

**YSLETA INDEPENDENT
SCHOOL DISTRICT**

**ANNUAL FINANCIAL AND
COMPLIANCE REPORT**

For the Year Ended June 30, 2022

YSLETA INDEPENDENT SCHOOL DISTRICT

TABLE OF CONTENTS

	Page	<u>Exhibit</u>
Introductory Section		
Certificate of Board	i	
Transmittal Letter	iii	
Officials Directory	v	
Financial Section		
Independent Auditor's Report	3	
Management's Discussion and Analysis	7	
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Position	19	A-1
Statement of Activities	20	B-1
Governmental Fund Financial Statements:		
Balance Sheet	22	C-1
Reconciliation of Balance Sheet for Governmental Funds to Statement of Net Position	25	C-2
Statement of Revenues, Expenditures, and Changes in Fund Balance	26	C-3
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	28	C-4
Proprietary Fund Financial Statements:		
Statement of Net Position	29	D-1
Statement of Revenues, Expenses, and Changes in Fund Net Position	30	D-2
Statement of Cash Flows	31	D-3
Fiduciary Fund Financial Statements:		
Statement of Fiduciary Net Position	32	E-1
Statement of Changes in Fiduciary Net Position	33	E-2
Notes to the Financial Statements	35	F-1
Required Supplementary Information:		
Budgetary Comparison Schedule - General Fund	71	G-1
Notes to Required Supplementary Information - Budgetary Comparison Schedule	72	
Schedule of the District's Proportionate Share of the Net Pension Liability - TRS - Last Eight Measurement Years	72	G-2
Schedule of District Pension Contributions - TRS - Last Ten Fiscal Years	74	G-3
Notes to Required Supplementary Pension Information - TRS Schedules	75	
Schedule of the District's Proportionate Share of the Net OPEB Liability - TRS - Last Five Measurement Years	76	G-4
Schedule of District OPEB Contributions - TRS - Last Nine Fiscal Years	77	G-5
Notes to Required Supplementary OPEB Information - TRS Schedules	78	

YSLETA INDEPENDENT SCHOOL DISTRICT

TABLE OF CONTENTS (continued)

	<u>Page</u>	<u>Exhibit</u>
Financial Section (continued)		
Other Supplementary Information:		
Combining Fund Statements:		
Nonmajor Governmental Funds:		
Combining Balance Sheet	80	H-1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	90	H-2
Combining Statements of Net Position - Internal Service Funds	100	H-3
Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds	102	H-4
Combining Statement of Cash Flows - Internal Service Funds	104	H-5
Combining Statements of Net Position - Nonmajor Enterprise Funds	106	H-6
Combining Statement of Revenues, Expenses, and Changes in Net Position - Nonmajor Enterprise Funds	108	H-7
Combining Statement of Cash Flows - Nonmajor Enterprise Funds	110	H-8
Required TEA Schedules:		
Schedule of Delinquent Taxes Receivable	114	J-1
Budgetary Comparison Schedule - Child Nutrition Program Fund	116	J-2
Budgetary Comparison Schedule - Debt Service Fund	117	J-3
Compensatory Education Program and Bilingual Education Program Compliance Responses	118	J-4
Required Responses to Selected School FIRST Indicators	119	L-1
Federal Awards Section		
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	123	
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the <i>Uniform Guidance</i>	125	
Schedule of Findings and Questioned Costs	128	
Schedule of Expenditures of Federal Awards	130	K-1
Notes to Schedule of Expenditures of Federal Awards	132	K-2
Summary Schedule of Prior Audit Findings	134	
Corrective Action Plan	135	

INTRODUCTORY SECTION



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

CERTIFICATE OF BOARD

Ysleta Independent School District

Name of School District

El Paso County

County

071-905

Co. - Dist. No.

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and approved for the fiscal year June 30, 2022, at a meeting of the Board of Trustees of such school district on November 16, 2022.

Cruz A. Ochoa Jr.

President of the Board

Kathryn R. Lucero

Secretary of the Board



THE DISTRICT

YSLETA INDEPENDENT SCHOOL DISTRICT



Ysleta Independent School District

9600 Sims Drive • El Paso, Texas 79925 • 915-434-0050

THE DISTRICT

CHIEF FINANCIAL and OPERATIONAL OFFICER

November 16, 2022

Members of the Board of Trustees
Ysleta Independent School District
9600 Sims Drive
El Paso, Texas 79925

Ladies and Gentlemen:

The Annual Financial Report for the Ysleta Independent School District (the District) as of and for the fiscal year ended June 30, 2022, is submitted herewith. The responsibility for both the accuracy of the data and the completeness of the presentation, including all disclosures, rests with the management of the District.

This report was prepared by the Finance Department and to the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner to present fairly the financial position and results of operations of the various funds of the District. Readers of this report are encouraged to consider the information presented here in conjunction with additional information presented in management's discussion and analysis found on pages 7-15 of this report. All disclosures necessary to enable the reader to gain an understanding of the financial activities for the fiscal year ended June 30, 2022 have been included.

This report is comprised of three major categories:

Introductory Section

This section contains this letter of transmittal that summarizes fiscal information.

Financial Section

This section contains the Independent Auditor's Report, Management Discussion and Analysis, the Basic Financial Statements, Notes to the Basic Financial Statements and Supplemental Information, which includes financial statements by fund type. The Basic Financial Statements, together with the independent auditor's report, Management Discussion and Analysis and the Notes to the Financial Statements are designed to provide a financial overview; the Supplemental Information provides more detailed financial information on a fund-by-fund basis.

Single Audit Section

This section is presented in conformity with the provision of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Financial Management

District management is responsible for establishing and maintaining internal controls designed to ensure the assets of the District are protected from loss, theft, misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal controls are designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit - As a recipient of federal and state financial assistance, the District also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to these programs. These internal controls are subject to periodic evaluation by District management.

As part of the District's single audit, tests are made to determine the adequacy of internal controls, including that portion related to federal award programs, as well as to determine that the government has complied with applicable laws, regulations, contracts, and grants. The results of the District's single audit for the fiscal year ended June 30, 2022 provided no instances of material weaknesses or significant deficiencies in internal controls or material violations of applicable laws, regulations, contracts, and grants.

Budget Control - The District maintains numerous budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the Board of Trustees.

Activities of all funds are included in this report. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end and are generally re-established in the following year as an obligation against that year's appropriated budget.

Accounting Policies - Detailed descriptions of the District's accounting policies are contained in the Notes to the Basic Financial Statements on pages 35-67, and they are an integral part of this report. These policies describe the basis of accounting, funds and accounts used, valuation policies for inventories and investments and other significant accounting information.

Independent Audit - The accounting firm of Whitley Penn LLP was appointed by the Board of Trustees to perform the June 30, 2022 fiscal year audit. The Independent auditor's report on the Basic Financial Statements is included in the financial section of this report. The auditor's reports related to the single audit are included in the Federal Awards Section.

Acknowledgement - We would like to express our appreciation to the District's independent auditors, Whitley Penn, for the professional manner in which they have accomplished this audit. We would also like to thank Superintendent, Dr. Xavier De La Torre and the Board of Trustees for their interest and support in planning and conducting the financial operations of the Ysleta Independent School District in a responsible and professional manner.

Respectfully submitted,



Lynly Leeper, CPA
Chief Financial and Operational Officer

**YSLETA INDEPENDENT SCHOOL DISTRICT
OFFICIALS DIRECTORY**

BOARD OF TRUSTEES

Cruz A. Ochoa
President

Carlos Bustillos
Vice President

Kathryn R. Lucero
Secretary

Shane Haggerty
Member

Sotero G. Ramirez III
Member

Mike Rosales
Member

Connie Woodruff
Member

ADMINISTRATION

Dr. Xavier De La Torre
Superintendent

Lynly Leeper, CPA
Chief Financial and Operational Officer

Bobbi Russell-Garcia
Chief Human Capital Management
Officer

Dr. Brenda Chacon
Chief Academic Officer

Susan Austin
Chief Counsel



THE DISTRICT

YSLETA INDEPENDENT SCHOOL DISTRICT

FINANCIAL SECTION



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Ysleta Independent School District
El Paso, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ysleta Independent School District (the "District"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements, required Texas Education Agency (TEA) schedules, 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

To the Board of Trustees
Ysleta Independent School District

information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, required TEA schedules, and 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 Schedule L-1 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Houston, Texas
November 16, 2022



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

YSLETA INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Ysleta Independent School District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2022.

Financial Highlights

- The liabilities and deferred inflows of resources of the District exceeded assets and deferred outflows of resources at June 30, 2022 by \$14,126,903 (*net deficit*). This deficit was caused by the net pension and net OPEB liabilities recognized in fiscal year 2022. The recognition of such liabilities does not affect the financial stability of the District nor does it change how the District conducts its financial decision-making. Rather, the District is reflecting its portion of the liabilities that the State of Texas manages and operates. The District's total net position increased by \$43,474,625 from the prior year.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$415,298,635, an increase of \$13,626,969 in comparison with the prior year. This increase is primarily due to increases in property tax revenues.
- As of the close of the current fiscal year, unassigned fund balance for the General Fund is \$64,848,791 or 17% of total General Fund expenditures.
- The District's total bonded debt increased by \$129,051,765 (16%) during the current fiscal year.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

The *Government-wide financial statements* of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*).

