585%	0.208836%	0.200122%	0.182482%	0.213351%	0.216986%	0.237822%	0.242106%	0.254941%
Proportionate share of the net pension liability (asset)	\$ (3,328)	\$ (11,728)	\$ (52,342)	\$ (86,221)	\$ (97,859)	\$ (111,614)	\$ (216,239)	\$ (66,279)	\$ (94,447)	\$ (181,673)
Covered-employee payroll	\$ 171,864	\$ 495,689	\$ 1,302,136	\$ 1,661,383	\$ 1,834,483	\$ 2,476,964	\$ 2,881,049	\$ 3,736,431	\$ 4,430,344	\$ 5,988,967
Proportionate share of the net pension liability (asset) as a percentage of covered-employee payroll	-1.94%	-2.37%	-4.02%	-5.19%	-5.33%	-4.51%	-7.51%	-1.77%	-2.13%	-3.03%
Plan fiduciary net position as a percentage of the total pension liability	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%	104.97%	106.49%

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Contributions
Teacher Retirement Plan of TCRS
Year Ended June 30, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 12,408	\$ 52,086	\$ 27,093	\$ 35,589	\$ 51,921	\$ 58,197	\$ 75,101	\$ 127,151	\$ 162,540	\$ 189,963
Contributions in relation to the contractually required contribution	19,827	52,086	66,455	35,589	51,921	58,197	75,101	127,151	162,540	189,963
Contribution deficiency (excess)	\$ (7,419)	\$ -	\$ (39,362)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 495,675	\$ 1,302,136	\$ 1,661,384	\$ 1,834,485	\$ 2,557,685	\$ 2,881,040	\$ 3,736,431	\$ 4,430,344	\$ 5,515,144	\$ 6,332,100
Contributions as a percentage of covered employee payroll	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%	3.00%

In Fiscal year 2022, Greeneville City Schools placed the actuarially determined contribution rate (2.02%) of covered payroll into the pension plan and placed 1.98% of covered payroll into the Pension Stabilization Reserve Trust. In Fiscal year 2023, Greeneville City Schools placed the actuarially determined contribution rate of (2.87%) of covered payroll into the pension plan and placed 1.02% of covered payroll into the Pension Stabilization Reserve Trust. In fiscal year 2024, Greeneville City Schools placed the actuarially determined contribution rate of (2.95%) of covered payroll into the pension plan and placed 1.05% of covered payroll into the Pension Stabilization Reserve Trust. In fiscal year 2025, Greeneville City Schools placed the actuarially determined contribution rate of (3.00%) of covered payroll into the pension plan and placed 1.00% of covered payroll into the Pension Stabilization Reserve Trust.

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios
Based on Participation in the Public Employee Pension Plan of TCRS
Year Ended June 30, 2025

Measurement Period Ended	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Board of Education Town of Greeneville, Tennessee's proportion of the net pension liability (asset)	29.46%	28.79%	26.89%	26.93%	27.19%	27.40%	29.23%	29.88%	29.10%	28.87%
Board of Education Town of Greeneville, Tennessee's proportionate share of the net pension liability (asset)	\$ 872,927	\$ 1,540,435	\$ 1,766,548	\$ 1,298,588	\$ 797,932	\$ 1,048,218	\$ (2,058,653)	\$ 873,381	\$ 723,863	\$ 352,408
Board of Education Town of Greeneville, Tennessee's covered payroll	\$ 3,708,271	\$ 3,776,880	\$ 3,560,742	\$ 3,683,670	\$ 3,634,557	\$ 3,792,564	\$ 4,211,100	\$ 4,647,174	\$ 4,819,280	\$ 5,295,536
Board of Education Town of Greeneville, Tennessee's proportionate share of the net pension liability (asset) as a percentage of covered payroll	23.54%	40.79%	49.61%	35.25%	21.95%	27.64%	-48.89%	18.79%	15.02%	6.65%
Plan fiduciary net position as a percentage of total pension liability (asset)	96.94%	92.40%	92.62%	95.24%	97.75%	96.72%	109.43%	98.33%	98.99%	97.39%

Notes to Schedule:

Changes of assumptions. In 2021, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, and mortality improvements. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, salary growth and mortality improvements.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Contributions Based on Participation in the
Public Employee Pension Plan of TCRS
Year Ended June 30, 2025

Measurement period ended June 30,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	\$ 566,532	\$ 571,996	\$ 597,632	\$ 583,947	\$ 586,211	\$ 613,779	\$ 704,327	\$ 766,710	\$ 828,058	\$ 911,967
Contributions in relation to the actuarially determined contribution	566,532	571,996	597,632	583,947	586,211	613,779	704,327	766,710	828,058	911,967
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 3,776,880	\$ 3,560,742	\$ 3,677,735	\$ 3,593,520	\$ 4,070,910	\$ 4,262,354	\$ 4,889,597	\$ 5,324,375	\$ 5,750,403	\$ 6,333,104
Contributions as a percentage of covered employee payroll	15.00%	16.06%	16.25%	16.25%	14.40%	14.40%	14.40%	14.40%	14.40%	14.40%

Notes to Schedule

Valuation date: Actuarially determined contribution rates for fiscal year 2025 were calculated based on the June 30, 2023 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method:	Entry age normal
Amortization method:	Level dollar, closed (not to exceed 20 years)
Remaining amortization period:	Varies by year
Asset valuation method:	10-year smoothed within a 20 percent corridor to market value
Inflation	2.25 percent
Salary increases:	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return:	6.75 percent, net of investment expense, including inflation
Retirement age:	Pattern of retirement determined by experience study
Mortality:	Customized table based on actual experience including an adjustment for some anticipated improvement
Cost of Living Adjustments	2.125 percent

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Nonmajor Governmental Funds
Combining Balance Sheet - By Fund
Year Ended June 30, 2025

	Special Revenue Funds		Total Nonmajor Governmental Funds
	School Nutrition	Internal School	Funds
ASSETS			
Cash	\$ 935,619	\$ 714,942	\$ 1,650,561
Accounts receivable, net of allowance	642	6,128	6,770
Due from other governments	153,696	-	153,696
Other assets	-	1,908	1,908
Inventories	67,497	9,116	76,613
Total assets	\$ 1,157,454	\$ 732,094	\$ 1,889,548
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	556	\$ 7,587	8,143
Total liabilities	556	7,587	8,143
Fund Balances			
Nonspendable:			
Inventory	67,497	9,116	76,613
Restricted for:			
School Nutrition	1,089,401	-	1,089,401
Internal School	-	715,391	715,391
Total fund balances	1,156,898	724,507	1,881,405
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,157,454	\$ 732,094	\$ 1,889,548

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - By Fund
Year Ended June 30, 2025

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	<u>School Nutrition</u>	<u>Internal School</u>	
Revenues			
State of Tennessee	\$ 14,903	\$ -	\$ 14,903
Federal funds through state	1,730,201	-	1,730,201
Charges for current services, net	469,877	-	469,877
Other local revenue	<u>38,997</u>	<u>1,280,788</u>	<u>1,319,785</u>
Total revenues	<u>2,253,978</u>	<u>1,280,788</u>	<u>3,534,766</u>
Expenditures			
Salaries	826,306	-	826,306
Employee benefits	310,781	-	310,781
Food service	1,041,558	-	1,041,558
Internal school	-	1,260,168	1,260,168
Contracted services	13,393	-	13,393
Equipment	265,416	-	265,416
Supplies	17,162	-	17,162
Travel	3,570	-	3,570
Other	<u>73,232</u>	<u>-</u>	<u>73,232</u>
Total expenditures	<u>2,551,418</u>	<u>1,260,168</u>	<u>3,811,586</u>
Excess of revenues over expenditures	(297,440)	20,620	(276,820)
Special Item			
Acquisition of Greene Technology Center	<u>-</u>	<u>38,309</u>	<u>38,309</u>
Total special item	<u>-</u>	<u>38,309</u>	<u>38,309</u>
Net change in fund balance	(297,440)	58,929	(238,511)
Fund balance, beginning of year as previously reported	-	665,578	665,578
Change within financial reporting entity (major to nonmajor)	<u>1,454,338</u>	<u>-</u>	<u>1,454,338</u>
Fund balance, beginning of year as adjusted	<u>1,454,338</u>	<u>665,578</u>	<u>2,119,916</u>
Fund balance, end of year	<u>\$ 1,156,898</u>	<u>\$ 724,507</u>	<u>\$ 1,881,405</u>

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
School Nutrition Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Federal funds	\$ 1,748,474	\$ 1,748,474	\$ 1,730,201	\$ (18,273)
State of Tennessee	14,857	14,857	14,903	46
Charges for current services	530,869	530,869	469,877	(60,992)
Other revenue	41,827	41,827	38,997	(2,830)
Total revenues	<u>2,336,027</u>	<u>2,336,027</u>	<u>2,253,978</u>	<u>(82,049)</u>
Expenditures				
Salaries	865,447	848,062	826,306	21,756
Employee benefits	288,517	309,492	310,781	(1,289)
Food service	841,185	1,070,031	1,041,558	28,473
Contracted services	12,000	13,393	13,393	-
Equipment	283,777	263,532	265,416	(1,884)
Supplies	15,776	20,346	17,162	3,184
Travel	4,000	3,444	3,570	(126)
Other	25,325	72,937	73,232	(295)
Total expenditures	<u>2,336,027</u>	<u>2,601,237</u>	<u>2,551,418</u>	<u>49,819</u>
Net change in fund balance	-	(265,210)	(297,440)	(32,230)
Fund balance, beginning of year	<u>1,454,338</u>	<u>1,454,338</u>	<u>1,454,338</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,454,338</u>	<u>\$ 1,189,128</u>	<u>\$ 1,156,898</u>	<u>\$ (32,230)</u>

SUPPLEMENTARY INFORMATION

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Agency/Pass-Through Agency/State Grantor Program or Cluster Title	Listing Number	Pass-through Entity Identifying Number	Pass-through to Subrecipients	Expenditures
United States Department of Health and Human Services				
Passed through Tennessee Department of Education				
Summer Learning Camp	93.558	NA	\$ -	\$ 306,563
Summer Learning Transportation	93.558	NA	-	55,602
Head Start - Head Start Cluster	93.600	NA	-	56,636
Total U.S. Department of Health and Human Services			-	418,801
United States Department of Homeland Security				
Federal Emergency Management Agency Public Assistance Program	97.036	NA	-	13,114
Total U.S. Department of Homeland Security			-	13,114
United States Department of Federal Communications Commission				
E-Rate program	32.004	NA	-	391,222
Total U.S. Department of Federal Communications Commission			-	391,222
United States Department of Agriculture Grants				
Commodity Supplemental Food Program - Food Distribution Cluster	10.565	NA	-	146,688
Child Nutrition Cluster				
School Breakfast Program	10.553	NA	-	437,927
National School Lunch Program	10.555	NA	-	1,141,877
Total Child Nutrition Cluster			-	1,579,804
Total U.S. Department of Agriculture			-	1,726,492
United States Department of Education Grants				
Passed Through Tennessee Department of Education				
NCLB, Title I	84.010	S010A200042	-	659,130
Title I, Neglected	84.010	S010A200042	55,185	64,402
Total Title I			55,185	723,532
Special Education Cluster (IDEA)				
Special Education - Grants to States (IDEA, Part B)	84.027	H027A200052	-	915,937
IDEA Preschool	84.173	H173A200095	-	14,774
Total IDEA Cluster			-	930,711
Title V, Part B - Rural Education Achievement Program	84.358	NA	-	105,014
Title III, Part A English Language Acquisition	84.365	NA	-	15,751
Title II, Part A Improving Teacher Quality	84.367	NA	-	100,225
Title IV Student Support & Academic Enrichment	84.424	NA	-	44,576
21st Century Classroom	84.287	NA	-	276,250
COVID 19 - American Rescue Plan Homeless 2.0	84.425W	NA	-	1,216
Perkins Career and Technical Education	84.048	NA	-	53,447
COVID 19 - Education Stabilization Fund Program - Elementary and Secondary School Emergency Relief Fund (ESSER 3.0)	84.425D	NA	-	50,618
Total U.S. Department of Education			55,185	2,301,340
United States Department of Defense Grant				
Junior ROTC	12.357	TN0G2026	-	79,850
Total U.S. Department of Defense			-	79,850
Total expenditures of federal grants			\$ 55,185	\$ 4,930,819

See accompanying independent auditors' report.

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Notes to Schedule of Expenditures of Federal Awards (Continued)

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Board of Education, Town of Greeneville, Tennessee, under programs of the federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Board of Education, it is not intended to and does not present the financial position, change in net position, or cash flows of the Board of Education.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule of federal awards and the schedule of state awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Board has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at fair market value of the commodities received and disbursed.

NOTE D - SUBRECIPIENTS

The Board of Education provided federal and state awards to subrecipients as follows:

Subrecipient	Program Title	Amount
Holston Home for Children	Title I, Neglected	\$ 55,185
Greene Technology Center	TISA	313,345
Total		\$ 368,530

NOTE E - CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	Federal Assistance Listing Number	Amount Provided to Consolidated Administration
Title I	84.010	\$ 92,784
Title II	84.367	22,000
Title III	84.365	250
Title IV	84.424	1,000
Total amounts consolidated for administration purposes		\$ 116,034

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Expenditures of State Awards
Year Ended June 30, 2025

Federal Agency/Pass-Through Agency/State Grantor Program or Cluster Title	Federal Assistance	Pass-through Entity Identifying Number	Amount	
	Listing Number		Pass-through to Subrecipients	Expenditures
Tennessee Department of Education				
Early Childhood	NA	NA	\$ -	\$ 481,645
Public School Security	NA	NA	-	1,861
Tennessee Investment in Student Achievement ("TISA")	NA	NA	313,345	21,341,363
State Special Education Preschool	NA	NA	-	60,210
Grade A Schools	NA	NA	-	1,000,000
Innovative School Models	NA	NA	-	251,119
Parental Leave	NA	NA	-	95,642
Career Ladder	NA	NA	-	22,938
Bus Seat Restraint	NA	NA	-	15,000
Child Nutrition	NA	NA	-	14,903
Total expenditures of state grants			<u>\$ 313,345</u>	<u>\$ 23,284,681</u>

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Changes in Long-Term Debt by Individual Issue
Year Ended June 30, 2025

Description of Indebtedness	Original Amount Of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7/1/2024	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 6/30/2025
Governmental Activities									
Payable Through General Fund									
Bonds Payable:									
General Obligation Refunding Bonds, Series 2017	\$ 9,125,000	3.00%	12/07/17	06/01/25	\$ 1,610,000	\$ -	\$ 1,610,000	\$ -	\$ -
General Obligation Refunding Bonds, Series 2020	6,540,000	3.00%	04/29/20	06/01/29	<u>6,225,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>6,125,000</u>
Total bonds payable					<u>\$ 7,835,000</u>	<u>\$ -</u>	<u>\$ 1,710,000</u>	<u>\$ -</u>	<u>\$ 6,125,000</u>
Governmental Activities									
Payable Through General Fund									
Notes Payable:									
Energy Efficient School Initiative Loan Program	\$ 5,011,467	0.50%	01/28/22	07/31/40	\$ 4,965,747	\$ 45,720	\$ 200,904	\$ -	\$ 4,810,563
Capital Outlay Note, Series 2025	\$ 1,000,000	4.95%	06/16/25	06/30/32	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Total notes payable					<u>\$ 4,965,747</u>	<u>\$ 1,045,720</u>	<u>\$ 200,904</u>	<u>\$ -</u>	<u>\$ 5,810,563</u>

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Changes in Lease Obligations
Year Ended June 30, 2025

Description of Indebtedness	Original Amount Of Issue	Interest Rate	Date of Issue	Maturity Date	Outstanding 7/1/2024	Issued During Period	Paid and/or Matured During Period	Acquisition of Greene Technology Center	Outstanding 6/30/2025
Governmental Activities									
Lease Payable:									
Payable Through General Fund									
Copiers 2021	\$ 263,271	0.95%	03/26/21	03/26/26	\$ 89,076	\$ -	\$ 57,460	\$ 6,994	\$ 38,610
Pitney Bowes Postage Machine	16,341	0.50%	01/01/24	12/21/28	14,724	-	3,244	-	11,480
Total payable through General Fund					<u>\$ 103,800</u>	<u>\$ -</u>	<u>\$ 60,704</u>	<u>\$ 6,994</u>	<u>\$ 50,090</u>

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Long-Term Debt Requirements by Year
June 30, 2025

Year Ended June 30	G.O. Refunding Bond Series 2020		Note Payable Energy Efficient School Initiative		Note Payable Capital Outlay, Series 2025		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	1,460,000	290,350	302,616	23,220	\$ 125,000	\$ 47,438	\$ 1,887,616	\$ 361,008
2027	1,495,000	217,350	304,128	21,708	130,000	43,313	1,929,128	282,371
2028	1,580,000	142,600	305,652	20,184	135,000	36,877	2,020,652	199,661
2029	1,590,000	63,600	307,094	18,742	140,000	30,195	2,037,094	112,537
2030	-	-	308,724	17,112	150,000	23,265	458,724	40,377
2031	-	-	310,272	15,564	155,000	15,840	465,272	31,404
2032	-	-	311,820	14,016	165,000	8,167	476,820	22,183
2033	-	-	313,392	12,444	-	-	313,392	12,444
2034	-	-	314,964	10,872	-	-	314,964	10,872
2035	-	-	316,536	9,300	-	-	316,536	9,300
2036	-	-	318,120	7,716	-	-	318,120	7,716
2037	-	-	319,716	6,120	-	-	319,716	6,120
2038	-	-	321,324	4,512	-	-	321,324	4,512
2039	-	-	322,932	2,904	-	-	322,932	2,904
2040	-	-	324,646	1,189	-	-	324,646	1,189
2041	-	-	108,627	78	-	-	108,627	78
	<u>\$ 6,125,000</u>	<u>\$ 713,900</u>	<u>\$ 4,810,563</u>	<u>\$ 185,681</u>	<u>\$ 1,000,000</u>	<u>\$ 205,095</u>	<u>\$ 11,935,563</u>	<u>\$ 1,104,676</u>

*The Board is responsible for paying the amounts listed on page 33 with the remaining paid by the Town of Greeneville.

COMPLIANCE REPORT



Independent Auditors' Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Board of Education, Town of Greeneville, Tennessee
Town of Greeneville, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education, Town of Greeneville, Tennessee (the "Board"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated January 29, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

ClearPoint CPAs PC

Greeneville, Tennessee
January 29, 2026



Independent Auditor's Report on Compliance For Each Major Program and on
Internal Control Over Compliance Required by The Uniform Guidance

To the Board of Education
Town of Greeneville, Tennessee

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Board of Education, Town of Greeneville, Tennessee's (the "Board") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Board's major federal programs for the year ended June 30, 2025. The Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

ClearPoint CPAs PC

Greeneville, Tennessee
January 29, 2026

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025

I. Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: **Unmodified opinion**

Internal Control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported
- Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported

Type of auditors report issued on compliance for major federal programs: **Unmodified opinion**

- Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of major federal programs:

Federal Assistance

Listing Number Name of Federal Program
10.553 and 10.555 Child Nutrition Cluster
84.027 and 84.173 IDEA Cluster

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

- Auditee qualified as low -risk auditee? X Yes No

BOARD OF EDUCATION
TOWN OF GREENEVILLE, TENNESSEE
Summary Schedule of Prior Audit Findings
June 30, 2025

Internal Control over Financial Reporting

There were no prior year findings.

Compliance and Other Matters

There were no prior year findings.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS

Annual Financial Report

Year Ended June 30, 2025

Audited By:



TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Annual Financial Report
Year Ended June 30, 2025

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TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Roster of School Officials
June 30, 2025

Director of Schools

Steve Starnes

Chief Financial Officer

Ellen Lipe

Board of Education

Cindy Luttrell - Chairperson

Dr. Craig Shepherd - Vice Chairperson

Josh Quillen - Treasurer

Pamela Botta

Crystal Hirschy

Schools

Greeneville High

Greeneville Middle

EastView Elementary

Hal Henard Elementary

Highland Elementary

Tusculum View Elementary

Greeneville Career and Technical Academy

Principals

Deanna Martin

Rachel Adams

Kelly Ford

Janet Ricker

Noelle Smith

Dr. Lana Luttrell

Dr. Joshua Davis



Independent Auditors' Report

Members of the Board of Education,
Town of Greeneville, Tennessee
Greeneville, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of Town of Greeneville, Tennessee, Board of Education - Internal School Funds ("School Funds") which comprise the combined and individual school balance sheets – regulatory basis, as of June 30, 2025, and the related combined and individual school statements of revenues, expenditures, and changes in fund balances - regulatory basis for the year then ended, and the related notes to the financial statements.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying combined and individual school financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balances of the School Funds as of June 30, 2025, and the related revenues, expenditures and changes in fund balances for the year then ended, in accordance with the financial reporting provisions of the *Internal School Funds Manual* described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Schools Funds as of June 30, 2025, or the changes in financial position for the year then ended.

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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Schools Funds, 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.

Emphasis of Matter

As discussed in Note 5 to the financial statements, effective June 30, 2025, Greene Technology Center Internal School Fund discontinued operations under the joint venture operated between the Town of Greeneville, Tennessee Board of Education and the Greene County Board of Education and all remaining assets were transferred to the Town of Greeneville, Tennessee Board of Education. Our opinion is not modified with respect to this matter.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by the School Funds on the basis of the financial reporting provisions of the *Internal School Funds Manual*, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of Tennessee. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the *Internal School Funds Manual*, as described in Note 1. Management is also

responsible 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 School Funds' internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Funds' 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the combined and individual school financial statements - regulatory basis that collectively comprise the School Funds' basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements - regulatory basis of the schools. As described in Note 1 of the financial statements, the supplementary information, as listed in the table of contents, is prepared by the School Funds on the basis of the financial reporting provisions of the *Internal School Funds Manual*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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 - regulatory basis. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements - regulatory basis 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 - regulatory basis or to the basic financial statements - regulatory basis themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements - regulatory basis as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the Roster of School Officials but does not include the basic financial statements - regulatory basis and our auditors' report thereon. Our opinions on the basic financial statements - regulatory basis 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 - regulatory basis, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements - regulatory basis, 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 November 18, 2025 on our consideration of the School Funds' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Funds' 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 Internal School Funds' internal control over financial reporting and compliance.

ClearPoint CPAs PC

Greeneville, Tennessee
November 18, 2025

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Combined Balance Sheet - Regulatory Basis - All Schools
June 30, 2025

	Greeneville High School	Greeneville Career & Technical Academy	Greeneville Middle School	EastView Elementary School	Hal Henard Elementary School	Highland Elementary School	Tusculum View Elementary School	Total
ASSETS								
Cash in bank - checking	\$ 227,283	\$ 38,309	\$ 171,849	\$ 57,890	\$ 125,049	\$ 49,331	\$ 42,731	\$ 712,442
Certificates of deposit	2,500	-	-	-	-	-	-	2,500
Accounts receivable	4,876	-	1,252	-	-	-	-	6,128
Other assets	1,482	-	-	425	1	-	-	1,908
Inventory	9,116	-	-	-	-	-	-	9,116
Total assets	\$ 245,257	\$ 38,309	\$ 173,101	\$ 58,315	\$ 125,050	\$ 49,331	\$ 42,731	\$ 732,094
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 400	\$ -	\$ 239	\$ 5,758	\$ 362	\$ 288	\$ 540	\$ 7,587
Fund Balances:								
Restricted	244,857	38,309	172,862	52,557	124,688	49,043	42,191	724,507
Total fund balances	244,857	38,309	172,862	52,557	124,688	49,043	42,191	724,507
Total liabilities and fund balances	\$ 245,257	\$ 38,309	\$ 173,101	\$ 58,315	\$ 125,050	\$ 49,331	\$ 42,731	\$ 732,094

See accompanying notes to financial statements.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Combined Statement of Revenues, Expenditures, and Changes
in Fund Balances - Regulatory Basis - All Schools
Year Ended June 30, 2025

	Greeneville High School	Greeneville Career & Technical Academy	Greeneville Middle School	EastView Elementary School	Hal Henard Elementary School	Highland Elementary School	Tusculum View Elementary School	Total
Fund balances, July 1, 2024	\$ 258,792	\$ -	\$ 164,205	\$ 43,651	\$ 124,517	\$ 41,820	\$ 32,593	\$ 665,578
Revenues	691,033	-	291,925	89,216	89,630	24,060	94,924	1,280,788
Expenditures	714,084	-	283,268	80,310	89,459	16,837	85,326	1,269,284
Excess revenues over (under) expenditures	(23,051)	-	8,657	8,906	171	7,223	9,598	11,504
Other financing sources (uses):								
Operating transfers in	22,543	-	3,441	1,164	7,025	3,757	3,662	41,592
Transferred from Greene Technology Center	-	38,309	-	-	-	-	-	38,309
Operating transfers out	(22,543)	-	(3,441)	(1,164)	(7,025)	(3,757)	(3,662)	(41,592)
Total other financial sources (uses)	-	38,309	-	-	-	-	-	38,309
Net change in fund balances	(23,051)	38,309	8,657	8,906	171	7,223	9,598	49,813
Changes in reserve for inventory	9,116	-	-	-	-	-	-	9,116
Fund balances, June 30, 2025	\$ 244,857	\$ 38,309	\$ 172,862	\$ 52,557	\$ 124,688	\$ 49,043	\$ 42,191	\$ 724,507

See accompanying notes to financial statements.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Greeneville High School
Balance Sheet - Regulatory Basis
June 30, 2025

	ASSETS					LIABILITIES AND FUND BALANCES				
	Cash in Bank Checking	Certificates of Deposit	Accounts Receivable	Other Assets	Inventory	Total Assets	LIABILITIES	FUND BALANCES		Total Liabilities and Fund Balances
							Accounts Payable	Restricted	Total Fund Balances	
General fund	\$ 48,758	\$ 2,500	\$ -	\$ -	\$ -	\$ 51,258	\$ 384	\$ 50,874	\$ 50,874	\$ 51,258
Restricted fund:										
Athletic	18,522	-	-	-	-	18,522	16	18,506	18,506	18,522
Art club	4,876	-	-	-	-	4,876	-	4,876	4,876	4,876
AP science trip	508	-	-	-	-	508	-	508	508	508
AP social studies trip	190	-	-	-	-	190	-	190	190	190
Testing	9,303	-	-	-	-	9,303	-	9,303	9,303	9,303
Band	15	-	-	-	-	15	-	15	15	15
Barnes & Noble literacy	60	-	-	-	-	60	-	60	60	60
Chorus	67	-	-	-	-	67	-	67	67	67
Clothes closet	17	-	-	-	-	17	-	17	17	17
Cybersceptor	2,398	-	-	-	-	2,398	-	2,398	2,398	2,398
Dance team	3,373	-	-	-	-	3,373	-	3,373	3,373	3,373
Deferred instructional infosnap	22,100	-	-	-	-	22,100	-	22,100	22,100	22,100
Devil's den	27,926	-	4,876	-	9,116	41,918	-	41,918	41,918	41,918
Devil's brew	3,843	-	-	-	-	3,843	-	3,843	3,843	3,843
Donations	1,400	-	-	-	-	1,400	-	1,400	1,400	1,400
Faculty flower fund	472	-	-	-	-	472	-	472	472	472
Faculty lounge commissions	131	-	-	-	-	131	-	131	131	131
First priority club	368	-	-	-	-	368	-	368	368	368
First robotics	2,146	-	-	-	-	2,146	-	2,146	2,146	2,146
French club	177	-	-	-	-	177	-	177	177	177
FCCLA	280	-	-	-	-	280	-	280	280	280
Gifted students	4,867	-	-	-	-	4,867	-	4,867	4,867	4,867
Greene media	7,190	-	-	-	-	7,190	-	7,190	7,190	7,190
HOSA	5,000	-	-	-	-	5,000	-	5,000	5,000	5,000
Kitty hawk air society	60	-	-	-	-	60	-	60	60	60
Library memorials	197	-	-	-	-	197	-	197	197	197
Total restricted this page	\$ 115,486	\$ -	\$ 4,876	\$ -	\$ 9,116	\$ 129,478	\$ 16	\$ 129,462	\$ 129,462	\$ 129,478

(Continued)

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Greenville High School
Balance Sheet - Regulatory Basis (Continued)

	ASSETS						LIABILITIES AND FUND BALANCES			
	Cash in Bank Checking	Certificates of Deposit	Accounts Receivable	Other Assets	Inventory	Total Assets	Accounts Payable	Restricted	Total Fund Balances	Total Liabilities and Fund Balances
Restricted fund (cont.)										
Monty's Merry Christmas	\$ 1	\$ -	\$ -	\$ 1,482	\$ -	\$ 1,483	\$ -	\$ 1,483	\$ 1,483	\$ 1,483
National art honor society	1,038	-	-	-	-	1,038	-	1,038	1,038	1,038
National honor society	3,077	-	-	-	-	3,077	-	3,077	3,077	3,077
Healthy schools	3,383	-	-	-	-	3,383	-	3,383	3,383	3,383
Photography club	3,419	-	-	-	-	3,419	-	3,419	3,419	3,419
ROTC - SF	2,789	-	-	-	-	2,789	-	2,789	2,789	2,789
Science club	78	-	-	-	-	78	-	78	78	78
Show choir	235	-	-	-	-	235	-	235	235	235
Spanish club	237	-	-	-	-	237	-	237	237	237
Student activities	3,737	-	-	-	-	3,737	-	3,737	3,737	3,737
Student council	1,461	-	-	-	-	1,461	-	1,461	1,461	1,461
TISA pooled	22,543	-	-	-	-	22,543	-	22,543	22,543	22,543
Student needs	1,578	-	-	-	-	1,578	-	1,578	1,578	1,578
Teacher fund	430	-	-	-	-	430	-	430	430	430
Theatre	894	-	-	-	-	894	-	894	894	894
Vocal activities	962	-	-	-	-	962	-	962	962	962
Walker memorial scholarship	750	-	-	-	-	750	-	750	750	750
Yearbook	11,195	-	-	-	-	11,195	-	11,195	11,195	11,195
Youth and government	16	-	-	-	-	16	-	16	16	16
Class of 2026	5,216	-	-	-	-	5,216	-	5,216	5,216	5,216
Total restricted this page	63,039	-	-	1,482	-	64,521	-	64,521	64,521	64,521
Total restricted fund	178,525	-	4,876	1,482	9,116	193,999	16	193,983	193,983	193,999
Total general and restricted funds	\$ 227,283	\$ 2,500	\$ 4,876	\$ 1,482	\$ 9,116	\$ 245,257	\$ 400	\$ 244,857	\$ 244,857	\$ 245,257

See accompanying notes to financial statements.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS

Greeneville High School

Statement of Revenues, Expenditures, and Changes in Fund Balances - Regulatory Basis
Year Ended June 30, 2025

	Fund Balances July 1, 2024	Revenues	Expenditures	Other Financing Sources (uses) Transfers	Change Increase (Decrease) in Inventory	Fund Balances June 30, 2025
General fund						
Academic awards	\$ -	\$ -	\$ 1,649	\$ -	\$ -	\$ -
Administrative			2,878			
Board of Education allocations		64,578	-			
Commissions		16,681	-			
Copier			22,095			
Donations		1,817	-			
Equipment			18,226			
Furniture			5,374			
Instructional		13,983	34,172			
Maintenance			-			
Miscellaneous		2,874	4,740			
Parking		6,817	-			
Security			1,483			
School supplies			17,279			
Total general fund	<u>52,020</u>	<u>106,750</u>	<u>107,896</u>	<u>-</u>	<u>-</u>	<u>50,874</u>
Restricted fund						
Athletic	64,865	261,883	308,242	-	-	18,506
Art club	3,854	1,649	627	-	-	4,876
AP science trip	783	1,235	1,510	-	-	508
AP social studies trip	190	-	-	-	-	190
Testing	5,399	40,883	36,979	-	-	9,303
Band	1,842	4,230	6,057	-	-	15
Barnes & Noble literacy	60	-	-	-	-	60
Total restricted this page	<u>\$ 76,993</u>	<u>\$ 309,880</u>	<u>\$ 353,415</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,458</u>

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Greeneville High School

Statement of Revenues, Expenditures, and Changes in Fund Balances - Regulatory Basis - (Continued)

	Fund Balances		Expenditures	Other Financing Sources (uses) Transfers		Change Increase (Decrease) in Inventory	Fund Balances June 30, 2025
	July 1, 2024	Revenues					
Restricted fund (cont.)							
Chorus	\$ 149	\$ 3,891	\$ 3,973	\$ -	\$ -	\$ 67	
Clothes closet	756	-	739	-	-	17	
Cybersceptor	2,398	-	-	-	-	2,398	
Dance team	4,571	13,909	15,107	-	-	3,373	
Deferred instructional infsnap	22,949	22,100	22,949	-	-	22,100	
Devil's den	19,698	56,192	43,088	-	9,116	41,918	
Devil's brew	3,462	381	-	-	-	3,843	
Donations	-	1,900	500	-	-	1,400	
Faculty flower fund	155	640	323	-	-	472	
Faculty lounge commissions	22	187	78	-	-	131	
Fellowship of Christian athletes	2,941	-	2,941	-	-	-	
First priority club	368	-	-	-	-	368	
First robotics	2,989	12,180	13,023	-	-	2,146	
French club	177	-	-	-	-	177	
FCCLA	295	480	495	-	-	280	
Gifted students	4,736	131	-	-	-	4,867	
Greene media	500	6,690	-	-	-	7,190	
HOSA	-	5,000	-	-	-	5,000	
Kitty hawk air society	60	-	-	-	-	60	
Library memorials	197	-	-	-	-	197	
Monty's Merry Christmas	-	16,005	14,522	-	-	1,483	
National art honor society	-	1,320	282	-	-	1,038	
National honor society	1,946	2,680	1,549	-	-	3,077	
Healthy schools	4,439	3,065	4,121	-	-	3,383	
Photography club	2,394	2,332	1,307	-	-	3,419	
Protection plan	-	13,520	13,520	-	-	-	
ROTC - SF	7,202	8,275	12,688	-	-	2,789	
Total restricted this page	\$ 82,404	\$ 170,878	\$ 151,205	\$ -	\$ 9,116	\$ 111,193	

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Greenville High School

Statement of Revenues, Expenditures, and Changes in Fund Balances - Regulatory Basis - (Continued)

	Fund Balances July 1, 2024	Revenues	Expenditures	Other Financing Sources (uses) Transfers	Change Increase (Decrease) in Inventory	Fund Balances June 30, 2025
Restricted fund (cont.)						
Science club	\$ 78	\$ -	\$ -	\$ -	\$ -	\$ 78
Science grant	-	10,286	10,286	-	-	-
Show choir	135	300	200	-	-	235
Spanish club	326	770	859	-	-	237
Student activities	5,598	220	2,081	-	-	3,737
Student council	580	1,079	198	-	-	1,461
TISA	19,906	13,660	11,023	(22,543)	-	-
TISA pooled	-	-	-	22,543	-	22,543
Student needs	1,628	2,381	2,431	-	-	1,578
Teacher fund	662	2,850	3,082	-	-	430
Theatre	894	-	-	-	-	894
Vocal activities	962	4,166	4,166	-	-	962
Walker memorial scholarship	750	750	750	-	-	750
Yearbook	10,115	48,633	47,553	-	-	11,195
Youth and government	16	-	-	-	-	16
Class of 2025	5,725	3,767	9,492	-	-	-
Class of 2026	-	14,663	9,447	-	-	5,216
Total this page	<u>47,375</u>	<u>103,525</u>	<u>101,568</u>	<u>-</u>	<u>-</u>	<u>49,332</u>
Total restricted fund	<u>206,772</u>	<u>584,283</u>	<u>606,188</u>	<u>-</u>	<u>9,116</u>	<u>193,983</u>
Total general and restricted funds	<u>\$ 258,792</u>	<u>\$ 691,033</u>	<u>\$ 714,084</u>	<u>\$ -</u>	<u>\$ 9,116</u>	<u>\$ 244,857</u>

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Greeneville Career & Technical Academy
Balance Sheet - Regulatory Basis
June 30, 2025

	Asset		Fund Balances	
	Cash	Total Assets	Restricted	Total Fund Balances
General fund	\$ 2,056	\$ 2,056	\$ 2,056	\$ 2,056
Restricted fund:				
Auto mechanics	330	330	330	330
TISA pooled	2,438	2,438	2,438	2,438
Cosmetology	55	55	55	55
Culinary arts	4,040	4,040	4,040	4,040
Health science/tech	1,491	1,491	1,491	1,491
WorkKeys testing	105	105	105	105
Classroom donations	882	882	882	882
Clothes closet	200	200	200	200
Designated donations	1,217	1,217	1,217	1,217
Principles of manufacturing	219	219	219	219
Welding	8,484	8,484	8,484	8,484
Skills donation	781	781	781	781
HOSA skills USA	3,814	3,814	3,814	3,814
Skills USA	772	772	772	772
Skills welding	11	11	11	11
Skills industrial electricity	221	221	221	221
Skills cosmetology	177	177	177	177
Skills culinary arts	842	842	842	842
Skills automotive repair	1,230	1,230	1,230	1,230
Skills machine tools	2,507	2,507	2,507	2,507
Memorials	528	528	528	528
Pre-k	153	153	153	153
Teachers fund	48	48	48	48
Flower fund	113	113	113	113
Advisory council	5,595	5,595	5,595	5,595
Total restricted fund	<u>36,253</u>	<u>36,253</u>	<u>36,253</u>	<u>36,253</u>
Total general and restricted funds	<u>\$ 38,309</u>	<u>\$ 38,309</u>	<u>\$ 38,309</u>	<u>\$ 38,309</u>

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Greeneville Career & Technical Academy
Statement of Revenues, Expenditures, and Changes in Fund Balances - Regulatory Basis
Year Ended June 30, 2025

	Fund Balances		Other Financing Sources		Fund Balances
	7/1/2024	Revenues	Expenditures	Transferred from Greene Technology Center	6/30/2025
General fund:					
School operations	\$ -	\$ -	\$ -	\$ -	\$ -
Total general fund	-	-	-	2,056	2,056
Restricted fund:					
Auto mechanics	-	-	-	330	330
TISA pooled	-	-	-	2,438	2,438
Cosmetology	-	-	-	55	55
Culinary arts	-	-	-	4,040	4,040
Health science/tech	-	-	-	1,491	1,491
WorkKeys testing	-	-	-	105	105
Classroom donations	-	-	-	882	882
Clothes closet	-	-	-	200	200
Designated donations	-	-	-	1,217	1,217
Principles of manufacturing	-	-	-	219	219
Welding	-	-	-	8,484	8,484
Skills donation	-	-	-	781	781
HOSA skills USA	-	-	-	3,814	3,814
Skills USA	-	-	-	772	772
Skills welding	-	-	-	11	11
Skills industrial electricity	-	-	-	221	221
Skills cosmetology	-	-	-	177	177
Skills culinary arts	-	-	-	842	842
Skills automotive repair	-	-	-	1,230	1,230
Skills machine tools	-	-	-	2,507	2,507
Memorials	-	-	-	528	528
Pre-k	-	-	-	153	153
Teachers fund	-	-	-	48	48
Flower fund	-	-	-	113	113
Advisory council	-	-	-	5,595	5,595
Total restricted fund	-	-	-	36,253	36,253
Total general and restricted funds	\$ -	\$ -	\$ -	\$ 38,309	\$ 38,309

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Greenville Middle School
Balance Sheet - Regulatory Basis
June 30, 2025