The governmental activities of the District include Instruction, Instructional Resources and Media Services, Curriculum and Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Extracurricular Activities, General Administration, Facilities Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Debt Issuance Costs and Fees, Facilities Repairs and Maintenance, Payments to Fiscal Agent/Member Districts of SSA, and Other Intergovernmental Charges.

YSLETA INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Fund Financial Statements

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

Governmental Funds

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

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

The District maintains thirty-five (35) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, the Capital Projects Fund, ESSER II, and ESSER III all of which are considered to be major funds. Data from the other non-major governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the financial statements. The District adopts an annual appropriated budget for its General Fund, Debt Service Fund, and the Child Nutrition Program Fund.

Proprietary Funds

The District maintains individual internal service funds for Health Insurance, Workers' Compensation, Speech Therapy, and Print Shop Services. *Internal service funds*, one type of proprietary fund, are an accounting device used to accumulate and allocate costs internally among the District's various funds and functions. Because these services predominantly benefit governmental functions, they have been included within *governmental activities* in the government-wide financial statements.

The District maintains enterprise funds for: Teachers Network Technology, Regional Wrestling Meet, Employee Day Care Collaborative, Oasis Program, and District Events. *Enterprise funds*, a second type of proprietary fund, are used to report on other activity for which a fee is charged to external users for goods or services. Enterprise funds are included within the *business-type activities* in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds

The fiduciary funds are used to account for resources held for the benefit of students and employees. The District's *custodial funds* are used to account for resources held in a custodial capacity by the District and consist of funds that are the property of students or others. The fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the District's own programs.

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

Notes to the Financial Statements

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

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The required supplementary information relates to comparison of the original adopted budget, the final amended budget, and the actual amounts for the fiscal year. A budgetary comparison schedule is required supplementary information for the General Fund and any major special revenue funds. The District did not have any major special revenue funds; therefore, only the General Fund is presented as required supplementary information. In addition, required supplementary information includes a schedule of the District's proportionate share of the Net Pension Liability - TRS for the last seven Measurement Years and a schedule of District contributions - TRS for the past nine fiscal years. Similar information is reported for OPEB contributions and the Net OPEB liability.

Other Information

The combining fund statements and required TEA schedules are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$14,126,903 at the close of the most recent fiscal year; this deficit was caused by the implementation of GASB No. 75 in a previous fiscal year.

The largest portion of the District's net position (\$158,637,306) reflects its investment in capital assets (e.g., land, buildings and improvements, furniture and equipment, construction in progress), less any outstanding related debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

As of June 30, 2022 and 2021, the District's net position included the following:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 480,241,379	\$ 451,253,779	\$ 63,799	\$ 75,233	\$ 480,305,178	\$ 451,329,012
Capital assets, net of depreciation and amortization and noncurrent assets	888,249,475	742,886,889	-	-	888,249,475	742,886,889
Total Assets	1,368,490,854	1,194,140,668	63,799	75,233	1,368,554,653	1,194,215,901
Deferred outflow of resources	92,326,024	87,878,590	-	-	92,326,024	87,878,590
Total Deferred Outflows of Resources	92,326,024	87,878,590	-	-	92,326,024	87,878,590
Current liabilities	66,796,144	56,534,854	3,605	1,616	66,799,749	56,536,470
Long term liabilities	1,234,346,540	1,156,093,400	-	-	1,234,346,540	1,156,093,400
Total Liabilities	1,301,142,684	1,212,628,254	3,605	1,616	1,301,146,289	1,212,629,870
Deferred inflow of resources	173,861,291	127,066,149	-	-	173,861,291	127,066,149
Total Deferred Inflows of Resources	173,861,291	127,066,149	-	-	173,861,291	127,066,149
Net Position:						
Net investment in capital assets	158,637,306	171,842,856	-	-	158,637,306	171,842,856
Restricted	66,578,420	46,936,318	-	-	66,578,420	46,936,318
Unrestricted	(239,402,823)	(276,454,319)	60,194	73,617	(239,342,629)	(276,380,702)
Total Net Position	\$ (14,187,097)	\$ (57,675,145)	\$ 60,194	\$ 73,617	\$ (14,126,903)	\$ (57,601,528)

Net position is restricted for various purposes as follows:

	Governmental Activities	
	2022	2021
Federal and state programs	\$ 4,512,302	\$ 2,202,590
Debt service	62,066,118	44,733,728
	\$ 66,578,420	\$ 46,936,318

The balance of unrestricted net position may be used to meet the District's ongoing obligations to students and creditors. At the end of the current fiscal year, the District reports a deficit balance in unrestricted net position of \$239,342,629 caused by the net pension and net OPEB liabilities.

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

Comparative Schedule of Changes in Net Position for the Years Ended June 30, 2022 and 2021

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Program Revenues						
Charges for services	\$ 2,629,889	\$ 1,442,026	\$ 154,169	\$ 31,702	\$ 2,784,058	\$ 1,473,728
Operating grants and contributions	155,892,065	115,652,914	-	-	155,892,065	115,652,914
General Revenues						
Property taxes	113,394,918	105,255,734	-	-	113,394,918	105,255,734
State Aid - Formula Grants	283,969,681	298,972,705	-	-	283,969,681	298,972,705
Investment earnings	1,038,215	1,374,480	-	-	1,038,215	1,374,480
Other	3,941,944	856,027	-	-	3,941,944	856,027
Total Revenues	<u>560,866,712</u>	<u>523,553,886</u>	<u>154,169</u>	<u>31,702</u>	<u>561,020,881</u>	<u>523,585,588</u>
Expenses						
Instruction	266,376,302	295,877,849	-	-	266,376,302	295,877,849
Instructional resources and media services	6,274,604	6,489,670	-	-	6,274,604	6,489,670
Curriculum and staff development	6,975,623	6,743,597	-	-	6,975,623	6,743,597
Instructional leadership	7,865,511	7,379,314	-	-	7,865,511	7,379,314
School leadership	28,061,352	30,110,620	-	-	28,061,352	30,110,620
Guidance, counseling, and evaluation services	15,680,931	17,198,464	-	-	15,680,931	17,198,464
Social work services	2,421,037	2,586,573	-	-	2,421,037	2,586,573
Health services	5,187,360	5,476,740	-	-	5,187,360	5,476,740
Student transportation	11,938,970	10,599,972	-	-	11,938,970	10,599,972
Food service	26,213,186	21,389,508	-	-	26,213,186	21,389,508
Extracurricular activities	23,219,549	19,593,226	-	-	23,219,549	19,593,226
General administration	11,563,380	11,815,868	-	-	11,563,380	11,815,868
Facilities maintenance and operations	47,078,528	48,926,086	-	-	47,078,528	48,926,086
Security and monitoring services	7,043,862	6,664,100	-	-	7,043,862	6,664,100
Data processing services	8,491,228	7,293,444	-	-	8,491,228	7,293,444
Community services	582,540	440,092	-	-	582,540	440,092
Interest on long-term debt	29,898,423	26,293,974	-	-	29,898,423	26,293,974
Debt issuance costs and fees	1,429,001	1,946,475	-	-	1,429,001	1,946,475
Facilities repairs and maintenance	6,797,121	8,237,875	-	-	6,797,121	8,237,875
Payments to fiscal agent/member districts of SSA	2,743,097	2,797,696	-	-	2,743,097	2,797,696
Other intergovernmental charges	1,411,572	1,154,882	-	-	1,411,572	1,154,882
Enterprise Activities	-	-	293,079	221,580	293,079	221,580
Total Expenses	<u>517,253,177</u>	<u>539,016,025</u>	<u>293,079</u>	<u>221,580</u>	<u>517,546,256</u>	<u>539,237,605</u>
Excess (deficiency) before transfers	43,613,535	(15,462,139)	(138,910)	(189,878)	43,474,625	(15,652,017)
Transfers	(125,487)	(188,685)	125,487	188,685	-	-
Increase (decrease) in net position	43,488,048	(15,650,824)	(13,423)	(1,193)	43,474,625	(15,652,017)
Beginning Net Position	<u>(57,675,145)</u>	<u>(42,024,321)</u>	<u>73,617</u>	<u>74,810</u>	<u>(57,601,528)</u>	<u>(41,949,511)</u>
Ending Net Position	<u>\$ (14,187,097)</u>	<u>\$ (57,675,145)</u>	<u>\$ 60,194</u>	<u>\$ 73,617</u>	<u>\$ (14,126,903)</u>	<u>\$ (57,601,528)</u>

The Net Position of the District increased by \$43.5 million for the year ended June 30, 2022. The total revenues from taxpayers, user service fees, grants and other sources for the District were \$561.0 million, a \$37.4 million increase from fiscal year 2021 due to increases in charges for services, operating grants and contributions, and property taxes. Total expenses for the 2022 fiscal year were \$517.5 million or \$21.7 million less than expenses of fiscal year 2021 primarily in instruction due to decrease in student enrollment.

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

Governmental Activities

Governmental Revenues by Type

Revenues for the District's governmental activities in fiscal year 2022 increased by \$37.3 million compared to the fiscal year 2021 due primarily to increases in charges for services, operating grants and contributions, property taxes, and sale of real property.

Approximately 20% percent of the District's revenues came from property taxes, with an additional 78% percent derived from state funding formulas and federal grants. Last fiscal year, 20% percent of the District's revenues came from property taxes and 79% percent came from state funding formulas and federal grants.