	ASSETS			LIABILITIES AND FUND BALANCES			
				LIABILITIES	FUND BALANCES		Total Liabilities and Fund Balances
	Cash in Bank Checking	Accounts Receivable	Total Assets	Accounts Payable	Restricted	Total Fund Balances	
General fund	\$ 113,779	\$ 802	\$ 114,581	\$ 239	\$ 114,342	\$ 114,342	\$ 114,581
Restricted fund							
Applied skills	687	-	687	-	687	687	687
Art	1,484	-	1,484	-	1,484	1,484	1,484
Athletic fund	618	-	618	-	618	618	618
TISA pooled	3,441	-	3,441	-	3,441	3,441	3,441
Biology	1,064	-	1,064	-	1,064	1,064	1,064
Biostem	657	-	657	-	657	657	657
Book club	100	-	100	-	100	100	100
CDC	82	-	82	-	82	82	82
Choral club	8,397	-	8,397	-	8,397	8,397	8,397
Christmas with the kids	4,607	-	4,607	-	4,607	4,607	4,607
Computer science	28	-	28	-	28	28	28
Donation	5,925	-	5,925	-	5,925	5,925	5,925
End of year awards	6,529	-	6,529	-	6,529	6,529	6,529
Engineering/technology	269	-	269	-	269	269	269
FCA	13	-	13	-	13	13	13
Focus grant	(444)	450	6	-	6	6	6
The Greene scene	331	-	331	-	331	331	331
Lego league club	5	-	5	-	5	5	5
Laptop incentive	35	-	35	-	35	35	35
Library club	1,635	-	1,635	-	1,635	1,635	1,635
Motivational journaling	100	-	100	-	100	100	100
Outdoor sign	490	-	490	-	490	490	490

(Continued)

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Greeneville Middle School
Balance Sheet - Regulatory Basis (Continued)

	ASSETS			LIABILITIES AND FUND BALANCES			
				LIABILITIES	FUND BALANCES		Total Liabilities and Fund Balances
	Cash in Bank Checking	Accounts Receivable	Total Assets	Accounts Payable	Restricted	Total Fund Balances	
Restricted fund (Continued)							
PE	6	-	6	-	6	6	6
Protection plan	690	-	690	-	690	690	690
Seed grant	122	-	122	-	122	122	122
Science club	660	-	660	-	660	660	660
School activities	12,441	-	12,441	-	12,441	12,441	12,441
Student council	2,098	-	2,098	-	2,098	2,098	2,098
Student needs	271	-	271	-	271	271	271
Healthy schools	4,904	-	4,904	-	4,904	4,904	4,904
Insurance proceeds	146	-	146	-	146	146	146
Portrait of a graduate	77	-	77	-	77	77	77
Teachers lounge fund	602	-	602	-	602	602	602
Total restricted fund	58,070	450	58,520	-	58,520	58,520	58,520
Total general and restricted fund	\$ 171,849	\$ 1,252	\$ 173,101	\$ 239	\$ 172,862	\$ 172,862	\$ 173,101

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS

Greenville Middle School

Statement of Revenues, Expenditures, and Changes in Fund Balances - Regulatory Basis
Year Ended June 30, 2025

	Fund Balances July 1, 2024	Revenues	Expenditures	Other Financing Sources (uses) Transfers	Fund Balances June 30, 2025
General fund					
Board of Education allocation	\$ -	\$ 37,230	\$ -	\$ -	\$ -
Contracted services		-	6,626		
Donations		755	-		
Equipment		-	232		
Field trips		108,161	108,298		
Furniture		-	6,972		
Maintenance		-	22		
Miscellaneous		10	271		
Car tags		1,220	1,850		
Office expense		-	3,943		
Pictures		2,564	-		
Shirts		-	875		
Annuals		12,425	10,220		
School supplies		5,108	15,173		
Total general fund	101,351	167,473	154,482	-	114,342
Restricted fund					
Class of 2025	-	750	750	-	-
Applied skills	687	-	-	-	687
Art	1,133	1,405	1,054	-	1,484
Athletic fund	71	44,453	43,906	-	618
Band club	127	4,057	4,184	-	-
TISA	5,254	9,600	11,413	(3,441)	-
TISA pooled	-	-	-	3,441	3,441
Biology	940	134	10	-	1,064
Biostem	-	19,563	18,906	-	657
Book club	100	-	-	-	100
CDC	-	627	545	-	82
Choral club	8,963	17,487	18,053	-	8,397
Christmas with the kids	4,607	-	-	-	4,607
Total restricted this page	\$ 21,882	\$ 98,076	\$ 98,821	\$ -	\$ 21,137

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Greenville Middle School

Statement of Revenues, Expenditures, and Changes in Fund Balances - Regulatory Basis - (Continued)

	Fund Balances July 1, 2024	Revenues	Expenditures	Other Financing Sources (uses) Transfers	Fund Balances June 30, 2025
Restricted fund					
Computer science	\$ 28	\$ -	\$ -	\$ -	\$ 28
Donation	6,002	-	77	-	5,925
End of year awards	7,148	-	619	-	6,529
Engineering/technology	274	435	440	-	269
FCA	13	-	-	-	13
Focus grant	-	1,957	1,951	-	6
The Greene scene	331	-	-	-	331
Laura Bush grant	5,000	-	5,000	-	-
Lego league club	5	-	-	-	5
Laptop incentive	35	-	-	-	35
Library club	2,625	64	1,054	-	1,635
Motivational journaling	100	-	-	-	100
National honor society	75	1,239	1,314	-	-
Outdoor sign	-	490	-	-	490
PE	6	-	-	-	6
Protection plan	720	8,527	8,557	-	690
Seed grant	200	3,695	3,773	-	122
Science club	647	499	486	-	660
School activities	9,040	6,413	3,012	-	12,441
Student council	2,156	-	58	-	2,098
Student needs	303	200	232	-	271
Healthy schools	5,474	1,480	2,050	-	4,904
Insurance proceeds	146	-	-	-	146
Portrait of a graduate	77	-	-	-	77
Teachers lounge fund	567	1,377	1,342	-	602
	<u>40,972</u>	<u>26,376</u>	<u>29,965</u>	<u>-</u>	<u>37,383</u>
Total restricted this page					
	<u>62,854</u>	<u>124,452</u>	<u>128,786</u>	<u>-</u>	<u>58,520</u>
Total restricted fund					
Total general and restricted funds	<u>\$ 164,205</u>	<u>\$ 291,925</u>	<u>\$ 283,268</u>	<u>\$ -</u>	<u>\$ 172,862</u>

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
EastView Elementary School
Balance Sheet - Regulatory Basis
June 30, 2025

	LIABILITIES AND FUND BALANCES						
	ASSET			LIABILITIES	FUND BALANCES		
	Cash in Bank Checking	Other Assets	Total Assets	Accounts Payable	Restricted	Total Fund Balances	Total Liabilities and Fund Balances
General fund	\$ 38,340	\$ 425	\$ 38,765	\$ 339	\$ 38,426	\$ 38,426	\$ 38,765
Restricted fund							
TISA pooled	1,164	-	1,164	-	1,164	1,164	1,164
Family engagement	28	-	28	-	28	28	28
Brooks donation	409	-	409	-	409	409	409
Donations	1,258	-	1,258	384	874	874	1,258
Lander's retirement	92	-	92	-	92	92	92
Library	5,334	-	5,334	-	5,334	5,334	5,334
Music	822	-	822	-	822	822	822
Healthy schools	854	-	854	-	854	854	854
Phinney fund	134	-	134	-	134	134	134
School beautification	656	-	656	-	656	656	656
Protection plan	5,035	-	5,035	5,035	-	-	5,035
Student needs	219	-	219	-	219	219	219
Wish tree	1,705	-	1,705	-	1,705	1,705	1,705
Teachers fund	1,840	-	1,840	-	1,840	1,840	1,840
Total restricted funds	19,550	-	19,550	5,419	14,131	14,131	19,550
Total general and restricted funds	\$ 57,890	\$ 425	\$ 58,315	\$ 5,758	\$ 52,557	\$ 52,557	\$ 58,315

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS

EastView Elementary School

Statement of Revenues, Expenditures, and Changes in Fund Balances - Regulatory Basis

Year Ended June 30, 2025

	Fund Balances July 1, 2024	Revenues	Expenditures	Other Financing Sources (uses) Transfers	Fund Balances June 30, 2025
General fund					
Board of Education	\$ -	\$ 24,696	\$ -	\$ -	\$ -
School supplies		3,000	19,223		
School pictures		3,563	-		
Car tags		37	-		
Annuals		5,563	4,748		
Donations		6,695	-		
Equipment		-	1,489		
Furniture		-	856		
Field trips		16,699	15,384		
Library		5,942	6,217		
Lost damaged books		355	-		
Office expense		-	939		
Resale		809	455		
Contracted services		-	6,120		
Maintenance and repairs		-	59		
Safety		-	86		
Total general fund	26,643	67,359	55,576	-	38,426
Restricted fund					
TISA	1,108	5,600	5,544	(1,164)	-
TISA pooled	-	-	-	1,164	1,164
Class of 2033	28	-	-	-	28
Brooks donation	200	300	91	-	409
Donations	1,339	3,642	4,107	-	874
Lander's retirement	92	-	-	-	92
Library	10,000	-	4,666	-	5,334
Music	822	-	-	-	822
Healthy schools	1,062	935	1,143	-	854
Phinney fund	134	-	-	-	134
School beautification	656	-	-	-	656
Protection plan	210	4,855	5,065	-	-
Student needs	468	-	249	-	219
Wish tree	-	4,776	3,071	-	1,705
Teachers fund	889	1,749	798	-	1,840
Total restricted fund	17,008	21,857	24,734	-	14,131
Total general and restricted funds	\$ 43,651	\$ 89,216	\$ 80,310	\$ -	\$ 52,557

See accompanying notes to financial statements.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Hal Henard Elementary School
Balance Sheet - Regulatory Basis
June 30, 2025

	LIABILITIES AND FUND BALANCES						
	ASSET			LIABILITIES	FUND BALANCES		
	Cash in Bank Checking	Other Assets	Total Assets	Accounts Payable	Restricted	Total Fund Balances	Total Liabilities and Fund Balances
General fund	\$ 63,256	\$ 1	\$ 63,257	\$ 362	\$ 62,895	\$ 62,895	\$ 63,257
Restricted fund							
Phinney fund	450	-	450	-	450	450	450
Local access	38,120	-	38,120	-	38,120	38,120	38,120
Art	295	-	295	-	295	295	295
TISA pooled	7,025	-	7,025	-	7,025	7,025	7,025
CDC	19	-	19	-	19	19	19
Donations	7,584	-	7,584	-	7,584	7,584	7,584
Donation - field trip	342	-	342	-	342	342	342
GSIA	7	-	7	-	7	7	7
Library	4,470	-	4,470	-	4,470	4,470	4,470
Lost and damaged library books	228	-	228	-	228	228	228
Operation Christmas	378	-	378	-	378	378	378
Student needs	1,373	-	1,373	-	1,373	1,373	1,373
Healthy schools	1,160	-	1,160	-	1,160	1,160	1,160
Nolichucky alliance	120	-	120	-	120	120	120
Protection plan	30	-	30	-	30	30	30
Teacher fund	16	-	16	-	16	16	16
Brooks donation	176	-	176	-	176	176	176
Total restricted funds	61,793	-	61,793	-	61,793	61,793	61,793
Total general and restricted funds	\$ 125,049	\$ 1	\$ 125,050	\$ 362	\$ 124,688	\$ 124,688	\$ 125,050

See accompanying notes to financial statements.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS

Hal Henard Elementary School

Statement of Revenues, Expenditures, and Changes in Fund Balances - Regulatory Basis
Year Ended June 30, 2025

	Fund Balances July 1, 2024	Revenues	Expenditures	Other Financing Sources (uses) Transfers	Fund Balances June 30, 2025
General fund					
Board of Education	\$ -	\$ 27,393	\$ -	\$ -	\$ -
Car tags		705	895		
Contracted services		-	11,940		
Donations		1,269	-		
Field trips		20,733	19,823		
Fundraising		142	-		
Furniture		-	16,507		
Instruction		-	7,841		
Miscellaneous		-	224		
Office		-	1,082		
School pictures		2,599	-		
Annuals		2,580	2,257		
School supplies		2,445	-		
Total general fund	65,598	57,866	60,569	-	62,895
Restricted fund					
Phinney fund	450	-	-	-	450
Local access	38,539	-	419	-	38,120
Art	295	1,973	1,973	-	295
TISA	5,671	6,000	4,646	(7,025)	-
TISA pooled	-	-	-	7,025	7,025
CDC	19	560	560	-	19
Donations	7,529	3,232	3,177	-	7,584
Donation - field trip	342	-	-	-	342
GSIA	-	6,473	6,466	-	7
Library	2,253	6,323	4,106	-	4,470
Lost and damaged library books	-	228	-	-	228
Operation Christmas	381	1,450	1,453	-	378
Student needs	1,373	-	-	-	1,373
Healthy schools	1,434	1,060	1,334	-	1,160
Nolichucky alliance	300	-	180	-	120
Protection plan	30	4,050	4,050	-	30
Teacher fund	82	215	281	-	16
Brooks donation	221	200	245	-	176
Total restricted funds	58,919	31,764	28,890	-	61,793
Total general and restricted funds	\$ 124,517	\$ 89,630	\$ 89,459	\$ -	\$ 124,688

See accompanying notes to financial statements.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Highland Elementary School
Balance Sheet - Regulatory Basis
June 30, 2025

LIABILITIES AND FUND BALANCES

	ASSETS			LIABILITIES	FUND BALANCES		Total Liabilities and Fund Balances
	Cash in Bank Checking	Accounts Receivable	Total Assets	Accounts Payable	Restricted	Total Fund Balances	
General fund	\$ 38,754	\$ -	\$ 38,754	\$ 228	\$ 38,526	\$ 38,526	\$ 38,754
Restricted fund							
TISA pooled	3,817	-	3,817	60	3,757	3,757	3,817
Art/music	156	-	156	-	156	156	156
Donation - Walmart	232	-	232	-	232	232	232
Donation - field trip	427	-	427	-	427	427	427
Donations	352	-	352	-	352	352	352
ELL/ESL	193	-	193	-	193	193	193
Focus grant	645	-	645	-	645	645	645
5th grade service project	5	-	5	-	5	5	5
Gardening	284	-	284	-	284	284	284
Gaga ball pit	100	-	100	-	100	100	100
Healthy schools	524	-	524	-	524	524	524
Seed grant	2,424	-	2,424	-	2,424	2,424	2,424
Student needs	220	-	220	-	220	220	220
Teachers fund	861	-	861	-	861	861	861
Brooks donation	337	-	337	-	337	337	337
Total restricted fund	10,577	-	10,577	60	10,517	10,517	10,577
Total general and restricted funds	\$ 49,331	\$ -	\$ 49,331	\$ 288	\$ 49,043	\$ 49,043	\$ 49,331

See accompanying notes to financial statements.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS

Highland Elementary School

Statement of Revenues, Expenditures, and Changes in Fund Balances - Regulatory Basis
Year Ended June 30, 2025

	Fund Balances July 1, 2024	Revenues	Expenditures	Other Financing Sources (uses) Transfers	Fund Balances June 30, 2025
General fund					
Board of Education allocation	\$ -	\$ 13,146	\$ -	\$ -	\$ -
Annuals		370	-		
School supplies		280	3,748		
School pictures		1,005	-		
Donations		146	-		
Field trips		11	586		
Leader in me		-	37		
Lost/damaged books		29	-		
Office supplies		365	-		
Contracted services		-	5,932		
Miscellaneous		89	-		
Total general fund	33,388	15,441	10,303	-	38,526
Restricted fund					
TISA	4,726	3,200	4,169	(3,757)	-
TISA pooled	-	-	-	3,757	3,757
Art/music	156	-	-	-	156
Donation - Walmart	232	-	-	-	232
Donation - field trip	427	-	-	-	427
Donations	72	650	370	-	352
ELL/ESL	193	-	-	-	193
Focus grant	645	-	-	-	645
5th grade service project	5	-	-	-	5
Gardening	25	350	91	-	284
Gaga ball pit	100	-	-	-	100
Healthy schools	168	450	94	-	524
Protection plan	120	1,290	1,410	-	-
Seed grant	500	1,924	-	-	2,424
Student needs	65	155	-	-	220
Teachers fund	861	-	-	-	861
Brooks donation	137	600	400	-	337
Total restricted fund	8,432	8,619	6,534	-	10,517
Total general and restricted funds	\$ 41,820	\$ 24,060	\$ 16,837	\$ -	\$ 49,043

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Tusculum View Elementary School
Balance Sheet - Regulatory Basis
June 30, 2025

	ASSET		LIABILITIES	FUND BALANCES		Total Liabilities and Fund Balances
	Cash in Bank Checking	Total Assets	Accounts Payable	Restricted	Total Fund Balances	
General fund	\$ 25,676	\$ 25,676	\$ 488	\$ 25,188	\$ 25,188	\$ 25,676
Restricted fund						
TISA pooled	3,662	3,662	-	3,662	3,662	3,662
Art	284	284	-	284	284	284
1st grade	159	159	-	159	159	159
Chorus	9	9	-	9	9	9
Donations	365	365	-	365	365	365
Memorial	484	484	-	484	484	484
Library - lost/damaged	571	571	-	571	571	571
Bookfair	41	41	-	41	41	41
Library	27	27	-	27	27	27
Healthy schools	3,307	3,307	-	3,307	3,307	3,307
Protection plan	120	120	-	120	120	120
Student needs	810	810	20	790	790	810
Brooks donation	3,491	3,491	-	3,491	3,491	3,491
Tiger time	798	798	-	798	798	798
Titanic Christmas	104	104	-	104	104	104
Teacher fund	2,823	2,823	32	2,791	2,791	2,823
Total restricted fund	17,055	17,055	52	17,003	17,003	17,055
Total general and restricted funds	\$ 42,731	\$ 42,731	\$ 540	\$ 42,191	\$ 42,191	\$ 42,731

See accompanying notes to financial statements.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Tusculum View Elementary School
Statement of Revenues, Expenditures, and Changes in Fund Balances - Regulatory Basis
Year Ended June 30, 2025

	Fund Balances		Expenditures	Other Financing Sources (uses) Transfers		Fund Balances
	July 1, 2024	Revenues		June 30, 2025		
General fund						
Board of Education	\$ -	\$ 27,100	\$ -	\$ -	\$ -	
Awning		-	3,586			
Car tags		720	1,822			
Contracted services		-	11,006			
Donations		3,579	-			
Equipment		-	200			
Field trips		13,928	16,539			
Furniture		-	35			
Miscellaneous		388	482			
Instructional		-	13,124			
Office expenses		-	1,489			
Maintenance		-	2,513			
Pictures		3,660	-			
School store		1,708	-			
Annuals		5,085	3,508			
School fees		3,155	-			
Total general fund	<u>20,169</u>	<u>59,323</u>	<u>54,304</u>	<u>-</u>	<u>-</u>	<u>25,188</u>
Restricted fund						
TISA	3,245	5,800	5,383	(3,662)	-	
TISA pooled	-	-	-	3,662	3,662	
Art	100	1,092	908	-	284	
1st grade	253	405	499	-	159	
Chorus	30	247	268	-	9	
Donations	366	1,312	1,313	-	365	
Focus grant	-	151	151	-	-	
GSIA	-	1,794	1,794	-	-	
Memorial	149	335	-	-	484	
Library - lost/damaged	369	202	-	-	571	
Bookfair	112	5,180	5,251	-	41	
Library	132	2,587	2,692	-	27	
Healthy schools	2,632	860	185	-	3,307	
Protection plan	-	3,861	3,741	-	120	
Student needs	1,147	-	357	-	790	
Brooks donation	777	9,323	6,609	-	3,491	
Tiger time	825	-	27	-	798	
Titanic Christmas	104	-	-	-	104	
Teacher fund	<u>2,183</u>	<u>2,452</u>	<u>1,844</u>	<u>-</u>	<u>2,791</u>	
Total restricted fund	<u>12,424</u>	<u>35,601</u>	<u>31,022</u>	<u>-</u>	<u>17,003</u>	
Total general and restricted funds	<u>\$ 32,593</u>	<u>\$ 94,924</u>	<u>\$ 85,326</u>	<u>\$ -</u>	<u>\$ 42,191</u>	

See accompanying notes to financial statements.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Notes to Financial Statements
June 30, 2025

BACKGROUND

Tennessee Code Annotated (TCA), Section 49-2-110, provides for internal school funds, establishes responsibility for those funds, and requires schools to adopt and follow a uniform accounting manual.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity - This report includes only the internal school funds of the Town of Greeneville, Tennessee, Board of Education (“School Funds”). The Internal school funds are included in the Town of Greeneville, Tennessee, Board of Education’s financial report as a special revenue fund. Internal school funds consist of financial resources accounted for at the individual schools.