	<u>Total Revenues</u>	<u>% of Total Revenues</u>
Property taxes	\$ 113,394,918	20.22%
State Aid - Formula Grants	283,969,681	50.63%
Operating grants and contributions	155,892,065	27.79%
Charges for services	2,629,889	0.47%
Investment earnings	1,038,215	0.19%
Other revenue	3,941,944	0.70%
Total Revenues	<u>\$ 560,866,712</u>	<u>100.00%</u>

Governmental Expenses by Type

Expenses for the District's governmental activities in fiscal year 2022 decreased by \$21.8 million compared to the fiscal year 2021. About 52 percent of the District's expenses were expended for instructional activities. When combined with student and other support services such as transportation, counseling and nursing, 75 percent of the District's expenses were spent on direct student services.

	<u>Total Expenses</u>	<u>% of Total Expenses</u>
Instruction	\$ 266,376,302	51.50%
School Leadership	28,061,352	5.43%
Facilities maintenance and operations	47,078,528	9.10%
Food Service	26,213,186	5.07%
Interest on long-term debt	29,898,423	5.78%
Other expenses	119,625,386	23.13%
Total Expenses	<u>\$ 517,253,177</u>	<u>100.00%</u>

Financial Analysis of the Government's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$415,298,635, an increase of \$13,626,969 in comparison with the prior year. The increase in ending governmental fund balances is primarily due to the increases in the General Fund of \$17.3 million and in the Debt Service Fund of \$17.2 million offset by the decrease in the Capital Projects Fund of \$23.2 million.

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

The *general fund* is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$64,848,791, while total fund balance reached \$125,637,990. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 17% of total general fund expenditures, while total fund balance represents 32% of that same amount. The fund balance of the District's general fund increased by \$17,251,939.

The *capital projects fund*, a major governmental fund, has a total ending fund balance of \$211,806,853, all of which is restricted for capital projects. The net decrease in this capital projects fund balance during the current year was attributable to the new and completion of construction projects during fiscal year 2022.

The *debt service fund*, a major governmental fund, has a total ending fund balance of \$71,829,324 all of which is restricted for debt service. The increase in debt service fund balance during the current year was attributable to debt service revenues and other financing sources exceeding expenditures and other financing uses during fiscal year 2022 by \$17.2 million.

General Fund Budgetary Highlights

The table below summarizes differences between the original budget, final amended budget and actual revenues and expenditures for fiscal year 2022:

	Budget		Actual
	Original	Final Amended	
Total revenues	\$ 409,085,949	\$ 409,085,949	\$ 401,895,236
Total expenditures	407,847,621	422,235,008	386,719,279
Other financing sources (uses)	(1,238,328)	(1,238,328)	2,075,982
Net change in fund balance	\$ -	\$ (14,387,387)	\$ 17,251,939

The review of the final amended budget versus actual for the general fund reflected that revenues and expenditures were less than budgetary estimates.

Actual revenues were less than budgetary estimates due to a reduction of \$15 million in state foundation school revenue that was offset by an increase of \$4.5 million in Student Health and Related Services (SHARS) revenue and \$4 million in ESSER federal indirect cost revenue. Expenditures were less than budgetary estimates primarily due to ongoing construction projects that were not completed by the end of the fiscal year. These projects include \$6.7 million for the rebuild of Scottsdale and Dolphin Terrace Elementary Schools, \$1.4 million for renovations of ACAC, \$1.0 million for district-wide dark fiber cabling, and the remaining \$6 million for various smaller construction projects at campuses. In addition to the ongoing construction projects, buses costing \$1 million were ordered but not received by the end of the fiscal year, and the district had \$8 million in savings from E-Rate projects, and \$7 million in savings related to the availability of ESSER funding.

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

Capital Assets and Long-term Liabilities

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2022 includes land, buildings and improvements, furniture and equipment, right-to-use assets, and construction in progress. The investment in capital assets for the current year was \$873,855,850. The following table summarizes the investment in capital assets as of June 30, 2022 and 2021:

	2022	2021
Land	\$ 15,747,778	\$ 15,850,984
Buildings and improvements	892,337,796	898,827,232
Land Improvements	55,706,363	50,786,668
Furniture and equipment	109,080,478	103,618,477
Right-to-use assets	583,770	-
Construction in progress	246,528,449	81,172,744
Total	1,319,984,634	1,150,256,105
Accumulated depreciation and amortization	(446,128,784)	(420,073,920)
Net capital assets	\$ 873,855,850	\$ 730,182,185

Additional information on the District's capital assets can be found in the notes to the financial statements.

Long-term Liabilities

At the end of the current fiscal year, the District had \$938,754,126 in outstanding bonded debt, an increase of \$129,051,765 over the previous year. The District's bonds are sold with an "AAA" rating and are guaranteed through the Texas Permanent School Fund Guarantee Program or by a municipal bond insurance policy. The underlying rating of the bonds from Standard and Poor's is "AAA" and from Moody's Investors Service is "Aaa" for general obligation debt.

Changes in general obligation bonds, for the year ended June 30, 2022 are as follows:

Outstanding 07/01/21	Issued	Retired	Outstanding 06/30/22
\$ 809,702,361	\$ 146,040,000	\$ (16,988,235)	938,754,126

In addition, at the end of the current fiscal year, the District had \$29,570,000 in outstanding Maintenance Tax Notes.

Balance 07/01/21	Additions	Retirements	Balance 06/30/22
\$ 29,570,000	\$ -	\$ -	\$ 29,570,000

Additional information on the District's long-term liabilities can be found in the notes to the financial statements.

YSLETA INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Economic Factors and Next Year's Budgets and Rates

The District's elected and appointed officials considered many factors when developing the fiscal year 2023 budget. Those factors included economic and market conditions, programmatic needs and continued recovery from the global COVID 19 pandemic.

In fiscal year 2020, the state legislature began a progressive compression of the M & O portion of the tax rate for all districts across the state. This compression resulted in a continual decrease in the district's M & O rate from \$1.17 in fiscal year 2019, to \$0.9839 in fiscal year 2023. The state increased the foundation revenue calculation to offset the loss of property tax revenue. On the debt service side, in November 2019, voters approved the issuance of new Unlimited Tax School Building Bonds of \$425 million. In January 2020, the district issued \$250 million of the approved bonds, and issued the remaining \$146 million in June of 2022. Because the district was able to sell the bonds at a premium, the district's I & S rate decreased in FY 2023 to \$0.475 from the rate of \$0.495 in FY 2022.

Property values for the upcoming school year increased by 6% from the 2021 values. The state homestead exemption increased to \$40,000 from the previous \$25,000 exemption. This exemption increase, coupled with the district's optional homestead exemption of 20% of the taxable value of the primary home, provides our constituents with the lowest tax burden of the three major districts in the city.

Funding from the State is based on Average Daily Attendance (ADA). The District's ADA decreased from 36,054 in FY 2021 to 34,371 in FY 2022 and enrollment decreased from 38,390 to 37,244. State funding for fiscal year 2021 ADA included a hold-harmless provision to mitigate the state-wide effects of decreased attendance due to the COVID pandemic, but these hold-harmless provisions were not carried over to FY 2022. Thus, the district is experiencing the full effect of the continued significant decline in ADA and enrollment.

Total General Fund appropriations for 2022-23 were originally budgeted at \$425 million, an increase of \$15 million from the original 2021-22 budget. This increase is primarily due to the generous compensation plan approved by the Board of Trustees which provided raises of 4-6% and increased starting pay for hourly employees. Federal ESSER funds continue to be utilized to address student learning loss, provide student social and emotional learning and services, and to provide continuity of operations. The ESSER funding is scheduled to end in September 2024. The district will continue to monitor general fund expenditures closely in order to mitigate any potential loss of revenue or any unexpected increase in expenditures due to unforeseeable circumstances.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer, Ysleta Independent School District, 9600 Sims Drive, El Paso, Texas 79925.



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

BASIC FINANCIAL STATEMENTS



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

YSLETA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2022
Exhibit A-1

Data Control Codes		Governmental Activities	Business-type Activities	Total
Assets				
1110	Cash and cash equivalents	\$ 398,217,843	\$ 200	\$ 398,218,043
1220	Property taxes receivables, net	16,469,489	-	16,469,489
1240	Due from other governments	63,022,290	-	63,022,290
1260	Internal balances	(63,599)	63,599	-
1290	Other receivables, net	394,527	-	394,527
1300	Inventories	2,200,829	-	2,200,829
1410	Prepaid items	-	-	-
	Capital assets not subject to depreciation and amortization:			
1510	Land	15,747,778	-	15,747,778
1580	Construction in progress	246,528,449	-	246,528,449
	Capital assets net of depreciation and amortization:			
1520	Buildings and improvements, net	552,758,412	-	552,758,412
1590	Land Improvements, net	40,292,858	-	40,292,858
1530	Furniture and equipment, net	18,143,533	-	18,143,533
1559	Right-to-use assets, net	384,820	-	384,820
1910	Long-term investments	14,393,625	-	14,393,625
1000	Total Assets	1,368,490,854	63,799	1,368,554,653
Deferred Outflows of Resources				
	Deferred charge on refunding	22,889,435	-	22,889,435
	Deferred outflows - pensions	41,973,279	-	41,973,279
	Deferred outflows - OPEB	27,463,310	-	27,463,310
1700	Total Deferred Outflows of Resources	92,326,024	-	92,326,024
Liabilities				
2110	Accounts payable	12,760,065	3,605	12,763,670
2140	Interest payable	12,689,973	-	12,689,973
2150	Payroll deductions and withholdings	4,486,348	-	4,486,348
2160	Accrued wages payable	3,746,832	-	3,746,832
2180	Due to other governments	17,509,966	-	17,509,966
2200	Accrued expenses	13,400,275	-	13,400,275
2300	Unearned revenue	2,202,685	-	2,202,685
	Noncurrent Liabilities:			
2501	Due within one year	20,524,196	-	20,524,196
2502	Due in more than one year	1,020,564,347	-	1,020,564,347
2540	Net pension liability	63,091,756	-	63,091,756
2545	Net post-employment benefit (OPEB) obligation	130,166,241	-	130,166,241
2000	Total Liabilities	1,301,142,684	3,605	1,301,146,289
Deferred Inflows of Resources				
	Deferred inflows - pensions	75,571,872	-	75,571,872
	Deferred inflows - OPEB	98,289,419	-	98,289,419
2600	Total Deferred Inflows of Resources	173,861,291	-	173,861,291
Net Position				
3200	Net investment in capital assets	158,637,306	-	158,637,306
	Restricted for:			
3820	Federal and state programs	4,512,302	-	4,512,302
3850	Debt service	62,066,118	-	62,066,118
3900	Unrestricted	(239,402,823)	60,194	(239,342,629)
3000	Total Net Position	\$ (14,187,097)	\$ 60,194	\$ (14,126,903)

YSLETA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Exhibit B-1
Page 1 of 2

Data Control Codes	Functions/Programs	Expenses	Program Revenue	
			Charges for Services	Operating Grants and Contributions
	Governmental Activities:			
11	Instruction	\$ 266,376,302	\$ 838,838	\$ 54,634,799
12	Instructional resources and media services	6,274,604	1,348	4,374,904
13	Curriculum and staff development	6,975,623	33,397	2,518,342
21	Instructional leadership	7,865,511	-	1,000,148
23	School leadership	28,061,352	484,246	923,872
31	Guidance, counseling, and evaluation services	15,680,931	-	8,127,346
32	Social work services	2,421,037	-	1,215,834
33	Health services	5,187,360	-	14,625,469
34	Student transportation	11,938,970	-	450,211
35	Food service	26,213,186	52,645	28,302,137
36	Extracurricular activities	23,219,549	1,119,330	867,354
41	General administration	11,563,380	-	7,158,372
51	Plant, maintenance and operations	47,078,528	67,213	1,182,007
52	Security and monitoring services	7,043,862	14,826	180,056
53	Data processing services	8,491,228	-	1,771,231
61	Community services	582,540	18,046	492,144
72	Interest on long-term debt	29,898,423	-	23,363,354
73	Debt issuance costs and fees	1,429,001	-	-
81	Facilities planning	6,797,121	-	2,077,726
93	Payments to fiscal agent/member districts of SSA	2,743,097	-	2,626,759
99	Other intergovernmental charges	1,411,572	-	-
TG	Total Governmental Activities	<u>517,253,177</u>	<u>2,629,889</u>	<u>155,892,065</u>
	Business-Type activities			
01	Teachers Network Technology	6,000		-
02	Regional Wrestling Meet	18,260	15,707	-
03	Employee Daycare Collaborative	252,784	129,850	-
04	Oasis Program	16,035	8,612	-
TB	Total Business-Type activities	<u>293,079</u>	<u>154,169</u>	<u>-</u>
TP	Total Primary Government	<u>\$ 517,546,256</u>	<u>\$ 2,784,058</u>	<u>\$ 155,892,065</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Exhibit B-1

Page 2 of 2

		Net (Expense) Revenue and Changes in Net Position		
		Primary Government		
Data Control Codes	Functions/Programs	Governmental Activities	Business-type Activities	Total
	Governmental Activities:			
11	Instruction	\$ (210,902,665)	\$ -	\$ (210,902,665)
12	Instructional resources and media services	(1,898,352)	-	(1,898,352)
13	Curriculum and staff development	(4,423,884)	-	(4,423,884)
21	Instructional leadership	(6,865,363)	-	(6,865,363)
23	School leadership	(26,653,234)	-	(26,653,234)
31	Guidance, counseling, and evaluation services	(7,553,585)	-	(7,553,585)
32	Social work services	(1,205,203)	-	(1,205,203)
33	Health services	9,438,109	-	9,438,109
34	Student transportation	(11,488,759)	-	(11,488,759)
35	Food service	2,141,596	-	2,141,596
36	Extracurricular activities	(21,232,865)	-	(21,232,865)
41	General administration	(4,405,008)	-	(4,405,008)
51	Plant, maintenance and operations	(45,829,308)	-	(45,829,308)
52	Security and monitoring services	(6,848,980)	-	(6,848,980)
53	Data processing services	(6,719,997)	-	(6,719,997)
61	Community services	(72,350)	-	(72,350)
72	Interest on long-term debt	(6,535,069)	-	(6,535,069)
73	Debt issuance costs and fees	(1,429,001)	-	(1,429,001)
81	Facilities repairs and maintenance	(4,719,395)	-	(4,719,395)
93	Payments to fiscal agent/member districts of SSA	(116,338)	-	(116,338)
99	Other intergovernmental charges	(1,411,572)	-	(1,411,572)
TG	Total Governmental Activities	(358,731,223)	-	(358,731,223)
	Business-Type activities			
01	Teachers Network Technology	-	(6,000)	(6,000)
02	Regional Wrestling Meet	-	(2,553)	(2,553)
03	Employee Daycare Collaborative	-	(122,934)	(122,934)
04	Oasis Program	-	(7,423)	(7,423)
TB	Total Business-Type activities	-	(138,910)	(138,910)
TP	Total Primary Government	(358,731,223)	(138,910)	(358,870,133)
General Revenues and Transfer				
General Revenues				
Taxes:				
MT	Property taxes, levied for general purposes	76,649,986	-	76,649,986
DT	Property taxes, levied for debt service	36,744,932	-	36,744,932
SF	State-aid formula grants	283,969,681	-	283,969,681
IE	Investment earnings	1,038,215	-	1,038,215
MI	Miscellaneous	588,213	-	588,213
SI	Special item - gain on sale of capital assets	3,353,731	-	3,353,731
FR	Transfers	(125,487)	125,487	-
TR	Total General Revenues and Transfer	402,219,271	125,487	402,344,758
CN	Change in net position	43,488,048	(13,423)	43,474,625
NB	Net Position - Beginning	(57,675,145)	73,617	(57,601,528)
NE	Net Position - Ending	\$ (14,187,097)	\$ 60,194	\$ (14,126,903)

YSLETA INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

Exhibit C-1
Page 1 of 2

Data Control Codes		General Fund	Debt Service Fund	Capital Projects Fund
Assets				
1110	Cash and temporary investments	\$ 97,777,417	\$ 60,343,948	\$ 234,293,560
	Receivables:			
1220	Property taxes - delinquent	14,959,791	3,418,579	-
1230	Allowance for uncollectible taxes (credit)	(1,631,495)	(277,386)	-
1240	Receivables from other governments	29,763,950	-	-
1260	Due from other funds	24,100,832	-	-
1290	Other receivables	394,527	-	-
1300	Inventories	2,200,829	-	-
1910	Long-term investments	-	14,393,625	-
1000	Total Assets	167,565,851	77,878,766	234,293,560
1000A	Total Assets and Deferred Outflows	\$ 167,565,851	\$ 77,878,766	\$ 234,293,560
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
2110	Accounts payable	\$ 4,912,818	\$ -	\$ 5,368,944
2150	Payroll deduction and withholdings	4,486,348	-	-
2160	Accrued wages payable	3,746,832	-	-
2170	Due to other funds	-	1,575,890	9,704,693
2180	Payable to other governments	15,927,572	1,546,785	-
2200	Accrued expenditures	24,905	-	7,413,070
2300	Unearned revenue	-	-	-
2000	Total Liabilities	29,098,475	3,122,675	22,486,707
Deferred Inflows of Resources				
2600	Unavailable revenues - property taxes	12,829,386	2,926,767	-
2600	Total Deferred Inflows of Resources	12,829,386	2,926,767	-
Fund Balance				
Non-Spendable:				
3410	Inventories	2,200,829	-	-
Restricted:				
3450	Federal/State funds grant restrictions	-	-	-
3470	Capital acquisitions and contractual obligations	-	-	211,806,853
3480	Debt service	-	71,829,324	-
Committed:				
3510	Construction	10,754,516	-	-
3520	Claims and judgements	1,000,000	-	-
3545	Other purposes	-	-	-
Assigned:				
3550	Construction	25,065,941	-	-
3565	Retirement of loans or notes payable	5,766,881	-	-
3590	Other	16,001,032	-	-
3600	Unassigned	64,848,791	-	-
3000	Total Fund Balances	125,637,990	71,829,324	211,806,853
4000	Total Liabilities, Deferred Inflows, and Fund Balances	\$ 167,565,851	\$ 77,878,766	\$ 234,293,560