Internal School Funds - Internal school funds reported in the accompanying financial statements include donations and grants made to individual schools; fees collected by schools; funds received from the local board of education; funds raised through cooperative agreements; rental fees; and student activity funds.

Student Activity Funds - Student activity funds include all money received from any source for school-sponsored student activities or school-sponsored events held at or in connection with a school, and specifically include, but are not limited to funds:

- Derived from a school-sponsored academic, art, athletic, or social event involving students;
- Raised by school-sponsored clubs involving students;
- Raised by school-sponsored fundraisers involving students who are under the supervision of a school employee;
- Received from a commission for the direct sale of items to students pursuant to a cooperative agreement between the school and outside organization;
- Received for the direct sale of items to students from a school-run bookstore located on school grounds;
- Raised from fees charged to students;
- Obtained from interest from any account that contains student activity funds; and
- Obtained from any related school-sponsored activity that involves the use of school personnel, students, and property during the school day.

Regulatory Basis of Accounting - The accounting and financial reporting requirements for internal school funds are set forth in the *Internal School Funds Manual*, issued by the Tennessee Department of Education and the Tennessee Comptroller of the Treasury. The requirements established in the *Internal School Funds Manual* differ from generally accepted accounting principles primarily in the presentation of the financial statements and restricted fund revenue and expenditure accounting and reporting. The following is a summary of the basic requirements of this regulatory basis of accounting, which is an “other comprehensive basis of accounting.”

The financial statements consist of balance sheets and statements of revenues, expenditures and changes in fund balances.

The combined financial statements present all of the individual schools in a columnar format and are required to be presented before the notes to the financial statements. These statements focus on each of the individual schools rather than the funds within the schools. In keeping with that focus, the columnar headings identify the individual schools rather than the funds.

The individual school financial statements present the detailed fund activity in each school and are included after the combined financial statements and before the notes to the financial statements.

Within the general fund, revenues are classified by source and expenditures are classified by either function. Within the restricted fund accounts, revenues and expenditures are recorded based on the specific group or activity which will benefit or expend the funds. The activity in the restricted “accounts” is presented as total revenues and transfers in and total expenditures and transfers out for each account. A corresponding “fund balance” is presented for each account. Although the restricted fund is a single fund, each account within the fund must present its portion of the

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Notes to Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

restricted fund balance. Transfers reported on the financial statements represent authorized movement of funds between restricted accounts as well as between the general fund and restricted fund.

Measurement Focus and Basis of Accounting - The accompanying financial statements are reported using the current financial resources measurement focus. Accordingly, only current assets and current liabilities are included on the balance sheets. Internal school funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Management policies define available as collectible within 60 days after the fiscal year end. Expenditures are generally recognized when the related fund liability is incurred, if measurable.

Fund Structure - The accounts of the individual schools are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which are comprised of the fund's assets, liabilities, fund equity, revenues and expenditures. The funds are grouped in the accompanying financial statements as follows:

General Fund - The general fund is used to account for all money to be used for the general operation of the school or for the welfare of the student body. Revenues and expenditures in this fund are not restricted to any specific group or activity.

Restricted Fund - The restricted fund is used to account for all money that is restricted for the use of a specific segment of the school population or legally restricted for a specific purpose and not intended to benefit the general school population.

Inventory - Inventories are stated at lower of cost (first-in, first-out) or market (net realizable value). The purchases method is used to account for inventories. Under the purchases method, inventories are reported as an expenditure when purchased (or when received for donated items) rather than being capitalized as an asset. However, significant amounts of inventory, if any, on hand at yearend are reported as an asset in the financial statements. The fair value of donated goods and supplies are recognized as revenues and expenditures in the financial statements. For the current year, no significant amounts of such donations were received.

Fund Balances

Restricted Fund Balance - Fund balances reported as restricted are the result of externally imposed restrictions placed upon certain resources accounted for in the restricted funds. All internal school fund activity is restricted in accordance with TCA Section 49-2-110.

When both restricted and unrestricted resources are available for use, it is the school system's policy to use restricted resources first, then unrestricted resources as they are needed. The internal school funds did not report any unrestricted resources for the period.

Unassigned Fund Balance - This classification represents a deficit fund balance. The internal school funds did not report any deficit fund balances for the year ended June 30, 2025.

Management's Evaluation of Subsequent Events - Management has evaluated events and transactions occurring subsequent to the fiscal year end for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through November 18, 2025, the date these financial statements were available to be issued.

NOTE 2 - BUDGETARY INFORMATION

Legally appropriated budgets have not been adopted at the individual school level. Therefore, presentation of budgetary comparison information is not required.

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Notes to Financial Statements (Continued)

NOTE 3 - DEPOSITS

Legal Provisions - All deposits with financial institutions in excess of FDIC limits are required to be secured by one of two methods. Excess funds can be deposited with a financial institution that participates in the State of Tennessee Bank Collateral Pool administered by the state treasurer. For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured amount of deposits.

Cash Deposits - Cash in bank represents funds on deposit in various depositories.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the school's deposits may not be returned to it. None of the school's deposits were exposed to custodial credit risk because all balances were entirely insured by the FDIC or through the Bank Collateral Pool with the State of Tennessee.

NOTE 4 - ACCOUNTS PAYABLE

Accounts payable balances represent amounts due to vendors at year-end. All accounts payable balances were approved by the Board of Education.

NOTE 5 - TRANSFERS

Transfers completed during the fiscal year consisted of interfund donations and residual fund balance reallocations. Effective June 30, 2025, the Greene Technology Center Internal School Fund ceased operations under the joint venture between the Town of Greeneville, Tennessee Board of Education, and the Greene County Board of Education. Pursuant to the terms of the agreement between the two Boards, the remaining assets of the Greene Technology Center Internal School Fund, totaling \$38,309, were transferred to the Town of Greeneville, Tennessee Board of Education. The Board has since assumed full responsibility for the administration, accounting, and oversight of these funds under the newly designated Greeneville Career & Technical Academy ("GCTA"). These transfers are reflected in the accompanying financial statements for the GCTA.

NOTE 6 - LONG-TERM LEASES AND COMMITMENTS

All long-term lease contracts that obligate a school for more than one school year are approved and accounted for by the Board of Education.

NOTE 7 - CAPITAL ASSETS

Capital assets acquired by the individual schools are recorded as expenditures at the time of purchase. Title and accountability for capital assets purchased pass automatically to the Board of Education.

NOTE 8 - RISK MANAGEMENT

Internal school funds are exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which Town of Greeneville, Tennessee Board of Education, carries commercial insurance. Settlements have not exceeded coverage for each of the past three fiscal years.

SUPPLEMENTARY INFORMATION

TOWN OF GREENEVILLE, TENNESSEE
 BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
 Schedule of Transfers - By School
 Year Ended June 30, 2025

Greeneville High

Transferred From	Transferred To	Amount	Purpose
TISA	TISA pooled	\$ 22,543	To transfer TISA funds to TISA pooled account
Total		\$ 22,543	

Greeneville Middle

Transferred From	Transferred To	Amount	Purpose
TISA	TISA pooled	\$ 3,441	To transfer TISA funds to TISA pooled account
Total		\$ 3,441	

EastView Elementary

Transferred From	Transferred To	Amount	Purpose
TISA	TISA pooled	\$ 1,164	To transfer TISA funds to TISA pooled account
Total		\$ 1,164	

Hal Henard Elementary

Transferred From	Transferred To	Amount	Purpose
TISA	TISA pooled	\$ 7,025	To transfer TISA funds to TISA pooled account
Total		\$ 7,025	

Highland Elementary

Transferred From	Transferred To	Amount	Purpose
TISA	TISA pooled	\$ 3,757	To transfer TISA funds to TISA pooled account
Total		\$ 3,757	

Tusculum View Elementary

Transferred From	Transferred To	Amount	Purpose
TISA	TISA pooled	\$ 3,662	To transfer TISA funds to TISA pooled account
Total		\$ 3,662	

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Schedule of Salary Supplements
Year Ended June 30, 2025

Employee	Amount	Source of funds	Proper Withholding	Approved by Board
<u>Greeneville High School</u>				
Aiken, Sara	\$ 108	Athletic	Yes	Yes
Baugh, Cody	450	Athletic	Yes	Yes
Bentley, Kenneth	969	Athletic	Yes	Yes
Blalock, Larry	710	Athletic	Yes	Yes
Burgner, Angela	482	Athletic	Yes	Yes
Collett, Giuliana	294	Athletic	Yes	Yes
Collins, Andrew	117	Athletic	Yes	Yes
Crawford, David	40	Athletic	Yes	Yes
Durante, Danielle	24	Athletic	Yes	Yes
Durrua, Courtney	117	Athletic	Yes	Yes
Easterling, Richard	595	Athletic	Yes	Yes
Everhart, Bryan	210	Athletic	Yes	Yes
Gillespie, Javelle	30	Athletic	Yes	Yes
Graham, Jerry	199	Athletic	Yes	Yes
Hale, Nathaniel	29	Athletic	Yes	Yes
Horne, Jason	46	Athletic	Yes	Yes
Huff, Donita	46	Athletic	Yes	Yes
Johnson, Alexandra	26	Athletic	Yes	Yes
Jones, Angela	154	Athletic	Yes	Yes
Lenker, Laura	51	Athletic	Yes	Yes
Marquez, Amber	293	Athletic	Yes	Yes
Painter, David	339	Athletic	Yes	Yes
Painter, Johnny	2,063	Athletic	Yes	Yes
Richardson, Donna	2,014	Athletic	Yes	Yes
Shelton, Beverly	366	Athletic	Yes	Yes
Shelton, John Randy	211	Athletic	Yes	Yes
Simerly, Jeremy	74	Athletic	Yes	Yes
Spradlen, Edwin	499	Athletic	Yes	Yes
Streeter, Page	1,379	Athletic	Yes	Yes
Tipton, Richard	718	Athletic	Yes	Yes
Ward, Holly	145	Athletic	Yes	Yes
Weems, David	81	Athletic	Yes	Yes
Whitaker, Jill	54	Athletic	Yes	Yes
Woolsey, James	29	Athletic	Yes	Yes
Wright, Trevor	479	Athletic	Yes	Yes
 Total	 \$ 13,441			

Greeneville Career and Technical Academy
None

TOWN OF GREENEVILLE, TENNESSEE
 BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
 Schedule of Salary Supplements (Continued)

Employee	Amount	Source of funds	Proper Withholding	Approved by Board
<u>Greeneville Middle School (Continued)</u>				
Barnett, Andrew	\$ 46	Athletic	Yes	Yes
Bowman, Michael	46	Athletic	Yes	Yes
Burge, Anna	117	Athletic	Yes	Yes
Candelaria, Abel	46	Athletic	Yes	Yes
Collins, Angela	23	Athletic	Yes	Yes
Dean, Emily	47	Athletic	Yes	Yes
Farmer, Jill	93	Athletic	Yes	Yes
Foulks, Kimberly	47	Athletic	Yes	Yes
Hansard, Wendy	23	Athletic	Yes	Yes
Huff, Donita	45	Athletic	Yes	Yes
Jones, Penny	21	Athletic	Yes	Yes
Kennedy, Sandra	560	Athletic	Yes	Yes
Klickman, Brooke	187	Athletic	Yes	Yes
Knight, Daniel	47	Athletic	Yes	Yes
Lenker, Laura	46	Athletic	Yes	Yes
Mannis, Trevor	93	Athletic	Yes	Yes
Standridge, Alexandria	187	Athletic	Yes	Yes
Stephens, Danielle	24	Athletic	Yes	Yes
Stevenson, Elizabeth	70	Athletic	Yes	Yes
Townsend, Abbey	280	Athletic	Yes	Yes
Trivette, Kimberly	23	Athletic	Yes	Yes
Watkins, Christy	23	Athletic	Yes	Yes
Young, Janis	746	Athletic	Yes	Yes
 Total	 \$ 2,840			
<u>EastView</u>				
Ricker, Lori	\$ 668	Annual	Yes	Yes
 Total	 \$ 668			
<u>Hal Henard</u>				
None				
<u>Highland</u>				
None				
<u>Tusculum View</u>				
None				

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
Schedule of Fidelity Bond Coverage
June 30, 2025

Company:	Public Entity Partners
Type of Coverage:	Employee Fidelity Bond
Amount:	\$300,000 limit/\$1,000 per occurrence
Period Covered:	07-01-24 - 07-01-25
Positions Covered:	All employees

COMPLIANCE SECTION



Independent Auditors' Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards*

Members of the Board of Education,
Town of Greeneville, Tennessee
Greeneville, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Town of Greeneville, Tennessee Board of Education's Internal School Funds ("School Funds"), which comprise the combined and individual school balance sheets - regulatory basis as of June 30, 2025, and the related combined and individual school statements of revenue, expenditures and changes in fund balances - regulatory basis for the year then ended, and the related notes to the financial statements, which collectively comprise the School Funds' basic financial statements. We have issued our report thereon dated November 18, 2025. Our report on the School Funds' financial statements was adverse in relation to conformity with accounting principles generally accepted in the United States of America and was unmodified in relation to the financial statements prepared in conformity with the accounting principles prescribed by the *Internal School Funds Manual*, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control, described in the accompanying schedule of findings as item 2025-001 that we consider to be a significant deficiency.

Report Compliance and Other Matters

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

School Funds' Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School Funds' response to the finding identified in our audit and described in the accompanying schedule of findings. The School Funds' response was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on the response.

Purpose of this Report

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

ClearPoint CPAs PC

Greeneville, Tennessee

November 18, 2025

TOWN OF GREENEVILLE, TENNESSEE
BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS REGULATORY BASIS
Schedule of Findings
Year Ended June 30, 2025

FINDING - Financial Statement Audit

2025-001 - Segregation of Duties (Repeated from prior year)

Criteria: The Internal School Uniform Accounting Manual Section 4, Title 2, Internal Control.

Condition: Due to small accounting staff, there is a lack of segregation of duties with authorization, recording and custody.

Effect: The effect of this issue causes the schools to not be in compliance with the internal control procedures as prescribed by the Manual.

Recommendation: Management should continue to review the accounting functions to determine which functions can be feasibly segregated based on the personnel available.

Management Response: Each school has established procedures to segregate duties as best as possible. Greeneville City Schools has only one employee maintaining the financial records at each school and due to financial constraints, does not have the ability to add additional personnel at this time.

TOWN OF GREENEVILLE, TENNESSEE
 BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
 Schedule of Prior Year Findings
 Year Ended June 30, 2025

<u>Prior Year Finding Number</u>	<u>Finding Title</u>	<u>Status/ Current Year Finding Number</u>
2024-001 (original finding #2016-001)	Segregation of Duties	Repeated 2025-001
2024-002	Checks	Corrected
2024-003	Verification of items received	Corrected
2024-004	Finance charge	Corrected
2024-005	Donations	Corrected
2024-006	Deposits	Corrected

TOWN OF GREENEVILLE, TENNESSEE
 BOARD OF EDUCATION - INTERNAL SCHOOL FUNDS
 Matrix of Findings By School
 Year Ended June 30, 2025

Internal Control

2025-001 Segregation of duties

EV	GC&TA	GHS	GMS	HH	HE	TV
----	-------	-----	-----	----	----	----

X	X	X	X	X	X	X
---	---	---	---	---	---	---

- EV - EastView Elementary School
- GC&TA - Greeneville Career & Technical Academy
- GHS - Greeneville High School
- GMS - Greeneville Middle School
- HH - Hal Henard Elementary School
- HE - Highland Elementary School
- TV - Tusculum View Elementary School



Steve Starnes, Ed.S.
Director of Schools
Richard Tipton, Ed.S.
Assistant Director for Instruction
Jason Horne, Ed.D.
Assistant Director for Administration

Management's Corrective Action Plan

We reviewed the school financial statements, audit findings, and recommendations with management to provide an opportunity for their response. Management's corrective action plans for all financial statement findings are presented below:

2025-001 - Segregation of Duties

Response and Corrective Action Plan prepared by:	Greenville City School Principals
Person responsible for implementing the corrective action:	Greenville City School Principals
Anticipated completion date of corrective action:	Continuing
Repeat finding:	Yes
Reason why corrective action was not taken in prior year:	Lack of staff

Planned corrective action:

Each school has implemented segregation duties as best as possible. Although only one employee maintains the financial records at each school, compensating controls have been established, including but not limited to bank statement review and reconciliation at the central office level. Due to financial constraints, the district is unable to add additional staff at this time.

Respectfully submitted,

Ellen Lipe, CPA
Chief Financial Officer
Greenville City Board of Education

Cultivate the Mind and Impact the Heart through Excellence and Equity

Kathryn W. Leonard Administrative Office
129 W. Depot Street Greenville, TN 37743-1420
(423) 787-8000 | <http://www.gcschools.net>

GREENE TECHNOLOGY CENTER
Financial Statements and Supplementary Information
Year Ended June 30, 2025

Audited by:



GREENE TECHNOLOGY CENTER
 Financial Statements and Supplementary Information
 Year Ended June 30, 2025

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INTRODUCTORY SECTION (UNAUDITED)

GREENE TECHNOLOGY CENTER
Roster of Officials and Board Members
Year Ended June 30, 2025

Roster of Officials

Mr. Steve Starnes
Dr. Chris Malone

Director of Greeneville City Schools
Superintendent of Greene County Schools

Roster of Board Members

Minnie Banks
Pamela Botta
George Frye
Crystal Hirschy
Cindy Luttrell
Josh Quillen
Mark Rothe
Dr. Craig Shepherd
Rick Tipton
Stacey Franklin
Larry Bible
Gary Compton II

FINANCIAL SECTION



Independent Auditors' Report

Greene Technology Center
Greeneville, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major funds of the Greene Technology Center (the "Center"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of the Center as of June 30, 2025, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center 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.

Emphasis of Matter

As discussed in Note 10 to the financial statements, effective June 17, 2025, the Center ceased operations, and all assets, deferred outflows, liabilities, and deferred inflows were transferred to the Board of Education, Town of Greeneville, Tennessee, which assumed responsibility for the related activities. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center'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 Center's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary schedules, 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 Center's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditors' 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 23, 2026, on our consideration of the Center'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 Center'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 Center's internal control over financial reporting and compliance.

ClearPoint CPAs PC

Greeneville, Tennessee
January 23, 2026

GREENE TECHNOLOGY CENTER
Management's Discussion and Analysis
June 30, 2025

This section of Greene Technology Center's (the "Center") annual financial report presents management's discussion and analysis of the Center's financial performance during the fiscal year ending June 30, 2025. Please read it in conjunction with the Center's financial statements, which immediately follow this section.

Financial Highlights

- On June 17, 2025, the Center was officially dissolved following a decision from the joint boards of Greene County Board of Education and Town of Greeneville, Tennessee Board of Education. The operations, assets, deferred outflows, liabilities, and deferred inflows of the Center were transferred to Town of Greeneville, Tennessee Board of Education after settlement payments were paid to Greene County Board of Education.
- During the year, the Center received \$498,633 in general revenue collections. This was a decrease of \$80,798 compared to prior year, or a 13.94% decrease. The allocation of sales taxes and property taxes are based upon average daily attendance, which decreased during Fiscal Year 2024-2025 compared to Fiscal Year 2023-2024.
- Expenses for governmental funds for the year ended June 30, 2025 decreased by \$14,165, or 0.67%, while total revenues decreased \$455,228 or 22.12% compared to prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Center's financial statements. The basic financial statements consist of three parts: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains additional required supplementary information and supplementary information beyond the basic financial statements themselves.

Government-wide financial statements The government-wide financial statements are designed to provide both long-term and short-term information about the Center's overall financial standing in a manner similar to a private-sector business.

There are two government-wide financial statements:

Statement of Net Position - presents information about the Center's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Center is improving or deteriorating.

Statement of Activities - presents information showing how the Center's net position changed during the most recent fiscal year. All current year revenues and expenses are taken into account 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 years (e.g., earned but unused vacation leave and retiree's medical and life insurance costs).

Both government-wide financial statements distinguish between functions of the Center that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Center include vocational education, student support, Perkins grant, internal school, student support, administration, and operation of the Center. The Center is a joint venture operated by the Town of Greeneville, Tennessee, Board of Education and the Greene County Board of Education.

The government-wide financial statements can be found on page 10 of this report.

Fund financial statements - The fund financial statements provide more detailed information about the most significant funds. 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 Center uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Center are governmental funds.

GREENE TECHNOLOGY CENTER
Management's Discussion and Analysis (Continued)

Governmental funds - The Center's basic services are included in governmental funds. The focus of these funds is on (1) how cash and other financial assets that can readily be converted to cash were received and used and (2) what remains at the end of the fiscal year for future spending. This detailed short-term view helps in determining whether there are more or fewer financial resources that can be spent in the near future to finance the Center's programs. Because this information does not include the additional long-term focus of the government-wide statements, we provide additional information after the governmental fund statement that explains the differences between the long-term view and the short-term view.

The Center maintains a General Fund and an Internal School Fund. Information is presented separately in the financial statements for each of these Funds. The General Fund is a major fund, and the Internal School Fund is a nonmajor fund.

The Center adopts a budget for each of its governmental funds except for the Internal School Fund. Budgetary comparisons for the General Fund are part of the basic financial statements. Budgetary comparisons are provided to demonstrate compliance with the budget.

The governmental fund financial statements begin on page 10 of this report.

Notes to the financial statements - The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The additional information contained in these notes is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 15 of this report.

Other information - In addition to the basic financial statements discussed above, this report also presents required supplementary information concerning the Center's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found beginning on page 31 of this report.

The supplementary information can be found beginning on page 37 of this report.

Financial Analysis of the Center as a Whole

Net Position

	June 30, 2025	June 30, 2024
Assets		
Current assets	\$ -	\$ 562,249
Noncurrent assets	-	877,989
Total assets	-	1,440,238
Deferred outflows	-	560,683
Current liabilities	-	194,186
Noncurrent liabilities	-	767,287
Total liabilities	-	961,473
Deferred inflows	-	202,387
Net position		
Investment in capital assets	-	498,541
Restricted net position	-	432,471
Unrestricted	-	(93,951)
Total net position	\$ -	\$ 837,061

GREENE TECHNOLOGY CENTER
Management's Discussion and Analysis (Continued)

Net Position (Continued)

On June 17, 2025, the Center was officially dissolved following a decision from the joint boards of Greene County Board of Education and Town of Greeneville, Tennessee Board of Education. The operations, assets, deferred outflows, liabilities, and deferred inflows of the Center were transferred to Town of Greeneville, Tennessee Board of Education.

As required by the dissolution agreement, the Center remitted a settlement payment of \$304,684 to Greene County Board of Education representing their two thirds interest in the joint venture. The settlement was directly related to the dissolution of the Center, was unusual in nature, infrequent in occurrence, and resulted from a decision of management. Accordingly, the payment has been reported as a special item on the Statement of Activities. The Town of Greeneville, Tennessee Board of Education also paid \$520,919 directly to Greene County Board of Education for the capital assets and \$1,000,000 directly to Greene County Board of Education for the purchase of the Center's building. After payment of the settlement, all remaining assets, deferred outflows, liabilities, and deferred inflows of the Center were transferred to Town of Greeneville, Tennessee Board of Education, and the Center ceased to exist as a separate legal reporting entity. The following were transferred to Town of Greeneville, Tennessee Board of Education:

ASSETS	
Cash	\$ 104,387
Accounts receivable	15,535
Restricted investments, TCRS Stabilization Trust	38,586
Net pension asset	521,000
Intangible right-to-use asset, net	<u>6,994</u>
Total assets acquired	<u>686,502</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension	315,232
Other post employment benefits	<u>261,284</u>
Total deferred outflows of resources acquired	<u>576,516</u>
LIABILITIES	
Accounts payable	109,257
Retirement incentive payable	25,082
Right-to-use liability	6,994
OPEB liability	<u>854,894</u>
Total liabilities acquired	<u>996,227</u>
DEFERRED INFLOWS OF RESOURCES	
Pension	125,719
Other post employment benefits	<u>131,918</u>
Total deferred inflows acquired	<u>257,637</u>
NET POSITION DISPOSED	<u>\$ 9,154</u>

Changes in Net Position

Net position of the Center's governmental activities for 2025 decreased \$483,124 which also includes net income for the internal school fund of \$16,209. The Center had a decrease in program revenues of \$374,430 mainly due to a decrease in TISA funding to the Center in the current fiscal year due to lower enrollment. Program expenses decreased \$14,165. During the year, the Center received \$498,633 in general revenue collections. This was a decrease of \$80,798 compared to prior year. The sales taxes and property taxes are allocated from Greeneville City Schools based upon

GREENE TECHNOLOGY CENTER
Management's Discussion and Analysis (Continued)

Changes in Net Position (Continued)

average daily attendance. The average daily attendance decreased during Fiscal Year 2024-2025 compared to Fiscal Year 2023-2024.

The following is a summary of financial activities for the Center during the fiscal year ended June 30, 2025.

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Program revenues		
Operating and capital contributions and grants	\$ 1,077,541	\$ 1,438,506
Charges for services	26,418	39,883
General revenues	<u>498,633</u>	<u>579,431</u>
Total revenues	1,602,592	2,057,820
Program expenses	<u>(2,125,815)</u>	<u>(2,111,650)</u>
Changes in net position from governmental activities	(523,223)	(53,830)
Special Items		
Settlement paid to Greene County Government upon dissolution	(304,684)	-
Disposal of government operations	<u>(9,154)</u>	<u>-</u>
Change in net position	(837,061)	(53,830)
Net position, beginning of year	<u>837,061</u>	<u>890,891</u>
Net position, end of year	<u>\$ -</u>	<u>\$ 837,061</u>

Financial Analysis of the Center's Funds

General Fund Budgetary Highlights

- During fiscal year 2025, actual expenditures were below budgeted expenditures in the amount of \$110,584. However, actual revenues did not exceed the budget in the amount of \$129,026 due to the average daily attendance decrease in the current year, which resulted in less local taxes allocated to the Center.
- Tennessee College of Applied Technology (TCAT) continues to operate an adult education program offered in the evenings at the Greene Technology Center. Although the classes were offered at the Center, TCAT was responsible for the staffing of the adult classes, and the program had no effect on the Center's salary expenditures.

GREENE TECHNOLOGY CENTER
Management's Discussion and Analysis (Continued)

Capital Assets

At the end of this year, the Center had \$- (net of accumulated depreciation) invested in capital assets, including buildings and improvements, equipment, and intangible right-to-use asset as result of the dissolution.

Center's Capital Assets

	Governmental Activities	
	2025	2024
Buildings and improvements	\$ -	\$ 3,038,578
Equipment	-	2,229,021
Less accumulated depreciation	-	(4,769,241)
Intangible right-to-use asset, net	-	7,177
	\$ -	\$ 505,535

Discussion of known facts, decisions, or conditions expected to have a significant effect

As of June 30, 2025, all assets, deferred outflows, liabilities, and deferred inflows of the Center have been disposed of or transferred. The balance sheet reflects a net balance of \$-, consistent with the closure of the Center as a separate legal entity. The Center was acquired by Town of Greeneville, Tennessee Board of Education and is operating under the name Greeneville Career and Technical Academy. See Town of Greeneville, Tennessee Board of Education audit report for more information that may be found at <https://comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>

Contacting the Center's Financial Management

This financial report is designed to provide the taxpayers, citizens and all interested parties with a general overview of the Center's finances and to demonstrate the Center's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, Greeneville City School System, 129 West Depot Street, Greeneville, Tennessee 37743.

GREENE TECHNOLOGY CENTER
Statement of Activities
Year Ended June 30, 2025

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental	Total
					Activities	Total
Governmental Activities						
Vocational education	\$ 869,281	\$ -	\$ 555,681	\$ -	\$ (313,600)	\$ (313,600)
Student support	60,871	-	38,911	-	(21,960)	(21,960)
Internal school	10,209	26,418	-	-	16,209	16,209
Administration	450,774	-	288,154	-	(162,620)	(162,620)
Operation of Center	344,826	-	194,795	-	(150,031)	(150,031)
Loss on disposal of capital assets	389,854	-	-	-	(389,854)	(389,854)
Total governmental activities	<u>\$ 2,125,815</u>	<u>\$ 26,418</u>	<u>\$ 1,077,541</u>	<u>\$ -</u>	<u>(1,021,856)</u>	<u>(1,021,856)</u>
General Revenues						
Taxes:						
Property taxes					176,926	176,926
Sales tax					290,132	290,132
In-lieu tax					13,344	13,344
Interest and penalty					1,691	1,691
Other					16,540	16,540
Total general revenues					<u>498,633</u>	<u>498,633</u>
Change in net position from governmental activities					(523,223)	(523,223)
Special Items						
Settlement paid to Greene County Board of Education upon dissolution (see Note 10)					(304,684)	(304,684)
Disposal of government operations					(9,154)	(9,154)
Total special items					<u>(313,838)</u>	<u>(313,838)</u>
Change in net position					(837,061)	(837,061)
Net position at the beginning of the year					<u>837,061</u>	<u>837,061</u>
Net position at the end of the year					<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

GREENE TECHNOLOGY CENTER
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
Year Ended June 30, 2025

	General Fund	Internal School Fund (Nonmajor)	Total Governmental Funds
Revenues			
State of Tennessee	\$ 313,345	\$ -	\$ 313,345
Federal funds through state	38,780	-	38,780
Local taxes	490,263	-	490,263
Greeneville Board of Education	162,520	-	162,520
Greene County Board of Education	592,437	-	592,437
Other local revenue	<u>64,557</u>	<u>26,418</u>	<u>90,975</u>
Total revenues	<u>1,661,902</u>	<u>26,418</u>	<u>1,688,320</u>
Expenditures			
Vocational instruction	949,073	-	949,073
Perkins	14,034	-	14,034
Student support	110,032	-	110,032
Administration	447,861	-	447,861
Operation of Center	256,641	-	256,641
Internal school	-	10,209	10,209
Debt service			
Principal	4,181	-	4,181
Interest	<u>48</u>	<u>-</u>	<u>48</u>
Total expenditures	<u>1,781,870</u>	<u>10,209</u>	<u>1,792,079</u>
Excess of expenditures over revenue	(119,968)	16,209	(103,759)
Other Financing Sources (Uses)			
Proceeds from sale of equipment and materials	<u>570</u>	<u>-</u>	<u>570</u>
Total other financing sources	<u>570</u>	<u>-</u>	<u>570</u>
Special Items - Disposal of Operations			
Greene County Tennessee settlement	(260,684)	(44,000)	(304,684)
Disposal of government operations	<u>(10,944)</u>	<u>(38,309)</u>	<u>(49,253)</u>
Total special items - disposal of operations	<u>(271,628)</u>	<u>(82,309)</u>	<u>(353,937)</u>
Net change in fund balances	(391,026)	(66,100)	(457,126)
Fund balance, July 1, 2024	<u>391,026</u>	<u>66,100</u>	<u>457,126</u>
Fund balance, June 30, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

GREENE TECHNOLOGY CENTER
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 Year Ended June 30, 2025

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

Net change in fund balances of Governmental Funds	\$ (457,126)
Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation exceeds of general capital assets in the current period.	(498,358)
Dissolution of Greene Technology Center	40,099
Some pension expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	47,239
Expenses for compensated absences and termination benefits do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.	51,794
Other post employment benefits expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(20,525)
Long-term liabilities for right-to-use asset are not due and payable in the current period and, therefore are not reported in the governmental funds.	<u>(184)</u>
Change in net position of governmental activities	<u>\$ (837,061)</u>

GREENE TECHNOLOGY CENTER
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
Year Ended June 30, 2025

	GAAP Budgeted Amounts		GAAP Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
State education funds	\$ 313,345	\$ 313,345	\$ 313,345	\$ -
Federal funds through State of Tennessee	-	38,655	38,780	125
Local taxes	567,916	567,916	490,263	(77,653)
Greeneville Board of Education	212,456	212,456	162,520	(49,936)
Greene County Board of Education	592,437	592,437	592,437	-
Other local revenue	36,119	66,119	64,557	(1,562)
Total revenues	1,722,273	1,790,928	1,661,902	(129,026)
Expenditures				
Vocational instruction				
Salaries	737,380	717,480	632,700	84,780
Employee benefits	224,798	218,798	216,625	2,173
Materials and supplies	30,000	94,113	93,795	318
Equipment	-	2,000	1,992	8
Textbooks	10,800	4,000	3,961	39
Travel	-	2,500	-	2,500
Total vocational instruction	1,002,978	1,038,891	949,073	89,818
Perkins				
Travel	-	16,000	14,034	1,966
Total Perkins	-	16,000	14,034	1,966
Student support				
Salaries	70,306	70,306	70,306	-
Employee benefits	21,102	22,102	20,265	1,837
Evaluation and testing	500	20,061	19,461	600
Total student support	91,908	112,469	110,032	2,437
Administration				
Salaries	295,921	288,721	287,125	1,596
Employee benefits	96,035	106,235	102,382	3,853
Insurance	19,077	21,077	19,681	1,396
Audit fees	18,000	17,000	16,000	1,000
Communication	5,650	4,100	3,982	118
Other	20,613	21,263	18,691	2,572
Total administration	455,296	458,396	447,861	10,535

(Continued)

GREENE TECHNOLOGY CENTER
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund (Continued)

	GAAP Budgeted Amounts		GAAP Actual Amounts	Variance with Final Budget
	Original	Final		
Expenditures (Continued)				
Operation of Center				
Salaries	\$ 74,816	\$ 74,816	\$ 74,683	\$ 133
Employee benefits	34,290	34,290	33,938	352
Building improvements	-	5,000	3,715	1,285
Utilities	95,429	96,879	96,382	497
Insurance	22,645	22,145	22,132	13
Custodial supplies	3,620	1,320	1,257	63
Repairs	16,500	17,490	15,412	2,078
Other	9,098	9,458	9,122	336
Total operation of Center	256,398	261,398	256,641	4,757
Debt Service				
Principal	5,400	5,300	4,181	1,119
Interest	-	-	48	(48)
Total expenditures	1,811,980	1,892,454	1,781,870	110,584
Other Financing Sources (Uses)				
Proceeds from sale of equipment and materi.	5,269	5,269	570	(4,699)
Insurance recoveries	1,500	1,500	-	(1,500)
Total other financing sources (uses)	6,769	6,769	570	(6,199)
Special Items				
Disposal of Operations (See Note 10)				
Greene County Tennessee settlement	-	(260,684)	(260,684)	-
Disposal of government operations	(2,250)	(8,360)	(10,944)	(2,584)
Total special items - disposal of operatio	(2,250)	(269,044)	(271,628)	(2,584)
Net change in fund balances	(85,188)	(363,801)	(391,026)	(248,393)
Fund balance, July 1, 2024	391,026	391,026	391,026	-
Fund balance, June 30, 2025	\$ 305,838	\$ 27,225	\$ -	\$ (27,225)

See accompanying notes to financial statements.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity - The Greene Technology Center (the “Center”) is a joint venture that is operated by the Town of Greeneville, Tennessee, Board of Education and the Greene County Board of Education. The Town of Greeneville, Tennessee, Board of Education has an ongoing financial responsibility for the Technology Center since the Center is dependent upon ongoing funding from the city and county boards. These financial statements reflect only the financial activities attributable to the Center. These financial statements do not present the financial position or the changes in the financial position of the Town of Greeneville, Tennessee or the Greene County Board of Education. On June 17, 2025, the Center was dissolved following a decision from the joint boards of Greene County Board of Education and Town of Greeneville, Tennessee Board of Education. The responsibilities and operations of the Center were transferred to Town of Greeneville, Tennessee Board of Education.

The financial statements of the Center have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Upon dissolution, these policies were applied only for the purpose of final reporting and are no longer actively used after the dissolution date.

Financial Statements - The Center’s basic financial statements include both government-wide (reporting the Center as a whole) and fund financial statements (reporting the Center’s major funds).

Basic Financial Statements - Government-Wide Statements - The Center’s basic financial statements include both government-wide (reporting the Center as a whole) and fund financial statements (reporting the Center’s major fund). The Center only has governmental activities. The government-wide statements are reported using the economic resources measurement focus.

Basic Financial Statements - Fund Financial Statements - The financial transactions of the Center are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

Governmental Funds

The governmental funds’ financial statements are reported using the current financial resource measurement focus. The following is a description of the governmental funds of the Center:

General Fund - The General Fund is the general operating fund of the Center. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. This is a major fund.

Internal School Fund - The internal school fund is used to account for funds held at the individual school for internal school use such as the purchase of supplies, school clubs, and student activities. Collections from students and school activities are the foundational revenues of this fund. A more detailed reporting of the fund activities at the school may be found at <https://comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>. This is a nonmajor fund.

Measurement Focus and Basis of Accounting - 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. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are measurable and available. Revenues are considered to be available when they are collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Encumbrance Accounting - is used for the General Fund. Encumbrances are recorded when purchase orders are issued, but are not considered expenditures until liabilities for payments are incurred. Encumbrances are reported as a reservation of fund balance in the governmental fund financial statements. Encumbrances do not lapse at the close of the fiscal year but are carried forward as reserved fund balance until liquidated.

Budgets and Budgetary Accounting - The Center presents its budget on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles. The Internal School fund is not budgeted. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- (1) The budget process begins with the development of the Center goals. The administrative team, school administrators, and central office administrators identify priorities. The Joint Board reviews the budget, and the team makes refinement to the budget until it is adopted by the Joint Board of Education.
- (2) The statements of revenues and expenditures - budget and actual for the Center present comparisons of legally adopted budgets with actual data on a budgetary basis.
- (3) Public hearings are conducted to obtain citizen comments on the proposed budget. Upon second reading by the Joint Board of Education, the budget is legally adopted. A copy of the budget must be filed with the Commissioner of Education.
- (5) The Joint Board of Education has the authority to make revisions to the budget as deemed necessary. The amended budget is approved by the Joint Board of Education and reflected in the official minutes of the Board. The original and amended budgets are reflected in these financial statements. Actual expenditures may not legally exceed budget appropriations at the individual fund level.
- (6) Unused appropriations for the above annually budgeted funds lapse at the end of the year.

Cash - The Center's cash is considered to be cash on hand and demand deposits.

Restricted assets - Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System ("TCRS") for the benefit of the Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used to fund retirement benefits upon approval for the TCRS Board of Directors. To date, no funds have been withdrawn from the trust to pay pension costs. Trust documents provide that the funds are not subject to the claims of general creditors of the Center.

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

Capital Assets - Capital assets, which include buildings, improvements, and equipment, are reported in the governmental activities column in the government-wide financial statements. All capital assets are carried at historical cost or estimated historical cost. Donated assets are valued at the fair market value on the date donated. Estimated historical cost was used to value some of the assets acquired before June 30, 2004. Repairs and maintenance are recorded as expenses.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued) - Assets capitalized have an original cost of \$5,000 or more. Depreciation is computed using the straight-line method based on estimated useful lives as follows:

Buildings	50 years
Improvements	20-25 years
Equipment	5-15 years
Intangible right-to-use asset	5 years

Accumulated Compensated Absences - It is the Center's policy to permit employees to accumulate a limited amount of earned but unused vacation up to twenty days, which will be paid to employees upon separation from the Center. Sick leave can be accumulated indefinitely, but can only be used as service time for retirement if not used for sickness. The cost of sick leave is recognized when payments are made to employees.

Fund Balance Items - The Center uses GASB Statement 54 employing terminology and classifications for fund balance items.

Nonspendable items - This category includes items that cannot be spent because of their form. There was no balance in this category at year end.

Restricted items - This category includes fund balances that are constrained by external parties, constitutional provisions, or enabling legislation. There was no balance in this category at year end.

Committed items - This category includes fund balances that contain self-imposed constraints of the government from its highest level of decision-making authority, which is the board of education through approval of resolutions. There was no balance in this category at year end.

Assigned items - This category includes fund balances that contain self-imposed constraints of the government to be used for a particular purpose by a designee of the board of education. There was no balance in this category at year end.

Unassigned items - Represents the remainder of the Center's fund balance that is not constrained for any particular purpose. There was no balance in this category at year end.

When both restricted and unrestricted fund balances are available for use, it is the Center's policy to use restricted fund balance first, then use unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

Program Revenues - include the following:

Charges for Services - This includes charges for users for the services the Center provides.

Operating Grants and Contributions - These are funds the Center receives to finance its operations.