YSLETA INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

Exhibit C-1
Page 2 of 2

Data Control Codes		ESSER II	ESSER III	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
1110	Cash and temporary investments	\$ -	\$ -	\$ 5,802,918	\$ 398,217,843
	Receivables:				
1220	Property taxes - delinquent	-	-	-	18,378,370
1230	Allowance for uncollectible taxes (credit)	-	-	-	(1,908,881)
1240	Receivables from other governments	11,914,133	12,945,449	8,398,758	63,022,290
1260	Due from other funds	-	-	3,032,119	27,132,951
1290	Other receivables	-	-	-	394,527
1300	Inventories	-	-	-	2,200,829
1910	Long-term investments	-	-	-	14,393,625
1000	Total Assets	11,914,133	12,945,449	17,233,795	\$ 521,831,554
1000A	Total Assets and Deferred Outflows	\$ 11,914,133	\$ 12,945,449	\$ 17,233,795	\$ 521,831,554
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities:					
2110	Accounts payable	\$ 1,396,483	\$ 8,120	\$ 1,032,000	\$ 12,718,365
2150	Payroll deduction and withholdings	-	-	-	4,486,348
2160	Accrued wages payable	-	-	-	3,746,832
2170	Due to other funds	10,517,650	12,831,937	7,939,033	42,569,203
2180	Payable to other governments	-	-	35,609	17,509,966
2200	Accrued expenditures	-	105,392	-	7,543,367
2300	Unearned revenue	-	-	2,202,685	2,202,685
2000	Total Liabilities	11,914,133	12,945,449	11,209,327	90,776,766
Deferred Inflows of Resources					
2600	Unavailable revenues - property taxes	-	-	-	15,756,153
2600	Total Deferred Inflows of Resources	-	-	-	15,756,153
Fund Balance					
Non-Spendable:					
3410	Inventories	-	-	-	2,200,829
Restricted:					
3450	Federal/State funds grant restrictions	-	-	4,512,302	4,512,302
3470	Capital acquisitions and contractual obligations	-	-	-	211,806,853
3480	Debt service	-	-	-	71,829,324
Committed:					
3510	Construction	-	-	-	10,754,516
3520	Claims and judgements	-	-	-	1,000,000
3545	Other purposes	-	-	1,512,166	1,512,166
Assigned:					
3550	Construction	-	-	-	25,065,941
3565	Retirement of loans or notes payable	-	-	-	5,766,881
3590	Other	-	-	-	16,001,032
3600	Unassigned	-	-	-	64,848,791
3000	Total Fund Balances	-	-	6,024,468	415,298,635
4000	Total Liabilities, Deferred Inflows, and Fund Balances	\$ 11,914,133	\$ 12,945,449	\$ 17,233,795	\$ 521,831,554



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

YSLETA INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS TO
STATEMENT OF NET POSITION
June 30, 2022

Exhibit C-2

Data Control Codes	Total Fund Balance, Governmental Funds	
		\$ 415,298,635
	Amounts reported for governmental activities in the statement of net position are different because:	
1	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Capital assets at historical cost, net of accumulated depreciation and amortization, where applicable.	873,840,910
2	Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, these property taxes and related penalty and interest amounts (net of allowance for uncollectible accounts).	15,756,153
3	Deferred charge on refunding	22,889,435
4	Deferred outflows relating to pension activities	41,973,279
5	Deferred outflows relating to other-post employment benefit	27,463,310
	Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:	
6	General obligation bonds	(883,441,202)
7	Maintenance Tax Notes Payable	(29,570,000)
8	Premium/Discount on issuance	(66,458,690)
9	Accumulated accretion on capital appreciation bonds	(55,312,924)
10	Leases payable	(391,278)
11	Accrued compensated absences	(5,914,449)
12	Accrued interest payable	(12,689,973)
13	Net pension liability	(63,091,756)
14	Net other-post employment benefit liability	(130,166,241)
15	Deferred inflows relating to pension activities	(75,571,872)
16	Deferred inflows relating to other-post employment benefit	(98,289,419)
17	Addition of Internal Service fund net position	9,488,985
19	Total Net Position - Governmental Activities	\$ (14,187,097)

YSLETA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit C-3

Page 1 of 2

Data Control Codes		General Fund	Debt Service Fund	Capital Projects Fund
Revenues				
5700	Local, intermediate, and out-of-state	\$ 77,877,196	\$ 36,886,274	\$ 404,593
5800	State program revenues	304,467,149	22,570,473	-
5900	Federal program revenues	19,550,891	-	-
5020	Total Revenues	401,895,236	59,456,747	404,593
Expenditures				
Current:				
0011	Instruction	223,661,751	-	-
0012	Instruction resources and media services	1,230,300	-	-
0013	Curriculum and instructional staff development	4,995,629	-	-
0021	Instructional leadership	7,389,609	-	-
0023	School leadership	27,922,753	-	-
0031	Guidance, counseling and evaluation services	9,563,476	-	-
0032	Social work services	1,404,298	-	-
0033	Health services	1,377,932	-	-
0034	Student transportation	11,794,099	-	-
0035	Food services	597,964	-	-
0036	Extracurricular activities	15,576,504	-	-
0041	General administration	11,531,082	-	-
0051	Facilities maintenance and operations	46,601,776	-	-
0052	Security and monitoring services	5,897,177	-	-
0053	Data processing services	7,078,203	-	-
0061	Community services	110,926	-	-
Debt service:				
0071	Principal on long-term debt	3,232,326	13,422,003	-
0072	Interest on long-term debt	1,539,417	30,107,218	-
0073	Debt issuance costs and fees	7,500	4,250	1,312,366
Capital outlay:				
0081	Facilities acquisition and construction	3,678,646	-	173,644,967
Intergovernmental:				
0093	Payments to Fiscal Agent/Member Districts of SSA	116,339	-	-
0099	Other intergovernmental charges	1,411,572	-	-
6030	Total Expenditures	386,719,279	43,533,471	174,957,333
1100	Excess (deficiency) of revenues over expenditures	15,175,957	15,923,276	(174,552,740)
Other Financing Sources (Uses)				
7911	Issuance of bonds	-	-	146,040,000
7912	Sale of real or personal property	3,353,731	-	-
7913	Proceeds from capital lease	95,374	-	-
7915	Transfers in	-	1,238,328	-
7916	Premium on issuance of bonds	-	1,296	5,272,367
8911	Transfers out	(1,373,123)	-	-
7080	Total Other Financing Sources (Uses)	2,075,982	1,239,624	151,312,367
1200	Net change in fund balances	17,251,939	17,162,900	(23,240,373)
0100	Fund Balance - July 1 (Beginning)	108,386,051	54,666,424	235,047,226
3000	Fund Balance - June 30 (Ending)	\$ 125,637,990	\$ 71,829,324	\$ 211,806,853

YSLETA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit C-3

Page 2 of 2

Data Control Codes		ESSER II	ESSER III	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ 2,119,360	117,287,423
5800	State program revenues	-	-	2,715,296	329,752,918
5900	Federal program revenues	23,134,261	31,339,775	62,380,160	136,405,087
5020	Total Revenues	23,134,261	31,339,775	67,214,816	583,445,428
Expenditures					
Current:					
0011	Instruction	13,378,360	17,165,093	27,749,556	281,954,760
0012	Instruction resources and media services	3,517,305	166,326	779,371	5,693,302
0013	Curriculum and instructional staff development	153	104,124	2,537,582	7,637,488
0021	Instructional leadership	15,308	141,174	945,900	8,491,991
0023	School leadership	-	915,012	755,014	29,592,779
0031	Guidance, counseling and evaluation services	3,110,411	4,826,249	573,560	18,073,696
0032	Social work services	-	74,090	1,174,867	2,653,255
0033	Health services	1,614,154	2,736,948	434,632	6,163,666
0034	Student transportation	-	546,650	2,572	12,343,321
0035	Food services	-	766,074	24,463,470	25,827,508
0036	Extracurricular activities	460,943	46,853	1,144,821	17,229,121
0041	General administration	-	231,631	133,487	11,896,200
0051	Facilities maintenance and operations	2,663	1,251,540	173,365	48,029,344
0052	Security and monitoring services	-	187,256	81,270	6,165,703
0053	Data processing services	895,407	98,963	814,688	8,887,261
0061	Community services	139,557	4,066	371,400	625,949
Debt service:					
0071	Principal on long-term debt	-	-	-	16,654,329
0072	Interest on long-term debt	-	-	-	31,646,635
0073	Debt issuance costs and fees	-	-	-	1,324,116
Capital outlay:					
0081	Facilities acquisition and construction	-	2,077,726	-	179,401,339
Intergovernmental:					
0093	Payments to Fiscal Agent/Member Districts of SSA	-	-	2,626,758	2,743,097
0099	Other intergovernmental charges	-	-	-	1,411,572
6030	Total Expenditures	23,134,261	31,339,775	64,762,313	724,446,432
1100	Excess (deficiency) of revenues over expenditures	-	-	2,452,503	(141,001,004)
Other Financing Sources (Uses)					
7911	Issuance of bonds	-	-	-	146,040,000
7912	Sale of real or personal property	-	-	-	3,353,731
7913	Proceeds from capital lease	-	-	-	95,374
7915	Transfers in	-	-	-	1,238,328
7916	Premium on issuance of bonds	-	-	-	5,273,663
8911	Transfers out	-	-	-	(1,373,123)
7080	Total Other Financing Sources (Uses)	-	-	-	154,627,973
1200	Net change in fund balances	-	-	2,452,503	13,626,969
0100	Fund Balance - July 1 (Beginning)	-	-	3,571,965	401,671,666
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ 6,024,468	\$ 415,298,635