Leases - The Center enters into lease agreements as the lessee. For short-term leases with a maximum possible term of 12 months or less at commencement, the Center recognizes periodic inflows or outflows of resources. For lease agreements of more than 12 months, the Center recognizes a lease liability and an intangible right-to-use asset based on the present value of future lease payments. Lease right-to-use assets are reported as capital assets and lease liabilities are reported liabilities in the statement of net position. The right-to-use lease assets are amortized over the term of the lease. Unless the rate is explicitly stated in the lease contract, the Center uses its estimated incremental borrowing rate. Lease amendments that are expected to significantly change the amount of the lease liability from the previous measurement are remeasured and adjusted accordingly.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses) until that time. The Center had certain pension and other post employment benefit items that qualified for reporting in this category before dissolution.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Center had certain pension and other post employment benefit items that qualified for reporting in this category before dissolution.

Other Post-Employment Benefits (“OPEB”) - For purposes of measuring the other post-employment benefits (“OPEB”) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Center’s OPEB’s additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, the Plans recognize benefit payments when due and payable in accordance with the benefit terms. The Plans have no investments as the net OPEB liability is not funded but expenses are paid as incurred.

Pensions - For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Legacy Pension Plan and the Teacher Retirement Plan in the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of each plan. Investments are reported at fair value.

Impact of Recently Issued Accounting Pronouncements - In June 2022, the Governmental Accounting Standards Board (“GASB”) issued Statement No. 101 - *Compensated Absences*, which revises the recognition and measurement guidance for compensated absences. Effective for financial statements for periods beginning after December 15, 2023, the 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. Additionally, that objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previous required disclosures. There was no impact on the current financial statements from the implementation of this Statement.

Date of Management’s Review - Management has evaluated subsequent events and transactions for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through January 23, 2026, which is the date these financial statements were available to be issued.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 2 - CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Balance at June 30, 2024	Additions	Disposals	Balance at June 30, 2025
Governmental activities:				
Buildings and improvements	\$ 3,038,578	\$ -	\$ (3,038,578)	\$ -
Equipment	2,229,021	-	(2,229,021)	-
Total capital assets	5,267,599	-	(5,267,599)	-
Less: accumulated depreciation				
Buildings and improvements	(2,823,922)	(24,168)	2,848,090	-
Equipment	(1,945,319)	(84,336)	2,029,655	-
Total accumulated depreciation	(4,769,241)	(108,504)	4,877,745	-
Total capital assets depreciated, net	498,358	(108,504)	(389,854)	-
Intangible right-to-use assets				
Copiers	20,671	-	20,671	-
Less accumulated amortization	(13,494)	(4,135)	(17,629)	-
Total intangible right-to-use assets, net	7,177	(4,135)	3,042	-
Governmental activities capital assets, net	\$ 505,535	\$ (112,639)	\$ (386,812)	\$ -

Depreciation expense charged to the Center for the year was \$108,504. Amortization expense charged to the Center for the year was \$4,135 for the intangible right to use asset. Depreciation expense is charged to operation of the center in the Statement of Activities.

NOTE 3 - NONCURRENT LIABILITIES

The Center offers an Early Retirement Incentive Program in accordance with Tennessee Code Annotated 49-2-203(b)(9). All state certified teaching personnel who have completed 15 years of employment with the Greene Technology Center and who have met the retirement eligibility requirements for full benefits under TCRS, are eligible to participate in the Early Retirement Incentive Program. The benefits to be received by the participants are as follows:

- (a) An employee who chooses to participate in the Early Retirement Incentive Program the first year of eligibility shall receive an annual amount equal to 20% of his/her annual base salary.
- (b) Benefits shall begin in July following retirement and shall be paid annually or biannually at the election of the recipient for three (3) years from the date of retirement.
- (c) Any applicant with thirty (30) years or more of credited service, as defined by TCRS, or any applicant who has less than thirty (30) years of credited service, as defined by TCRS, but who has attained age sixty (60) by the end of the fiscal school year (June 30) and who fails to make timely application for the total benefits provided by the program, shall be deemed to have waived the right to claim total benefits. Benefits in the program will then be determined in the following manner:
 - Second year eligibility participation: 15% of the most recent annual base contractual salary (to be paid in 2 years)

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 3 - NONCURRENT LIABILITIES (Continued)

- Third year eligibility participation: 10% of the most recent annual contractual base salary (to be paid in 1 year)
- (d) Benefits provided by the Program may not be assigned or transferred in any manner. Program benefits shall automatically cease at the death of the participant and shall not pass on to the estate or beneficiary of the participant.

During the fiscal year, the following transactions occurred:

	Balance			Amounts	
	June 30, 2024	Additions	Reductions	Balance June 30, 2025	Due Within One Year
Accrued retirement incentive	\$ 70,110	\$ -	\$ 70,110	\$ -	\$ -

NOTE 4 - LEASE OBLIGATIONS

On 3/26/2021, the Center entered into a 60 month lease as the Lessee for the use of Ricoh Copiers. An initial lease liability was recorded in the amount of \$20,671. The Center is required to make monthly fixed payments of \$352. The lease has an interest rate of 0.9480%.

The Copiers' estimated useful life was 60 months as of the contract commencement.

Lease obligation activity for the year, was as follows:

	Balance			Amounts	
	June 30, 2024	Additions	Reductions	Balance June 30, 2025	Due Within One Year
Copiers	\$ 6,994	\$ -	\$ (6,994)	\$ -	\$ -

NOTE 5 - RELATED PARTY TRANSACTIONS

The Greene County Board of Education is a related party, because it shares directors with the Town of Greeneville, Tennessee Board of Education for the Center. The Town of Greeneville, Tennessee, Board of Education acts as a fiscal agent for the Center, a related party, also because of shared directors. In this role, the Town of Greeneville, Tennessee, Board of Education recorded revenue during the year for the Center from the following sources:

State of Tennessee and federal funds	\$ 313,345
Greene County	490,263
Greene County Board of Education	592,437
Greeneville Board of Education	<u>162,520</u>
	<u>\$ 1,558,565</u>

The Center maintains its own bank account, through which all revenues and expenses are recorded. The Town of Greeneville, Tennessee Board of Education is responsible for this account. The Center's general fund expenditures totaling \$1,781,870 were paid out of this account during the year.

NOTE 6 - PENSION PLAN FUNDS

A. Teacher Legacy Pension Plan

Plan description. The Tennessee Consolidated Retirement System (TCRS) was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 6 - PENSION PLAN FUNDS (Continued)

A. Teacher Legacy Pension Plan (Continued)

available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Teachers employed by Greeneville City Schools, which includes the Greene Technology Center, with membership in the TCRS before July 1, 2014 are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. The Teacher Retirement Plan became effective for teachers employed by Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan.

This plan includes employees of the Greene Technology Center and Greeneville City Schools. The Center represents 8.00% of the plan. The plan amounts for the Greeneville City Schools are not included in the disclosure herein and are included in a separate report that may be found at <https://comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

Benefits Provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit, or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive years average compensation and the member's service credit. A reduced early retirement benefit is available at age 55 if vested. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by Greene Technology Center for the year ended June 30, 2025 to the Teacher Legacy Pension Plan were \$65,006 which is 6.36 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension expense. For the year ended June 30, 2025, the Center recognized pension expense of \$105,064.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 6 - PENSION PLAN FUNDS (Continued)

A. Teacher Legacy Pension Plan (Continued)

Actuarial assumptions. The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.25 percent
Salary increases:	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent.
Investment rate of return:	6.75 percent, net of pension plan investment expense, including inflation
Cost of living adjustment:	2.125 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016 through June 30, 2020. As a result of the 2020 actuarial experience study, investment and demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates 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 of 2.25 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
U.S. equity	4.88%	31%
Developed market international equity	5.37%	14%
Emerging market international equity	6.09%	4%
Private equity and strategic lending	6.57%	20%
U.S. fixed income	1.20%	20%
Real estate	4.38%	10%
Short-term securities	0.00%	1%
		<u>100%</u>

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the three factors described above.

Discount rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive 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.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 6 - PENSION PLAN FUNDS (Continued)

B. Teacher Retirement Plan

Plan description. The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Teachers employed by Greeneville City Schools, which includes the Greene Technology Center, with memberships in TCRS before July 1, 2014 are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees.

The Teacher Retirement Plan became effective July 1, 2014 for teachers employed by Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan.

This plan includes employees of the Greene Technology Center and Greeneville City Schools. The Center represents 8.00% of the plan. The plan amounts for the Greeneville City Schools are not included in the disclosure herein and are included in a separate report that may be found at <https://comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

Benefits provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Retirement Plan are eligible to retire with an unreduced benefit at age 65 with 5 years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 60 and vested or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers contribute 5 percent of salary. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing the TCRS, the employer contribution rate cannot be less than 4 percent, except in years when the maximum funded level, as established by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Greene Technology Center for the year ended June 30, 2025 to the Teacher Retirement Plan were \$16,518 which is 3.00 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 6 - PENSION PLAN FUNDS (Continued)

B. Teacher Retirement Plan (Continued)

Pension Expense. For the year ended June 30, 2025, the Center recognized pension expense of \$11,853.

Actuarial assumptions. The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.25 percent
Salary increases:	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return:	6.75 percent, net of pension plan investment expense, including inflation
Cost of living adjustment:	2.125 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016 through June 30, 2020. As a result of the 2020 actuarial experience study, investment and demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates 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 of 2.25 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
U.S. equity	4.88%	31%
Developed market international equity	5.37%	14%
Emerging market international equity	6.09%	4%
Private equity and strategic lending	6.57%	20%
U.S. fixed income	1.20%	20%
Real estate	4.38%	10%
Short-term securities	0.00%	1%
		<u>100%</u>

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the three factors described above.

Discount rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive 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.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 7 - DEFINED CONTRIBUTION PLAN

Greene Technology Center, through Greeneville City Schools, offers a 401(k) plan to its employees, administered by Empower Retirement. The Greeneville City Schools 401(k) Plan (the “Plan”) is available to employees who were hired after July 1, 2014. Retirement eligibility begins at age 65 and vested or if the Rule of 90 applies, where the sum of service and age must be equal to ninety. This Plan is offered in conjunction with the aforementioned TCRS Teacher Retirement Plan. Employees contribute 2.00% of eligible compensation, with an opt-out feature, with the Center providing a 5.00% match. Employee and employer contributions for the Center totaled \$24,918 and \$27,531 for the year ended June 30, 2025.

NOTE 8 - POSTEMPLOYMENT BENEFITS

A. Closed Teacher Group Insurance Plan

Plan Description - Employees of the Greeneville City Schools, which includes the Greene Technology Center, who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Teacher Group OPEB Plan (TGOP) administered by the Tennessee Department of Finance and Administration. This plan is considered to be a multiple-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). However, for accounting purposes, this plan will be treated as a single employer plan. All eligible pre-65 retired teachers, support staff and disability participants of local education agencies, who choose coverage, participate in the TGOP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

This plan includes employees of the Greene Technology Center and Greeneville City Schools. The Center represents 8.00% of the plan. The plan amounts for the Greeneville City Schools are not included in the disclosure herein and are included in a separate report that may be found at <https://comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

Benefits Provided - The Greene Technology Center offers the TGOP to provide health insurance coverage to eligible pre-65 retired teachers, support staff and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the TGOP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer driven health plan (CDHP) for healthcare benefits. Retired plan members, of the TGOP, receives the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retiree’s premiums, based on years of service. Therefore, retirees with 30 or more years of service will receive 45%; 20 but less than 30 years, 35%; and less than 20 years, 20% of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP. The TGOP is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

Employees covered by benefit terms - The Plan consists of the Greeneville City Schools and the Greene Technology Center. At July 1, 2024, the following employees were covered by the benefit terms of the TGOP:

Inactive employees currently receiving benefits	46
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>237</u>
Total	<u>283</u>

An insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the TGOP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 8 - POSTEMPLOYMENT BENEFITS (Continued)

A. Closed Teacher Group Insurance Plan (Continued)

costs based on their own developed policies. During the current reporting period, the Greene Technology Center paid \$42,035 to the TGOP for OPEB benefits as they came due.

Actuarial assumptions - The collective total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	Graded salary ranges from 3.44% to 8.72% based on age, Including inflation, averaging 4%.
Healthcare cost trend rates	10.68% for pre-65 in 2024, decreasing annually over an 13 year period to an ultimate rate of 4.50%. 13.44% for post-65 in 2024, decreasing annually over an 12 year period to an ultimate rate of 4.50%.
Retiree's share of benefit-related costs	Members are required to make monthly contributions in order to maintain their coverage. For purpose of this Valuation a weighted average has been used with weights derived from the current distribution of members among plans offered.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2020 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The pre-retirement mortality rates employed in this valuation are taken from the PUB-2010 Headcount-weighted Employee mortality table for Teacher Employees projected generationally with MP-2021 from 2010. Post-retirement tables are Headcount-weighted Teacher Below Median Healthy Annuitant and adjusted with a 19% load for males and an 18% load for females, projected generationally from 2010 with MP-2021. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load, projected generationally from 2018 with MP-2021.

Discount rate - The discount rate used to measure the total OPEB liability was 3.93 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds, prevailing on the measurement date, with an average rating of AA/Aa as shown on the Bond Buyer 20-Year Municipal GO AA index.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 8 - POSTEMPLOYMENT BENEFITS (Continued)

A. Closed Teacher Group Insurance Plan (Continued)

Changes in Collective Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances, beginning	\$ 983,066
Changes for the year:	
Service Cost	41,656
Interest	36,581
Differences between expected and actual experience	97,450
Changes in assumptions	15,841
Benefit payments	(45,398)
Other (Transfer to Board of Education Town of Greeneville, Tennessee)	<u>(1,129,196)</u>
Net changes	<u>(983,066)</u>
Balances - ending	<u>\$ -</u>
 Nonemployer contributing entities proportionate share of the collective total OPEB liability	 \$ -
 Employer's proportionate share of the collective total OPEB liability	 \$ -
 Employer's proportion of the collective total OPEB liability	 0.00%

The Center has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the TGOP. Greene Technology Center's proportionate share of the collective total OPEB liability was based on a projection of the employers' long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The proportion changed 0.79% from the prior measurement date. Greene Technology Center recognized \$21,617 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the TGOP for Greene Technology Center's retirees.

Changes in assumptions - The discount rate was changed from 3.65% as of the beginning of the measurement period to 3.93% as of June 30, 2024. This change in assumption decreased the total OPEB liability.

OPEB Expense - For the fiscal year ended June 30, 2025, Greene Technology Center recognized OPEB expense of \$96,410.

B. Closed Tennessee Plan

Plan Description - Employees of Greeneville City Schools, which includes the Greene Technology Center, who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan (TNP) administered by the Tennessee Department of Finance and Administration. This plan is considered to be multiple-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). However, for accounting purposes, this plan will be treated as a single-employer plan. All eligible post-65 retired teachers and disability participants of local education agencies, who choose coverage, participate in the TNP. The TNP also includes eligible retirees of the state, certain component units of the state, and certain local governmental entities. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 8 - POSTEMPLOYMENT BENEFITS (Continued)

B. Closed Tennessee Plan (Continued)

This plan includes employees of the Greene Technology Center and Greeneville City Schools. The Center represents 8.00% of the plan. The plan amounts for the Greeneville City Schools are not included in the disclosure herein and are included in a separate report that may be found at <https://comptroller.tn.gov/office-functions/la/reports/find-other-audits.html>.

Benefits Provided - The state offers the TNP to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TN plan does not include pharmacy. In accordance with TCA 8-27-209, benefits of the TNP are established and amended by cooperation of insurance committees created by TCA 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receives a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The state, as a governmental nonemployer contributing entity contributes to the premiums of eligible retirees of local education agencies based on years of service. Therefore, retirees with 30 years of service receive \$50 per month; 20 but less than 30 years, \$37.50; and 15 but less than 20 years, \$25. The TNP is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

Employees covered by benefit terms - The Plan consists of the Greeneville City Schools and the Greene Technology Center. At June 30, 2024, the following employees were covered by the benefit terms of the TNP:

Inactive employees currently receiving benefits	99
Inactive employees entitled to but not yet receiving benefits	51
Active employees	<u>249</u>
Total	<u><u>399</u></u>

In accordance with TCA 8-27-209, the state insurance committees established by TCAs 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the Greene Technology Center paid \$481 to the TNP for OPEB benefits as they came due.

Actuarial assumptions - The collective total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	Graded salary ranges from 3.44% to 8.72% based on age, including inflation, averaging 4%.
Healthcare cost trend rates	The premium subsidies provided to retirees in the Tennessee Plan are assumed to remain unchanged for the entire projection, therefore trend rates are not applicable.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2024, valuations were the same as those employed in the July 1, 2020 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the headcount-weighted

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 8 - POSTEMPLOYMENT BENEFITS (Continued)

B. Closed Tennessee Plan (Continued)

below median teachers PUB-2010 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2021. Post-retirement tables are adjusted with a 19% load for males and a 18% load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load with mortality improvement projected to all future years using Scale MP-2021.

Discount rate - The discount rate used to measure the total OPEB liability was 3.93 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds, prevailing on the measurement date, with an average rating of AA/Aa as shown on the Bond Buyer 20-Year Municipal GO AA index.

Changes in Collective Total OPEB Liability

	Total OPEB Liability
Balances, beginning	\$ 88,220
Changes for the year:	
Service Cost	1,259
Interest	3,185
Differences between expected and actual experience	1,408
Changes in assumptions	(3,055)
Benefit payments	(4,482)
Other (Transfer to Board of Education Town of Greeneville, Tennessee)	(86,535)
Net changes	(88,220)
Balances - ending	\$ -
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ -
Employer's proportionate share of the collective total OPEB liability	\$ -
Employer's proportion of the collective total OPEB liability	0.00%

The Greene Technology Center has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the TNP. Greene Technology Center's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefits paid through the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The Greene Technology Center's proportion changed -1.81% from the prior measurement date. Greene Technology Center recognized \$9,001 in revenue for support provided by nonemployer contributing entities for benefits paid to the TNP for Greene Technology Center retired employees.

Changes in assumptions - The discount rate was changed from 3.65% as of the beginning of the measurement period to 3.93% as of June 30, 2024. This change in assumption increased the total OPEB liability.

OPEB Expense - For the fiscal year ended June 30, 2025, Greene Technology Center recognized negative OPEB expense of (\$2,751).

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 9 - RISK MANAGEMENT

The Center purchases commercial insurance for the risks of loss for general liability, and employee, administration, and Center member dishonesty. Settled claims have not exceeded this commercial coverage in the past three fiscal years.

The Center is the defendant in lawsuits arising principally in the normal course of operations. In the opinion of management and attorneys consulted, the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements and accordingly, no provision for losses has been recorded. Any pending legal obligations or claims as of the dissolution date have been transferred to the Board of Education, Town of Greeneville, Tennessee. No material contingencies remain with the dissolved entity.

NOTE 10 - DISSOLUTION

On June 17, 2025, the Center was officially dissolved following a decision from the joint boards of Greene County Board of Education and Town of Greeneville, Tennessee Board of Education. The operations, assets, deferred outflows, liabilities, and deferred inflows of the Center were transferred to Town of Greeneville, Tennessee Board of Education.