YSLETA INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Exhibit C-4

Data Control Codes		
	Net Change in Fund Balances - Total Governmental Funds (see C-3)	\$ 13,626,969
	Amounts reported for <i>governmental activities</i> in the statement of activities (B-1) are different because:	
	Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense.	
1	Governmental funds capital outlays	177,560,470
2	Governmental funds depreciation and amortization expense	(32,690,265)
3	Net effect of other retirements and adjustments to capital assets	(1,684,936)
4	Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	601,813
5	Repayment of long-term debt and leases principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	16,654,329
	Proceeds from issuance of regular bonds and refunding bonds	(146,040,000)
	Premium on issuance of regular bonds and refunding bonds	(5,273,663)
6	Proceeds from issuance of leases	(95,374)
	Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:	
7	Increase in interest payable not recognized in fund statements	(210,838)
8	Increase accrued compensated absences	(260,955)
9	Amortization of premium/discount	5,649,343
10	Accreted interest on capital appreciation bonds	636,232
11	Amortization of deferred charge on refunding	(4,326,525)
12	Changes in net pension liabilities and related deferred outflows and inflows of resources	5,435,743
13	Changes in net OPEB liabilities and related deferred outflows and inflows of resources	7,508,418
14	Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities (see D-2).	6,397,287
	Change in Net Position of Governmental Activities (see B-1)	\$ 43,488,048

YSLETA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2022

Exhibit D-1

	Business-type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
Assets		
Current Assets:		
Cash and cash equivalents	\$ 200	\$ -
Due from other funds	63,799	15,373,103
Total Current Assets	<u>63,999</u>	<u>15,373,103</u>
Noncurrent Assets:		
Furniture and equipment	-	306,162
Accumulated depreciation - Furniture and Equipment	-	(291,222)
Total Noncurrent assets	<u>-</u>	<u>14,940</u>
Total Assets	<u>63,999</u>	<u>15,388,043</u>
Liabilities		
Current Liabilities:		
Accounts payable	3,605	41,700
Due to other funds	200	450
Accrued expenses	-	5,856,908
Total Current Liabilities	<u>3,805</u>	<u>5,899,058</u>
Total Liabilities	<u>3,805</u>	<u>5,899,058</u>
Net Position		
Net investment in capital assets	-	14,940
Unrestricted net position	60,194	9,474,045
Total Net Position	<u>\$ 60,194</u>	<u>\$ 9,488,985</u>

YSLETA INDEPENDENT SCHOOL DISTRICT*Exhibit D-2***STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION****PROPRIETARY FUNDS****For the Year Ended June 30, 2022**

	Business-type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
Operating Revenues		
Miscellaneous revenue from local sources	\$ 154,169	\$ 5,177,749
Interfund services provided	-	54,291,241
Total Operating Revenues	154,169	59,468,990
Operating Expenses		
Payroll costs	256,838	4,864,556
Purchased and contracted services	17,476	2,801,289
Supplies and materials	15,915	92,015
Claims expense and other operating expenses	2,850	45,323,151
Total Operating Expenses	293,079	53,081,011
Income (Loss) before Transfers	(138,910)	6,387,979
Other Financing Sources		
Transfers in	125,487	9,308
Total Other Financing Sources	125,487	9,308
Change in net position	(13,423)	6,397,287
Net Position - July 1 (Beginning)	73,617	3,091,698
Net Position - June 30 (Ending)	\$ 60,194	\$ 9,488,985

YSLETA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2022

Exhibit D-3

	Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities:		
Cash received from user charges	\$ 154,169	\$ 53,184,696
Cash payments to employees	(256,838)	(4,890,944)
Cash payments to suppliers for goods and services	(19,968)	(2,858,817)
Cash payments for insurance claims	-	(44,152,804)
Cash payments for other operating expenses	(2,850)	(1,291,439)
Net Cash Used for Operating Activities	(125,487)	(9,308)
Cash Flows from Non-Capital Financing Activities:		
Transfers in	125,487	9,308
Net Cash Provided by Non-Capital Financing Activities	125,487	9,308
Net Increase (Decrease) in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents at Beginning of Year	200	-
Cash and Cash Equivalents at End of Year	\$ 200	\$ -
Reconciliation to Balance Sheet		
Cash and Cash Equivalents Per Cash Flow	\$ 200	\$ -
Cash and Cash Equivalents per Balance Sheet	\$ 200	\$ -
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:		
Operating Income (Loss)	\$ (138,910)	\$ 6,387,979
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Change in Assets and Liabilities:		
Decrease (increase) in interfund receivables	11,434	(6,253,294)
Decrease in accounts payable	1,989	34,487
Increase (decrease) in accrued wages payable	-	(26,388)
Increase (decrease) in Interfund Payables	-	(31,000)
Decrease in claims payable	-	(121,092)
Net Cash Used for Operating Activities	\$ (125,487)	\$ (9,308)

YSLETA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2022

Exhibit E-1

	<u>Custodial Fund</u>
Assets	
Current Assets:	
Cash and cash equivalents	\$ 1,599,709
Other Assets:	
Long Term Investments	
Total Assets	<u>\$ 1,599,709</u>
Liabilities	
Current Liabilities:	
Due to others	\$ 5,542
Total Liabilities	<u>\$ 5,542</u>
Net Position	
Restricted for student scholarships and other activities	\$ 1,594,167
Total Net Position	<u>\$ 1,594,167</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2022

Exhibit E-2

	<u>Custodial Fund</u>
Additions	
Gifts and contributions	\$ 3,135,588
Total Contributions	<u>3,135,588</u>
 Deductions	
Payments for student activities	<u>2,890,927</u>
Total Deductions	<u>2,890,927</u>
 Change in net position	 244,661
 Net position - Beginning	 <u>1,349,506</u>
Net position - Ending	<u><u>\$ 1,594,167</u></u>



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

Note 1 - Summary of Significant Accounting Policies

The Ysleta Independent School District (the "District") is an independent public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven member Board of Trustees (the "Board") elected by the registered voters of the District and has fiscal accountability over all activities within the jurisdiction of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in the Statement of Auditing Standards of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

The following is a summary of the most significant accounting policies.

A. Reporting Entity

The District's Board is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is considered an independent entity for financial reporting purposes, and is considered a primary government as defined by GASB. As the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

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

The above standards were applied to the Ysleta Education Foundation, and the District determined that Ysleta Education Foundation does not meet the criteria of a component unit and will not be included in these financial statements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* include programs supported primarily by taxes, charges to school districts for services, state funds, grants, and other intergovernmental revenues. *Business-type activities* include operations that rely to a significant extent on fees and charges for support.

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

Note 1 - Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

Interfund activities between governmental funds and between governmental and proprietary funds appear as due to or due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other resources and other uses on the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position. All interfund transactions between governmental funds and between governmental and internal service funds are eliminated on the government-wide statements. Interfund activities between governmental funds and fiduciary funds remain as due to or due from on the government-wide Statement of Net Position.

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

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

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

The fiduciary fund financial statements reflect the District's custodial fund, reporting assets, liabilities, and net position. They utilize the accrual basis of accounting.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, deferred inflows of resources, and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Revenues from local sources consist primarily of property taxes and are recorded as revenue when received. The District considers property tax revenue available if they expect the revenue to be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. The District considers School Health and Related Services (SHARS) and State Aid revenues available if they are collectible within 90 days after the end of the fiscal year.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors may require the District to refund all or part of the unused amount.

Note 1 - Summary of Significant Accounting Policies (continued)

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

The District reports the following major governmental funds:

- *The General Fund* - The general fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- *Debt Service Fund* - The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund. This is a budgeted fund and separate bank accounts are maintained.
- *Capital Projects Fund* - The proceeds from long-term debt financing and revenues and expenditures related to the acquisition, construction, or renovations as well as furnishing and equipping capital facilities are accounted for in this fund.
- *Elementary and Secondary School Emergency Relief Fund II (ESSER II)* - The District accounts for federal stimulus ESSER II funds granted through the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act to support the District's ability to operate, instruct its students, address learning loss, prepare schools for reopening, test, repair, and upgrade projects to improve air quality in school buildings during the coronavirus pandemic.
- *Elementary and Secondary School Emergency Relief Fund III (ESSER III)* - The District accounts for federal stimulus ESSER III funds granted through the American Rescue Plan Act to address learning loss and the disproportionate impact of the coronavirus on certain student subgroups, identify and provide homeless children and youth with services in light of challenges of the coronavirus, and enable homeless children and youth to attend school and participate fully in school activities.

The District reports the following nonmajor governmental funds:

- *Special Revenue Funds* - These funds account for resources restricted to or committed for specific purposes by a grantor, or for resources that are committed for specific purposes by the Board. Most federal and some state financial assistance is accounted for in a special revenue fund and sometimes unused balances must be returned to the grantor at the close of specified project periods.