As required by the dissolution agreement, the Center remitted a settlement payment of \$304,684 to Greene County Board of Education representing their two thirds interest in the joint venture. The settlement was directly related to the dissolution of the Center, was unusual in nature, infrequent in occurrence, and resulted from a decision of management. Accordingly, the payment has been reported as a special item on the Statement of Activities. The Center also transferred \$49,253 to the Town of Greeneville, Tennessee Board of Education to dispose of the remaining net position of the Center, including the internal school fund for the fund financial statements. Accordingly, this has been reported as a special item on the statement of revenues, expenditures, and changes in fund balance-governmental funds. The Town of Greeneville, Tennessee Board of Education also paid \$520,919 directly to Greene County Board of Education for the capital assets and \$1,000,000 directly to Greene County Board of Education for the purchase of the Center's building. After payment of the settlement, all remaining assets, deferred outflows, liabilities, and deferred inflows of the Center were transferred to Town of Greeneville, Tennessee Board of Education, and the Center ceased to exist as a separate legal reporting entity. The following were transferred to Town of Greeneville, Tennessee Board of Education for government wide:

GREENE TECHNOLOGY CENTER
Notes to Financial Statements (Continued)

NOTE 10 – DISSOLUTION (Continued)

ASSETS	
Cash	\$ 104,387
Accounts receivable	15,535
Restricted investments, TCRS Stabilization Trust	38,586
Net pension asset	521,000
Intangible right-to-use asset, net	<u>6,994</u>
Total assets acquired	<u>686,502</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension	315,232
Other post employment benefits	<u>261,284</u>
Total deferred outflows of resources acquired	<u>576,516</u>
LIABILITIES	
Accounts payable	109,257
Retirement incentive payable	25,082
Right-to-use liability	6,994
OPEB liability	<u>854,894</u>
Total liabilities acquired	<u>996,227</u>
DEFERRED INFLOWS OF RESOURCES	
Pension	125,719
Other post employment benefits	<u>131,918</u>
Total deferred inflows acquired	<u>257,637</u>
NET POSITION DISPOSED	<u>\$ 9,154</u>

As of June 30, 2025, all assets, deferred outflows, liabilities, and deferred inflows of the Center have been disposed of or transferred. The balance sheet reflects a net balance of \$-, consistent with the closure of the Center.

REQUIRED SUPPLEMENTARY INFORMATION

GREENE TECHNOLOGY CENTER
Schedule of Changes in Proportionate Share of Collective OPEB
Liability and Related Ratios - Teacher Group OPEB Plan (Unaudited)
Year Ended June 30, 2025

Measurement period ended	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Total OPEB liability								
Service cost	\$ 20,827	\$ 19,245	\$ 30,410	\$ 39,594	\$ 44,428	\$ 46,886	\$ 37,512	\$ 41,656
Interest	13,622	15,956	20,706	30,012	20,235	19,810	33,060	36,581
Changes of benefit terms	-	52,409	-	-	-	23,206	-	-
Differences between expected and actual experienc	-	34,620	(14,690)	(48,634)	15,930	73,762	(34,073)	97,450
Changes of assumptions	(20,427)	22,059	(38,642)	395,290	(32,852)	(86,047)	78,295	15,841
Benefit payments	(30,099)	(31,406)	(32,233)	(43,378)	(49,869)	(47,484)	(55,715)	(45,398)
Other (Transfer to Board of Education Town of Greeneville, Tennessee)	-	-	-	-	-	-	-	(1,129,196)
Net change in total OPEB liability	(16,077)	112,883	(34,449)	372,884	(2,128)	30,133	59,079	(983,066)
Total OPEB liability - beginning	460,741	444,664	557,547	523,098	895,982	893,854	923,987	983,066
Total OPEB liability - ending (a)	\$ 444,664	\$ 557,547	\$ 523,098	\$ 895,982	\$ 893,854	\$ 923,987	\$ 983,066	\$ -
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ 132,129	\$ 117,930	\$ 113,441	\$ 209,575	\$ 218,956	\$ 227,761	\$ 254,330	\$ -
Employer's proportionate share of the collective total OPEB liability	\$ 312,535	\$ 439,617	\$ 409,657	\$ 686,407	\$ 674,898	\$ 696,226	\$ 728,736	\$ -
Covered-employee payroll	\$ 707,503	\$ 710,122	\$ 714,093	\$ 684,914	\$ 574,933	\$ 581,107	\$ 561,929	\$ 451,943
Employer's proportionate share of collective total OPEB liability as a percentage of covered-employee payroll	44.17%	61.91%	57.37%	100.22%	117.39%	119.81%	129.68%	0.00%

Notes to Schedule:

There are no assets accumulating, in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, related to this OPEB plan.

This schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Changes in assumptions and other inputs include the change in the discount rate from 3.65% as of the beginning of the measurement period to 3.93% as of June 30, 2024. This change in assumption decreased the total OPEB liability.

Greene Technology Center was dissolved on June 17, 2025. All remaining OPEB liabilities were assumed by Board of Education Town of Greeneville, Tennessee, the acquiring government. The schedule above reflects the net OPEB liability through the date of dissolution.

GREENE TECHNOLOGY CENTER
Schedule of Changes in Proportionate Share of Collective OPEB
Liability and Related Ratios - Tennessee OPEB Plan (Unaudited)
Year Ended June 30, 2025

Measurement period ended	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Total OPEB liability								
Service cost	\$ 2,444	\$ 1,981	\$ 1,097	\$ 1,540	\$ 2,336	\$ 2,055	\$ 1,263	\$ 1,259
Interest	3,831	4,306	2,153	3,150	2,479	2,139	2,990	3,185
Changes of benefit terms	-	(49,798)	-	-	-	-	-	-
Differences between expected and actual experience	-	(12,899)	(4,621)	1,575	2,526	3,098	3,833	1,408
Changes of assumptions	(11,027)	(486)	532	52,977	(16,365)	(17,022)	(957)	(3,055)
Benefit payments	(4,995)	(5,034)	(2,408)	(3,819)	(3,793)	(3,889)	(4,212)	(4,482)
Other (Transfer to Board of Education Town of Greeneville, Tennessee)	-	-	-	-	-	-	-	(86,535)
Net change in total OPEB liability	(9,747)	(61,930)	(3,247)	55,423	(12,817)	(13,619)	2,917	(88,220)
Total OPEB liability - beginning	131,240	121,493	59,563	56,316	111,739	98,922	85,303	88,220
Total OPEB liability - ending (a)	\$ 121,493	\$ 59,563	\$ 56,316	\$ 111,739	\$ 98,922	\$ 85,303	\$ 88,220	\$ -
Nonemployer contributing entities proportionate share of the collective total OPEB liability	\$ 60,625	\$ 54,595	\$ 51,035	\$ 98,793	\$ 85,796	\$ 74,852	\$ 77,562	\$ -
Employer's proportionate share of the collective total OPEB liability	\$ 60,868	\$ 4,968	\$ 5,281	\$ 12,946	\$ 13,126	\$ 10,451	\$ 10,658	\$ -
Covered-employee payroll	\$ 140,231	\$ 143,298	\$ 144,568	\$ 150,313	\$ 266,633	\$ 271,754	\$ 337,478	\$ 427,810
Employer's proportionate share of collective total OPEB liability as a percentage of covered-employee payroll.	43.41%	3.47%	3.65%	8.61%	4.92%	3.85%	3.16%	0.00%

Notes to Schedule:

There are no assets accumulating, in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, related to this OPEB plan.

This schedule is intended to display ten years of information. Additional years will be displayed as they become available.

Changes in assumptions and other inputs include the change in the discount rate from 3.65% as of the beginning of the measurement period to 3.93% as of June 30, 2024. This change in assumption decreased the total OPEB liability.

Greene Technology Center was dissolved on June 17, 2025. All remaining OPEB liabilities were assumed by Board of Education Town of Greeneville, Tennessee, the acquiring government. The schedule above reflects the net OPEB liability through the date of dissolution.

GREENE TECHNOLOGY CENTER
Schedule of Proportionate Share of the Net Pension (Asset) Liability
Teacher Legacy Pension Plan of TCRS
Year Ended June 30, 2025

Measurement period ended June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Proportion of the net pension liability (asset)	\$ 6,987	\$ 109,369	\$ (5,630)	\$ (61,015)	\$ (184,509)	\$ (214,902)	\$ (1,271,424)	\$ (352,605)	\$ (331,155)	\$ -
Proportionate share of the net pension liability (asset)	0.341147%	0.350024%	0.344128%	0.344128%	0.358905%	0.352264%	0.368465%	0.359388%	0.351105%	0.367460%
Covered-employee payroll	\$ 638,542	\$ 631,759	\$ 608,239	\$ 607,160	\$ 601,729	\$ 937,940	\$ 967,492	\$ 946,180	\$ 911,482	\$ 954,778
Proportionate share of the net pension liability (asset) as a percentage of covered-employee payroll	1.09%	0.00%	-0.93%	-10.05%	-30.66%	-22.91%	-131.41%	-37.27%	-36.33%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	99.81%	97.14%	100.14%	101.49%	104.28%	103.09%	116.13%	104.42%	104.11%	0.00%

Greene Technology Center was dissolved on June 17, 2025. All remaining OPEB liabilities were assumed by Board of Education Town of Greeneville, Tennessee, the acquiring government. The schedule above reflects the net pension liability through the date of dissolution.

GREENE TECHNOLOGY CENTER
Schedule of Contributions
Teacher Legacy Pension Plan of TCRS
Year Ended June 30, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required	\$ 95,356	\$ 96,702	\$ 55,130	\$ 62,941	\$ 62,314	\$ 99,362	\$ 97,456	\$ 79,208	\$ 65,188	\$ 65,006
Contributions in relation to the contractually required contribution	95,356	96,702	55,130	62,941	62,314	99,362	97,456	79,208	65,188	65,006
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 1,054,823	\$ 1,069,712	\$ 607,160	\$ 601,729	\$ 586,212	\$ 967,498	\$ 946,180	\$ 911,482	\$ 954,436	\$ 1,022,107
Contributions as a percentage of covered employee payroll	9.04%	9.04%	9.08%	10.46%	10.63%	10.27%	10.30%	8.69%	6.83%	6.36%

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

GREENE TECHNOLOGY CENTER
Schedule of Proportionate Share of the Net Pension Asset
Teacher Retirement Plan of TCRS
Year Ended June 30, 2025

Measurement period ended June 30,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Proportion of the net pension asset	0.087070%	0.118585%	0.208836%	0.200122%	0.182482%	0.213351%	0.216986%	0.237822%	0.242106%	0.254941%
Proportionate share of the net pension liability (asset)	\$ (175)	\$ (617)	\$ (2,755)	\$ (4,538)	\$ (5,150)	\$ (9,706)	\$ (18,803)	\$ (5,763)	\$ (8,213)	\$ -
Covered-employee payroll	\$ 9,045	\$ 26,089	\$ 68,533	\$ 87,441	\$ 96,552	\$ 215,388	\$ 250,526	\$ 324,907	\$ 385,247	\$ 479,117
Proportionate share of the net pension liability (asset) as a percentage of covered-employee payroll	-1.94%	-2.37%	-4.02%	-5.19%	-5.33%	-4.51%	-7.51%	-1.77%	-2.13%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	127.46%	121.88%	126.81%	126.97%	123.07%	116.52%	121.53%	104.55%	104.97%	0.00%

Greene Technology Center was dissolved on June 17, 2025. All remaining OPEB liabilities were assumed by Board of Education Town of Greeneville, Tennessee, the acquiring government. The schedule above reflects the net pension liability through the date of dissolution.

GREENE TECHNOLOGY CENTER
Schedule of Contributions
Teacher Retirement Plan of TCRS
Year Ended June 30, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 653	\$ 3,023	\$ 1,426	\$ 4,184	\$ 2,733	\$ 5,061	\$ 6,531	\$ 11,055	\$ 14,134	\$ 16,518
Contributions in relation to the contractually required contribution	1,043	3,023	3,498	4,184	2,733	5,061	6,531	11,055	14,134	16,518
Contribution deficiency (excess)	\$ (390)	\$ -	\$ (2,072)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 26,075	\$ 75,580	\$ 87,441	\$ 215,670	\$ 134,631	\$ 250,545	\$ 324,907	\$ 385,192	\$ 479,119	\$ 550,600
Contributions as a percentage of covered employee payroll	4.00%	4.00%	4.00%	1.94%	2.03%	2.02%	2.01%	2.87%	2.95%	3.00%

In Fiscal year 2022, Greene Technology Center placed the actuarially determined contribution rate (2.02%) of covered payroll into the pension plan and placed 1.98% of covered payroll into the Pension Stabilization Reserve Trust. In Fiscal year 2023, Greene Technology Center placed the actuarially determined contribution rate of (2.87%) of covered payroll into the pension plan and placed 1.02% of covered payroll into the Pension Stabilization Reserve Trust. In fiscal year 2024, Greene Technology Center placed the actuarially determined contribution rate of (2.95%) of covered payroll into the pension plan and placed 1.05% of covered payroll into the Pension Stabilization Reserve Trust. In fiscal year 2025, Greene Technology Center placed the actuarially determined contribution rate of (3.00%) of covered payroll into the pension plan and placed 1.00% of covered payroll into the Pension Stabilization Reserve Trust.

Changes of assumptions. In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

SUPPLEMENTARY INFORMATION

GREENE TECHNOLOGY CENTER
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2025

Federal Agency/Pass-Through Agency/State Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Amount Pass-through to Subrecipients	Expenditures
United States Department of Defense				
Passed Through Collaborative Composite Solutions				
National Imperative for Industrial Skills (ACENet)	12.114	NA	-	38,780
Total federal awards			\$ -	\$ 38,780
Tennessee Department of Education				
Passed through Board of Education Town of Greeneville, Tennessee				
Tennessee Investment in Student Achievement ("TISA")	NA	NA	\$ -	\$ 313,345
Total state awards			\$ -	\$ 313,345

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the "Schedule") includes the federal award activity of the Greene Technology Center under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Greene Technology Center, it is not intended to and does not present the financial position, change in net position, or cash flows of the Greene Technology Center .

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Greene Technology Center has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

GREENE TECHNOLOGY CENTER
Schedule of Changes in Lease Obligations
Year Ended June 30, 2025

Description of Indebtedness	Original Amount Of Issue	Interest Rate	Date of Issue	Maturity Date	Restated Outstanding 7/1/2024	Issued During Period	Paid and/or Matured During Period	Re- measurements	Outstanding 6/30/2025	
Governmental Activities										
Lease Payable:										
Payable Through General Fund										
Copiers 2021	\$ 20,671	0.95%	03/26/21	03/26/26	\$ 6,994	\$ -	\$ 6,994	(1)	\$ -	\$ -
Total payable through General Fund					\$ 6,994	\$ -	\$ 6,994		\$ -	\$ -

(1) Greene Technology Center was dissolved on June 17, 2025. As part of the dissolution, all remaining lease liabilities were transferred to Board of Education Town of Greeneville, Tennessee.

COMPLIANCE REPORTS



Independent Auditors' Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Greene Technology Center
Greeneville, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Greene Technology Center (the "Center") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements and have issued our report thereon dated January 23, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

ClearPoint CPAs PC

Greeneville, Tennessee

January 23, 2026

GREENE TECHNOLOGY CENTER
Summary Schedule of Prior Audit Findings
June 30, 2025

Internal Control over Financial Reporting

There were no prior year findings.

Compliance and Other Matters

There were no prior year findings.

GREENE TECHNOLOGY CENTER - INTERNAL SCHOOL FUND
Annual Financial Report and Supplementary Information
Year Ended June 30, 2025

Audited by:



GREENE TECHNOLOGY CENTER - INTERNAL SCHOOL FUND
Annual Financial Report and Supplementary Information
Year Ended June 30, 2025

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INTRODUCTORY SECTION

GREENE TECHNOLOGY CENTER - INTERNAL SCHOOL FUND

Roster of Officials

June 30, 2025

Mr. Steve Starnes
Director of Greeneville City Schools

Dr. Chris Malone
Director of Greene County Schools

Aaron Flanary
Greene Technology Center Principal

Greeneville City Schools Board

Cindy Luttrell	Board Chairperson
Dr. Craig Shepherd	Board Vice Chairperson
Josh Quillen	Board Treasurer
Pamela Botta	Board Member
Crystal Hirschy	Board Member

Greene County Schools Board

Rick Tipton	Board Chairman
Mark Rothe	Board Vice Chairman
Larry Bible	Board Member
Minnie Banks	Board Member
Gary Compton II	Board Member
Stacey Franklin	Board Member
George Frye	Board Member

FINANCIAL SECTION



Independent Auditors' Report

Greene Technology Center
Greeneville, Tennessee

Report on the Financial Statements

Opinion

We have audited the accompanying statement of revenues, expenditures, and changes in fund balances - regulatory basis of Greene Technology Center-Internal School Fund (the "Center"), for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements, as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balances of the Center as of June 30, 2025, and the related revenues, expenditures and changes in fund balances for the year then ended, in accordance with the financial reporting provisions of the *Internal School Funds Manual* described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Center as of June 30, 2025, or changes in the financial position for the year then ended.

Basis for Opinion

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* ("GAS"), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center, 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.

Emphasis of Matter

As discussed in Note 10 to the financial statements, effective June 30, 2025, the Center ceased operations, and all assets were transferred to the Board of Education, Town of Greeneville, Tennessee, which assumed responsibility for the related activities. Our opinion is not modified with respect to this matter.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the financial statements are prepared by the Center on the basis of the financial reporting provisions of the *Internal School Funds Manual*, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of Tennessee. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the *Internal School Funds Manual*, as described in Note 1. Management is also

responsible 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Center'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 Center'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the School Funds' basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements - regulatory basis of the school. As described in Note 1 of the financial statements, the supplementary information, as listed in the table of contents, is prepared by the School Fund on the basis of the financial reporting provisions of the *Internal School Funds Manual*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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 - regulatory basis. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements - regulatory basis 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 - regulatory basis or to the basic financial statements - regulatory basis themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements - regulatory basis as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory section but does not include the basic financial statements - regulatory basis and our auditors' report thereon. Our opinion on the basic financial statements - regulatory basis 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 - regulatory basis, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements - regulatory basis, 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 September 4, 2025 on our consideration of the Center'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 Center'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 Center's internal control over financial reporting and compliance.

ClearPoint CPAs PC

Greeneville, Tennessee
September 4, 2025

GREENE TECHNOLOGY CENTER - INTERNAL SCHOOL FUND

Statement of Revenues, Expenditures, and Changes in

Fund Balances - Regulatory Basis

Year Ended June 30, 2025

	Fund Balances 7/1/2024	Revenues	Expenditures	Interfund Transfers In (Out)	Transferred to Greeneville City Schools	Fund Balances 6/30/2025
General fund:						
School operations	\$ -	\$ 3,751	\$ 339	\$ -	\$ -	\$ -
Commissions	-	923	-	-	-	-
Payment to Greene County	-	-	44,000	-	-	-
Total general fund	<u>38,837</u>	<u>4,674</u>	<u>44,339</u>	<u>2,884</u>	<u>(2,056)</u>	<u>-</u>
Restricted funds:						
TISA	938	2,600	1,100	(2,438)	-	-
Auto mechanics	-	330	-	-	(330)	-
TISA pooled	-	-	-	2,438	(2,438)	-
Collision	-	1,369	1,364	(5)	-	-
Cosmetology	-	458	403	-	(55)	-
Culinary arts	3,683	364	7	-	(4,040)	-
Go cart team	128	-	-	(128)	-	-
Health science/tech	1,495	204	208	-	(1,491)	-
WorkKeys testing	105	-	-	-	(105)	-
Classroom donations	882	-	-	-	(882)	-
Clothes closet	-	200	-	-	(200)	-
Designated donations	-	1,750	533	-	(1,217)	-
P L T W	22	-	-	(22)	-	-
Principles of manufacturing	219	-	-	-	(219)	-
Welding	1,840	7,811	1,167	-	(8,484)	-
Skills donation	781	-	-	-	(781)	-
NVTHS	-	1,908	1,908	-	-	-
FCCLA club	109	-	-	(109)	-	-
HOSA club	75	-	-	(75)	-	-
HOSA health Nix	836	-	-	(836)	-	-
HOSA helath Coulston	195	-	-	(195)	-	-
HOSA skills USA	2,873	2,146	1,205	-	(3,814)	-
Skills USA	814	-	42	-	(772)	-
Skills welding	11	42	42	-	(11)	-
Skills aviation	140	-	-	(140)	-	-
Skills collision repair	1,257	-	-	(1,257)	-	-
Skills industrial electricity	186	119	84	-	(221)	-
Skills criminal justice	61	-	-	(61)	-	-
Skills computer science	56	-	-	(56)	-	-
Skills cosmetology	370	335	528	-	(177)	-
Skills culinary arts	842	-	-	-	(842)	-
Skills automotive repair	1,137	300	207	-	(1,230)	-
Skills machine tools	1,817	690	-	-	(2,507)	-
Memorials	528	-	-	-	(528)	-
Pre-k	107	1,118	1,072	-	(153)	-
Teachers fund	48	-	-	-	(48)	-
Flower fund	113	-	-	-	(113)	-
Advisory council	5,595	-	-	-	(5,595)	-
Total restricted funds	<u>27,263</u>	<u>21,744</u>	<u>9,870</u>	<u>(2,884)</u>	<u>(36,253)</u>	<u>-</u>
Total general and restricted funds	<u>\$ 66,100</u>	<u>\$ 26,418</u>	<u>\$ 54,209</u>	<u>\$ -</u>	<u>\$ (38,309)</u>	<u>\$ -</u>

See accompanying notes to financial statements.