The District reports the following proprietary fund types:

- *Enterprise Funds* - The District's activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities are accounted for in an enterprise fund. The District's non-major Enterprise Funds are: Teachers Network Technology, Regional Wrestling Meet, Employee Daycare Collaborative, Oasis Program and District Events.
- *Internal Service Funds* - These funds are used to account for financing of goods or services provided by one department to other departments of the District on a cost-reimbursement basis. The District operates four Internal Service Funds. They are Health Insurance, Workers' Compensation, Speech Therapy, and Print Shop Services.

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

Additionally, the District reports the following fiduciary fund:

- *Custodial Funds* - The District accounts for resources held for others in a custodial capacity and consists of funds that are property of students or others. The District's Custodial Fund is the Student Activity Account.

Note 1 - Summary of Significant Accounting Policies (continued)

D. Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, investment pools, and short-term investments with original maturities of one year or less from the date of acquisition.

For purposes of the statement of cash flows for proprietary funds, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

Investments with an original maturity greater than one year from date of purchase are stated at fair value based on quoted market prices as of year-end, except for nonparticipating interest-earning investment contracts which are reported at cost. Investments with an original maturity of less than one year are reported at amortized cost.

The District categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

E. Receivables and Payables

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

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to the property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the fiscal year.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

F. Inventories and Prepaid Items

Inventories of supplies on the balance sheet are stated at weighted average cost and they include consumable maintenance, instructional, office, athletic, and transportation items. Supplies are recorded as expenditures when they are consumed. Inventories of food commodities which are received at no cost are recorded as revenue at market value supplied by the Texas Department of Agriculture when received, and as expenditure when consumed. At year end, the commodities inventory is recorded to inventory. A portion of fund balance is classified as nonspendable to reflect minimum inventory quantities considered necessary for the District's continuing operations.

Note 1 - Summary of Significant Accounting Policies (continued)

G. Capital Assets

Capital assets, which include land, buildings, and furniture and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The District capitalizes building improvements of \$100,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Buildings, and furniture and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	30 - 50
Land improvements	10 - 30
Vehicles	5 - 10
Other equipment	5 - 15
Computer equipment	5 - 7
Right-to-use leased equipment	3-5

H. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits based on their contract or assignment schedule as follows:

<u>Contract/Assignment Days</u>	<u># of Days of Leave</u>
0-201 (10 months)	10 days per year
202-225 (11 months)	11 days per year
226-260 (12 months)	12 days per year

However, those employed prior to August 31, 1996, are allowed 80 days of sick leave to be accumulated and paid upon retirement and upon request. The liability recorded relates to those employees that were eligible prior to August 31, 1996. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. Payments for vested sick leave has typically been accounted for in the General Fund.

I. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type Statement of Net Position. Premiums and discounts are presented as a component of liabilities while deferred charges on refundings are presented as deferred outflows of resources. Both items are deferred and amortized over the life of the related debt using the straight-line method. Long-term debt is reported net of the applicable premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Note 1 - Summary of Significant Accounting Policies (continued)

I. Long-term Obligations (continued)

Leases

Lessee: The District is a lessee for a noncancellable lease of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$15,000 or more.

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

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

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

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

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

J. Deferred Outflows/Inflows of Resources

Deferred outflows and inflows of resources are reported in the statement of financial position as described below:

A *deferred outflow of resources* is a consumption of a government's net assets (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

- *Deferred charge on refunding* - Reported in the government-wide statement of net position, this deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Note 1 - Summary of Significant Accounting Policies (continued)

J. Deferred Outflows/Inflows of Resources (continued)

- *Deferred outflows relating to pension activities* – Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability as well as from 1) changes in actuarial assumptions; 2) differences between expected and actual actuarial experiences and 3) changes in the District's proportional share of pension liabilities. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The remaining pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.
- *Deferred outflows of resources for other post-employment benefits (OPEB)* – Reported in the government-wide financial statement of net position, this deferred outflow results from contributions made after the measurement date of the net OPEB liability and the results of 1) differences between projected and actual earnings on OPEB plan investments and 2) changes in the District's proportional share of OPEB liabilities. The deferred outflows of resources related to post-employment benefits resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on OPEB plan investments will be amortized over a closed five-year period. The remaining deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with other post-employment benefits through the other post-employment benefit plan.

A *deferred inflow of resources* is an acquisition of a government's net position (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

- *Deferred inflows of resources for unavailable revenues* - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- *Deferred inflows relating to pension activities* – Reported in the government-wide financial statement of net position, these deferred inflows result primarily from 1) differences between projected and actual earnings on pension plan investments; 2) changes in actuarial assumptions; 3) differences between expected and actual actuarial experiences and 4) changes in the District's proportional share of pension liabilities. The deferred inflows resulting from differences between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The remaining pension related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.
- *Deferred inflows of resources for post-employment benefits* – Reported in the government-wide financial statement of net position, these deferred inflows result primarily from 1) changes in actuarial assumptions and 2) differences between expected and actual actuarial experiences. These post-employment related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with post-employment benefits through the post-employment benefit plan.

Note 1 - Summary of Significant Accounting Policies (continued)

K. Pensions

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

L. Other Post-Employment Benefits (OPEB)

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

M. Net Position

Net Position on the Statement of Net Position includes the following:

- *Net investment in capital assets* - this component of net position consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt will be included in this component of net position.
- *Restricted for federal and state programs* - this component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, which are restricted by federal and state granting agencies.
- *Restricted for Debt Service* - this component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The assets arise from bond issuances which have constraints placed on them by the bond covenants for the purpose of future debt service payments.
- *Unrestricted net position* - this component of net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Note 1 - Summary of Significant Accounting Policies (continued)

N. Fund Balance

The fund balance in governmental funds has been classified as follows to describe the nature and relative strength of the spending constraints:

- *Nonspendable fund balance* - Represents amounts that are not in spendable form, such as inventory and prepaid items, or are required to be maintained intact.
- *Restricted fund balance* - Represents amounts constrained to specific purposes by their providers, such as grantors, bondholders, and higher levels of government, through constitutional provisions, or by enabling legislation.
- *Committed fund balance* - Represents amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority, i.e., Board of Trustees. To be reported as committed, amounts cannot be used for any other purpose unless the District's Board of Trustees approves the changes by Board Resolution. Fund balance committed in the nonmajor governmental funds during the current fiscal year is committed for campus activities; fund balance committed in the general fund during the current fiscal year is committed for construction and claims and judgments.
- *Assigned fund balance* - Represents amounts the District intends to use for a specific purpose. Intent can be expressed by the District Fund Managers as named in the Board Resolution dated July 21, 2010.
- *Unassigned fund balance* - Represents amounts that are available for any purpose. Positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees or the District Fund Managers have provided otherwise in their commitment or assignment actions.

In the fund financial statements, certain governmental funds report restrictions of the entire fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Since the entire fund balance is restricted for these funds, all assets are in essence restricted for their specified purpose.

When the District incurs an expense for which it may use either restricted or unrestricted resources, it uses the restricted resources first unless unrestricted resources will have to be returned because they were not used.

Since Internal Service Funds support the operations of governmental funds, they are consolidated with the governmental funds in the government-wide financial statements. The expenditures of governmental funds that create the revenues of internal service funds are eliminated to avoid "grossing up" the revenues and expenses of the District as a whole.

The District sponsors self-insured plans to provide health care benefits to employees and their dependents, and workers' compensation benefits to employees. Revenues of these Internal Service Funds are received from both the District's governmental and proprietary funds and premiums charged to employees. Expenses are comprised of claims incurred during the fiscal year, professional and contracted services and other miscellaneous expenses.

The General Fund is contingently liable for liabilities of these funds.

Note 1 - Summary of Significant Accounting Policies (continued)

O. Data Control Codes

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

In accordance with the Resource Guide, the District has adopted and installed an accounting system which meets at least the minimum requirements prescribed by the Texas State Board of Education and approved by the State Auditor. Specifically, the District’s accounting system uses codes and the code structure presented in the Resource Guide. Mandatory codes are recorded in the order provided in the Resource Guide.

P. Use of Estimates

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

Q. Implementation of New Accounting Standards

GASB Statement No. 87 *Leases* was issued in June 2017 and was effective for periods beginning after June 15, 2021. This Statement established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The District has evaluated the effects of this standard and has determined that this Statement does impact the financial statements and has incorporated its leases into its capital assets and long-term liabilities on both the face of the financial statements and the note disclosures.

GASB Statement No. 89 *Accounting for Interest Cost Incurred before the end of a Construction Period*, was issued in June 2018 and was effective for periods beginning after December 15, 2020. This Statement requires that interest costs incurred before the end of a construction period be recognized as an expense in the period in which the cost was incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this Statement should be handled prospectively. The District has evaluated the effects of this Statement and has determined that it does not impact the financial statements.

GASB Statement No. 93 *Replacement of Interbank Offered Rates* was issued in June 2020 and had various effective dates. The Statement establishes accounting and financial reporting requirements related to the replacement of the interbank offered rates (IBORs) in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. During the current fiscal year, paragraphs 13 and 14 were effective and pertained to lease modifications. The District has evaluated the effects of this standard and has determined that this Statement does not impact its financial statements.