GREENE TECHNOLOGY CENTER - INTERNAL SCHOOL FUND

Notes to Financial Statements

June 30, 2025

BACKGROUND

Tennessee Code Annotated (TCA), Section 49-2-110, provides for internal school funds, establishes responsibility for those funds, and requires schools to adopt and follow a uniform accounting manual.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity - This report includes only the internal school fund of the Greene Technology Center (the "Center"). The Internal school fund is included in the Greene Technology Center's financial report as a special revenue fund. Internal school funds consist of financial resources accounted for at the individual school.

Internal School Funds - Internal school funds reported in the accompanying financial statements include donations and grants made to the individual school; fees collected by the school; funds received from the local board of education; funds raised through cooperative agreements; rental fees; and student activity funds.

Student Activity Funds - Student activity funds include all money received from any source for school-sponsored student activities or school-sponsored events held at or in connection with a school, and specifically include, but are not limited to funds:

- Derived from a school-sponsored academic, art, athletic, or social event involving students;
- Raised by school-sponsored clubs involving students;
- Raised by school-sponsored fundraisers involving students who are under the supervision of a school employee;
- Received from a commission for the direct sale of items to students pursuant to a cooperative agreement between the school and outside organization;
- Received for the direct sale of items to students from a school-run bookstore located on school grounds;
- Raised from fees charged to students;
- Obtained from interest from an account that contains student activity funds;
- Obtained from any related school-sponsored activity that involves the use of school personnel, students, and property during the school day.

Regulatory Basis of Accounting - The accounting and financial reporting requirements for school funds are set forth in the *Internal School Funds Manual*, issued by the Tennessee Department of Education and the Tennessee Comptroller of the Treasury. The requirements established in the *Internal School Funds Manual* differ from generally accepted accounting principles primarily in the presentation of the financial statements and restricted fund revenue and expenditure accounting and reporting. The following is a summary of the basic requirements of this regulatory basis of accounting, which is an "other comprehensive basis of accounting."

The financial statements consist of a balance sheet and statement of revenues, expenditures and changes in fund balances.

Within the general fund, revenues are classified by source and expenditures are classified by function. Within the restricted fund accounts, revenues and expenditures are recorded based on the specific group or activity which will benefit or expend the funds. The activity in the restricted "accounts" is presented as total revenues and transfers in and total expenditures and transfers out for each account. A corresponding "fund balance" is presented for each account. Although the restricted fund is a single fund, each account within the fund must present its portion of the restricted fund balance. Transfers reported on the financial statements represent authorized movement of funds between restricted accounts as well as between the general fund and restricted fund.

Measurement Focus/Basis of Accounting - The accompanying financial statements are reported using the current financial resources measurement focus. Accordingly, only current assets and current liabilities are included on the balance sheet. Internal school funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when they become both measurable and available. Management policies define available as collectible within 60 days after the fiscal year end. Expenditures are generally recognized when the related fund liability is incurred, if measurable.

GREENE TECHNOLOGY CENTER - INTERNAL SCHOOL FUND
Notes to Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Structure - The accounts of the individual school are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which are comprised of the fund's assets, liabilities, fund equity, revenues and expenditures. The funds are grouped in the accompanying financial statements as follows:

General Fund - The general fund is used to account for all money to be used for the general operation of the school or for the welfare of the student body. Revenues and expenditures in this fund are not restricted to any specific group or activity.

Restricted Fund - The restricted fund is used to account for all money that is restricted for the use of a specific segment of the school population or legally restricted for a specific purpose and not intended to benefit the general school population.

Inventory - Inventories are stated at lower of cost (first-in, first-out) or market (net realizable value). The purchases method is used to account for inventories. Under the purchases method, inventories are reported as an expenditure when purchased (or when received for donated items) rather than being capitalized as an asset. However, significant amounts of inventory, if any, on hand at yearend are reported as an asset in the financial statements. The fair value of donated goods and supplies are recognized as revenues and expenditures in the financial statements. For the current year, no significant amounts of such donations were received.

Fund Balances

Restricted Fund Balance - Fund balances reported as restricted are the result of externally imposed restrictions placed upon certain resources accounted for in the restricted funds. All internal school fund activity is restricted in accordance with TCA Section 49-2-110.

When both restricted and unrestricted resources are available for use, it is the school system's policy to use restricted resources first, then unrestricted resources as they are needed. The internal school funds did not report any unrestricted resources for the period.

Unassigned Fund Balance - This classification represents a deficit fund balance. The Center did not report any deficit fund balances for the year ended June 30, 2025.

Management's Evaluation of Subsequent Events - Management has evaluated events and transactions occurring subsequent to the fiscal year end for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through September 4, 2025, the date these financial statements were available to be issued.

NOTE 2 – BUDGETARY INFORMATION

Legally appropriated budgets have not been adopted at the individual school level. Therefore, presentation of budgetary comparison information is not required.

NOTE 3 - DEPOSITS

Legal Provisions - All deposits with financial institutions in excess of FDIC limits are required to be secured by one of two methods. Excess funds can be deposited with a financial institution that participates in the State of Tennessee Bank Collateral Pool administered by the state treasurer. For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured amount of deposits.

Cash Deposits - Cash in bank represents funds on deposit in various depositories.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the school's deposits may not be returned to it. None of the school's deposits were exposed to custodial credit risk because all balances were entirely insured by the FDIC or through the Bank Collateral Pool with the State of Tennessee.

GREENE TECHNOLOGY CENTER - INTERNAL SCHOOL FUND
Notes to Financial Statements (Continued)

NOTE 4 - ACCOUNTS PAYABLE

Accounts payable balances represent amounts due to vendors at year-end. Any accounts payable balances were approved by the Board of Education.

NOTE 5 – TRANSFERS

Transfers completed during the fiscal year were for interfund donations and residual fund balance transfers.

NOTE 6 – LONG-TERM LEASES AND COMMITMENTS

All long-term lease contracts that obligate a school for more than one school year are approved and accounted for by the Board of Education.

NOTE 7 - CAPITAL ASSETS

Capital assets acquired by the Center are recorded as expenditures at the time of purchase. Title and accountability for fixed assets purchased pass automatically to the Board of Education.

NOTE 8 - SCHEDULE OF SALARY SUPPLEMENTS

No salary supplements were paid to any employee of the Greene Technology Center by the internal school fund.

NOTE 9 - RISK MANAGEMENT

The Internal school fund is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which Greene Technology Center, Board of Education, carries commercial insurance. Settlements have not exceeded coverage for each of the past three fiscal years.

NOTE 10 - DISCONTINUED OPERATIONS AND TRANSFER TO ANOTHER SCHOOL SYSTEM

The Center previously maintained internal school activity funds to account for resources held in a custodial capacity for student organizations and related extracurricular activities. These funds were not included in the governmental or proprietary funds of the Center, as they were maintained separately and used for student-related purposes at the discretion of the student organizations, subject to Center oversight.

Effective June 30, 2025, the Center discontinued the operation of these internal school activity funds. In accordance with an agreement with the Board of Education, Town of Greeneville, Tennessee, all assets of the internal school activity funds, totaling \$38,309, were transferred to the Board. The Board has assumed responsibility for the administration, accounting, and oversight of these funds, and such activities will no longer be reported in the Center's financial statements.

This transaction represents a transfer of custodial responsibility and does not constitute an expense or revenue of the Center.

SUPPLEMENTARY INFORMATION

GREENE TECHNOLOGY CENTER - INTERNAL SCHOOL FUND

Schedule of Transfers - By School

Year Ended June 30, 2025

Greene Technology Center

Transfer From	Transfer To	Amount	Purpose
TISA	TISA pooled	2,438	Moving remaining balance
Skills collision repair	General fund	1,257	Closing account
HOSA health NIX	General fund	836	Closing account
HOSA health Coulston	General fund	195	Closing account
Skills aviation	General fund	140	Closing account
Go cart team	General fund	128	Closing account
FCCLA club	General fund	109	Closing account
HOSA club	General fund	75	Closing account
Skills criminal justice	General fund	61	Closing account
Skills computer science	General fund	56	Closing account
P L T W	General fund	22	Closing account
Collision	General fund	5	Closing account
		<u>5,322</u>	

GREENE TECHNOLOGY CENTER
INTERNAL SCHOOL FUND
Schedule of Fidelity Bond Coverage
June 30, 2025

See accompanying independent auditors' report.

Company:	Public Entity Partners
Type of Coverage:	Employee Fidelity Bond
Amount:	\$150,000 limit/\$1,000 per occurrence
Period Covered:	07/01/24 – 07/01/25
Positions Covered:	All Employees

COMPLIANCE SECTION



Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Greene Technology Center
Greeneville, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the balance sheet - regulatory basis of Greene Technology Center Internal School Fund ("the Center"), as of June 30, 2025, and the related statement of revenues, expenditures and changes in fund balances - regulatory basis for the year then ended, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements, and have issued our report thereon dated September 4, 2025. Our report on the Center's financial statements was adverse in relation to conformity with accounting principles generally accepted in the United States of America and was unmodified in relation to the financial statements prepared in conformity with the accounting principles prescribed by the Internal School Uniform Accounting Policy Manual, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

Report Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2025-001 that we consider to be a significant deficiency.

Report Compliance and Other Matters

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

School Funds' Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Center's response to the finding identified in our audit and described in the accompanying schedule of findings. The Centers' response was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on the response.

Purpose of this Report

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

ClearPoint CPAs PC

Greeneville, Tennessee
September 4, 2025

GREENE TECHNOLOGY CENTER - INTERNAL SCHOOL FUND
Schedule of Findings and Responses
Year ended June 30, 2025

FINDINGS – Financial Statement Audit

Current Fiscal Year Audit Findings

2025-001 Teacher logs improperly completed

Criteria: The *Internal School Funds Manual* (“*the Manual*”) Section 5, Operating Procedures, Title 2, Revenues/Receipts.

Condition: Teacher collection logs were not properly completed or were not completed.

Effect: The effect of this issue causes the schools to not be in compliance with the internal control procedures as prescribed by *the Manual*.

Recommendation: As required by Section 5: Title 2 of *the Manual*, all collection logs must include the amount received, who it was received from, and the log must be dated by the teacher on the date of receipt.

Management Response: Management concurs and has established procedures to comply with *the Manual*.

GREENE TECHNOLOGY CENTER - INTERNAL SCHOOL FUND
Schedule of Prior Year Findings
Year Ended June 30, 2025

<u>Finding Number</u>	<u>Finding Title</u>	<u>Status</u>
2024-001	Inventory	Corrected



Steve Starnes, Ed.S.
Director of Schools
Richard Tipton, Ed.S.
Assistant Director for Instruction
Jason Horne, Ed.D.
Assistant Director for Administration

Management's Corrective Action Plan

We reviewed the school financial statements, audit finding, and recommendation with management to provide an opportunity for their response. Management's corrective action plan for the financial statement finding is presented below:

2025-001 Teacher collection logs improperly completed

Responses and Corrective Action Plan Prepared by:	Greene Technology Center Principal
Person responsible for implementing the Correction Action:	Same
Anticipated completion Date of Correction Action:	Immediate
Repeat Finding:	No
Reason Why Correction Action was not taken in prior year:	Human error resulted in the finding

Planned Corrective Action:

Collection logs will be completed in accordance with the *Internal School Funds Manual*.

Sincerely,

Director of Schools

Director's Update to the Board

Tuesday, February 24, 2026

1. Congratulations to the students and staff who were recognized tonight, both academically and athletically. This is a testament to our district achieving excellence in all endeavors.
2. Congratulations to each teacher who was awarded tenure this evening! We are very proud of your accomplishment and look forward to your long and distinguished career with Greeneville City Schools.
3. I want to thank Dr. Josh Davis for his fantastic presentation tonight on CTE. I also want to thank Teresea Clarkson and Dan Hammonds for the work they are doing with Work-Based Learning.
4. Congratulations to our four medalists (Brylan Rhodes, Hayden Moore, Gabriel Oakley, & Hunter Shelton) at the Individual TSSAA State Wrestling Championships held this past weekend. Additionally, Brylan has broken the GHS single season win record with a record of 64-5 and the GHS season record for pins with 40.
5. Congratulations to the GHS Lady Devils Basketball Team on winning the District 2 – 3A Championship. Also, the GHS Boys Basketball team is playing in the district championship tonight.
6. Congratulations to Ellen and finance team on finding free audits for the district and GTC. This is ten out of past eleven years that she and her team have had no findings.
7. I am happy to report that our system has received a High Performing LEA Bonus from the Department of Education. Pursuant to Section 7 of the Appropriations Act and Tennessee Code Annotated § 49-1-228, the department shall provide direct payments as financial incentives for high-performing LEAs, where at least fifty percent (50%) of schools in the LEA received an "A" letter grade. An annual recurring amount of \$17,000,000 is appropriated for these payments. Our bonus totaled \$607,000. We had 4 of 6 schools receive an "A" letter grade which represents 66.67% or two thirds of our schools that received an "A."
8. I want to thank Phillip, Roger and their teams on the fantastic job they have done transforming the spaces at GCTA into our Greeneville City Schools Operations Center. We look forward to providing a tour of the of the facility at the conclusion of the meeting tonight.

Respectfully submitted by Steve Starnes, Director of School.



TSBA Position: SUPPORT

Bill	Abstract
✓ SB 593 by Walley / HB 224 by Haston	As introduced, enacts the "School District Capital Improvements Investment Trust Act." <i>save up for capital projects</i>
✓ SB 614 by Hensley / HB 348 by Hurt	As amended, requires, if a local government adopts a budget that includes the <u>maintenance of local funding effort</u> but fails to appropriate or allocate the full amount budgeted to the local education agency (LEA), then the local government shall first appropriate and allocate the unfunded portion to the LEA before it may increase its maintenance of funding effort for certain purposes.
✓ SB 679 by D. White / HB 401 by M. White	As introduced, adds pre-kindergarten students with special education needs and their peer models to the categories of students who generate education funding through the TISA.
✓ SB 989 by Hensley / HB 1056 by Doggett	As amended, requires a child under 24 years of age to receive a 25% discount on tuition institution of higher education in which the child is enrolled, if the child's parent is a <u>full-time employee of a public school system</u> in a position other than a full-time certified teacher in any public school or employed as a full-time technology coordinator in any LEA. <i>include full-time staff</i>
✓ SB 2434 by Crowe / HB 2147 by R. Jones	<i>place holders</i> [Currently a caption bill, not the final bill language] As introduced, creates a criminal offense for flying a drone over school grounds with the intention to conduct surveillance of school grounds or students without the express permission of the school.
✓ SB 2477 by Yager / HB 2300 by M. White	<i>15% weight</i> As introduced, <u>expands</u> the category of students who are considered economically disadvantaged for purposes of generating a weighted allocation through the TISA funding formula to include students who are enrolled in the state's medicaid program.
✓ SB 2407 by D. White / HB 2305 by Stevens <i>Toss agenda</i>	As introduced, clarifies that an individual who has begun, but not completed, the amount of clinical practice required by the educator preparation provider in which the individual is enrolled may receive a temporary clinical permit if all other requirements for the permit are satisfied; allows such an individual who is issued a temporary clinical permit to meet the clinical practice requirements of the EPP in which the individual is enrolled by combining the amount of clinical practice the individual completed before being issued a temporary clinical permit with the amount of time the individual taught under the <u>temporary clinical permit</u> .

✓ SB 2599 by Southerland / HB 2363 by Hawk	As introduced, allows certain school employees to conduct physical searches of students and searches of vehicles, containers, packages, lockers, or other enclosures used for storage by students or visitors in certain circumstances; <u>narrows, from all threats of violence</u> or significantly disruptive behavior at a public school that are reported to a state or local law enforcement agency to only those first determined by the LEA to be credible, the threats or behavior for which an LEA must notify parents and guardians within 48 hours.
✓ SB 2385 by Hensley / HB 2485 by Haston <i>This goes further with SB2497.</i>	As introduced, changes the definition of economically disadvantaged for purposes of the weighted allocations generated for such students in the Tennessee investment in student achievement formula; requires the department of education to allocate additional funds to an LEA that experiences a reduction in the LEA's TISA allocation in certain circumstances; requires the department to seek an amendment to this state's <u>Every Student Succeeds Act</u> plan to <u>change the definition of the economically disadvantaged student subgroup</u> .
✓ SB 2162 by Briggs / HB 2616 by Hill	As introduced, authorizes governing bodies to conduct executive sessions for the purpose of considering employment of director-level staff for such governing body. <i>Closed to public</i>
✓ SB 1690 by Briggs / HB 1794 by Crawford	As introduced, authorizes school districts to establish fund pools for the investment of school district funds. <i>Not restricted to capital projects.</i>
✓ SB 1917 by Seal / HB 1117 by Carringer	As introduced, creates a pathway for a person to obtain an <u>alternative instructional leader license</u> for purposes of serving as a principal, an assistant principal, or an instructional supervisor. <i>Subjects outlined in Bill. Meet 4 criteria Valid for 4 yrs.</i>
✓ SB 2140 by D. White / HB 2329 by Davis	[Currently a caption bill, not the final bill language] As introduced, will establish a fund for LEAs to have sufficient funds to staff one (1) nurse for every seven hundred fifty (750) students.
✓ HJR 146	Proposes an amendment to Article XI, Section 5 of the Constitution of Tennessee to authorize local boards of education to approve <u>lotteries</u> conducted by nonprofit school support organizations; requires that the net <u>proceeds of the lottery's revenues</u> be allocated to the local education agency to be used for educational or extracurricular purposes. <i>raffles - cake walks 2030 when see it take effect</i>
✓ SB 1643 by Walley / HB 1544 by Barrett	As introduced, requires the department of education to submit an annual report to the general assembly on information about the education freedom scholarship program.



TSBA Position: OPPOSE

Bill	Abstract
✓ SB 1719 by Hensley / HB 1849 by Butler	As introduced, authorizes counties and cities to create by majority vote of the local legislative body the <u>elected</u> office of school superintendent. <i>subcommittee 5-2 vote</i>
✓ SB 1896 by Bowling / HB 1818 by Russell	As introduced, requires boards of education that contract for transportation services with persons owning equipment to provide school transportation facilities to <u>all</u> students who live more than 1.5 miles by the nearest accessible route from the school to which they are assigned by the board of education and in which they are enrolled.
SB 2310 ✓ SB 2310 by Hensley / HB 2393 by Reneau	As introduced, prohibits LEAs and public charter schools that serve students in any of the grades kindergarten through five from allowing students to access <u>digital devices</u> at school, from allowing employees to use a <u>digital device to provide instruction</u> , and from administering assessments to students in an <u>electronic format</u> except in certain circumstances.
SB 2478 ✓ SB 2478 by Hensley / HB 2514 by Fritts	<i>20 pages long</i> As introduced, deletes the offense of carrying a firearm or a club with the intent to go armed, prohibits the carrying of a firearm or weapon inside of a K-12 public or private school and on a school bus if the person's intent is to go armed and the school and the bus are posted in a certain manner. <i>98% not apply to school boards Class E felony to Class A Misdemeanor</i>
✓ SB 1487 * SB 1487 by Powers / HB 1498 by Reedy	As introduced, requires, with certain exceptions, each LEA and public charter school to implement a computer-based system that must be used by its teachers and school staff to collect data of early warning signs demonstrated by students enrolled in the LEA or public charter school. <i>Proposed last year. * Being pushed by vendor with technology</i>
✓ SB 328 by Lowe / HB 349 by Slater	<i>Amendment</i> Requires and LEA to allow nonresident students to apply for enrollment in a school within the LEA that has space available.
✓ SB 1822 by Lowe / HB 1785 by Reeves	As introduced, requires an LEA that operates a <u>public high school</u> to permit a <u>high school student</u> who resides within the geographic boundaries of the LEA and who is enrolled in a <u>private school</u> that is located in the LEA and that serves fewer than <u>200</u> students to participate in interscholastic athletics at the public high school that the private school student is zoned to attend. <i>grades 9-12</i>