Note 1 - Summary of Significant Accounting Policies (continued)

Q. Implementation of New Accounting Standards (continued)

GASB Statement No. 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32* was issued in June 2020. This Statement provides guidance regarding the financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. The Statement will also enhance (1) information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans. Paragraphs 4 and 5 of the Statement were effective immediately whereas the remaining requirements of this Statement are effective for periods beginning after June 15, 2021. The District has evaluated the effects of this Statement and has determined it does not impact its financial statements.

GASB Statement No. 98 *The Annual Comprehensive Financial Report*. This statement was issued in October 2021 and establishes the term annual comprehensive financial report and its acronym ACFR. This new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This statement is effective for fiscal years ending after December 15, 2021 but earlier application is encouraged. The District has determined that this Statement does not have an effect on the financial statements as of June 30, 2022.

GASB Statement No. 101 *Compensated Absences*. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The District has implemented the Statement as of June 30, 2022

Note 2 - Deposits and Investments

Cash Deposits: The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

At June 30, 2022, the carrying amount of the District's cash deposits (cash and interest-bearing accounts) was \$14,323,465 and the bank balance was \$22,139,354. The District's cash deposits at June 30, 2022 were entirely covered by FDIC Insurance or by pledged collateral held by the District's agent bank in the District's name.

Investments: The District's investment policy is in accordance with the **Public Funds Investment Act** (Government Code Chapter 2256). Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds.

Note 2 - Deposits and Investments (continued)

At June 30, 2022, the District's cash and investment balances, the weighted average maturity, and the credit ratings of these investments were as follows:

	Fair Value/ Amortized Cost	Weighted Average Maturity (Days)	Credit Rating
Governmental Activities			
Cash and deposits	\$ 12,723,556	N/A	N/A
Investments			
Local Government Investment Pools			
Texas CLASS	209,828,868	32	AAAm
Texas Daily	287,127	23	AAAm
Texas Term	170,072,382	94	AAAm
TexPool	5,305,910	25	AAAm
	<u>385,494,287</u>		
Investment Securities			
Repurchase Agreements	14,393,625	2468	AA
Total Investments	<u>399,887,912</u>	146	
Total Governmental Activities	<u>412,611,468</u>		
Business-type Activities:			
Cash and deposits	200	N/A	N/A
Total Business-type Activities	<u>200</u>		
Fiduciary Funds			
Cash and Deposits	1,599,709	N/A	N/A
Total Fiduciary Funds	<u>1,599,709</u>		
Total	<u>\$ 414,211,377</u>		

Due to the immediate availability of the funds, the District's temporary investments at June 30, 2022 are included in cash and cash equivalents. In addition, the District's certificates of deposit are reported at fair value using Level 1 inputs, and the District's investment securities are reported at fair value using Level 2 inputs.

In prior fiscal years, the District entered into Investment Repurchase Agreements with Bank of New York Mellon Trust Company, N.A. The repurchase agreements are presented as a long-term investment in the Debt Service Fund, and are presented on a cost basis. The investment is considered a nonparticipating interest earning investment contract, therefore, a cost-based measure is used for reporting.

As of June 30, 2022 , the repurchase agreements information is summarized as follows:

Repurchase Agreement	Carrying Value	Maturity Date	Interest Rate	Rating*	Percentage of all investments	Fair Market Value of Pledged Security	Collateral Percentage
Bayern LB New York	\$ 11,603,199	8/15/2026	3.82%	AA	2.90%	\$ 11,733,709	101.12%
Bayern LB New York	2,790,426	8/15/2036	1.85%	AA	0.70%	2,805,626	100.54%
	<u>\$ 14,393,625</u>						

Note 2 - Deposits and Investments (continued)

Additional policies and contractual provisions governing deposits and investments for the District are specified below:

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates may adversely affect the value of investments. To limit the risk that changes in interest rates will adversely affect the fair value of the investments, the District monitors interest rate risk utilizing weighted average maturity (WAM) analysis. The District requires its investment portfolio to have maturities of less than one year on a WAM basis. However, specific to the District's debt service funds, maturities longer than one year are authorized within legal limits and as long as sufficient investment liquidity to timely meet debt service payment obligations is maintained. The long-term investment the District currently holds, which has no call options, is due when the debt instrument is due and the District intends to hold the investment until maturity, thereby reducing its risk of loss due to changes in the fair value of the investment.

At June 30, 2022, the District's exposure to interest risk as measured by the segmented time distribution by investment type is summarized below:

	Fair Value/ Amortized Cost	Investment Maturity	
		Less than 1 Year	1-5 Years
Local Government Investment Pools:			
Texas CLASS	\$ 209,828,868	\$ 209,828,868	\$ -
Texas Daily	287,127	287,127	-
Texas Term	170,072,382	170,072,382	-
TexPool	5,305,910	5,305,910	-
Investment Securities:			
Repurchase Agreements	14,393,625	-	14,393,625
	<u>\$ 399,887,912</u>	<u>\$ 385,494,287</u>	<u>\$ 14,393,625</u>

Credit Risk: To limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations, the District limits investments in commercial paper, corporate bonds, mutual bond funds, public funds investment pools to those that have received top ratings issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2022, the District's investments in Texas Pool were rated AAA, Texas Term were rated AA+ and Texas CLASS and Texas Daily were rated AA+ by Standard & Poor's. In addition, for long-term investments, to limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations, the District requires full collateralization with direct or unconditionally guaranteed obligations of the United States Government or Agency on the long-term investment it currently holds.

Custodial Credit Risk: State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The District's policy regarding deposits is in accordance with this law.

Concentration of Credit Risk: For temporary investments, to limit the risk of loss attributed to the magnitude of a government's investment in a single issuer, the District's policy states that the portfolio must be diversified. Concentration of Credit Risk is not applicable to investment pools since the purpose of these pools is to diversify the District's investment portfolio. For long-term investments – to limit the risk of loss attributed to the magnitude of a government's investment in a single issuer, the District's policy states that the portfolio must be diversified. The long-term investment the District currently holds is 3.6% of its total investments.

Note 3 - Receivables and Unearned Revenue

Receivables as of June 30, 2022, for the District's individual major and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service Fund	ESSER II	ESSER III	Nonmajor Governmental Funds	Total
Property taxes	\$ 14,959,791	\$ 3,418,579	\$ -	\$ -	\$ -	\$ 18,378,370
Due from other governments	29,763,950	-	11,914,133	12,945,449	8,398,758	63,022,290
Other receivables	394,527	-	-	-	-	394,527
Gross Receivables	45,118,268	3,418,579	11,914,133	12,945,449	8,398,758	81,795,187
Less allowance for doubtful accounts	(1,631,495)	(277,386)	-	-	-	(1,908,881)
Net Total Receivables	\$ 43,486,773	\$ 3,141,193	\$ 11,914,133	\$ 12,945,449	\$ 8,398,758	\$ 79,886,306

Other receivables are reported at gross value. Management has determined that an allowance for doubtful accounts is not necessary for fair presentation.

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the fiscal year 2022, the various components of unearned revenues reported in the governmental funds were as follows:

	Unearned
Unearned federal revenue	\$ 14,642
Unearned state and local revenue	2,188,043
	<u>\$ 2,202,685</u>

Note 4 - Interfund Receivables, Payables, and Transfers

Interfund balances consist of short-term lending/borrowing arrangements that result from normal operations and are cleared out periodically. Additionally, some lending/borrowing may occur between two or more nonmajor governmental funds.

The composition of interfund balances as of June 30, 2022, is as follows:

	Interfund Receivable	Interfund Payable	Net
Governmental Activities			
General Fund	\$ 24,100,832	\$ -	\$ 24,100,832
Debt Service Fund	-	1,575,890	(1,575,890)
Capital Projects Fund	-	9,704,693	(9,704,693)
ESSER II	-	10,517,650	(10,517,650)
ESSER III	-	12,831,937	(12,831,937)
Nonmajor Governmental Funds	3,032,119	7,939,033	(4,906,914)
Nonmajor Business-Type funds	63,799	200	63,599
Nonmajor Internal Service Funds	15,373,103	450	15,372,653
Total Governmental Activities	\$ 42,569,853	\$ 42,569,853	\$ -

Note 4 - Interfund Receivables, Payables, and Transfers (continued)

Interfund transfers are defined as “flows of assets without equivalent flow of assets in return and without a requirement for repayment.” The following is a summary of the District’s transfers for the fiscal year ended June 30, 2022:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund	Debt service fund	\$ 1,238,328
General Fund	Nonmajor enterprise funds	125,487
General Fund	Internal service fund	9,308
Total		<u>\$ 1,373,123</u>

Interfund transfers generally fall into two categories: (1) transfers to cover debt service payments to comply with debt covenants, and (2) transfers to cover operating expenditures/deficits in accordance with District policy or legal requirements.

Note 5 - Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

Governmental Activities:

	<u>July 01, 2021</u> <u>as restated</u>	<u>Additions</u>	<u>(Retirements)</u> <u>and Transfers</u>	<u>Balance</u> <u>June 30, 2022</u>
Governmental Capital Assets				
Capital assets, not being depreciated/amortized:				
Land	\$ 15,850,984	\$ -	\$ (103,206)	\$ 15,747,778
Construction in progress	81,172,744	168,454,304	(3,098,599)	246,528,449
Total Capital assets, not being depreciated/amortized	<u>97,023,728</u>	<u>168,454,304</u>	<u>(3,201,805)</u>	<u>262,276,227</u>
Capital assets, being depreciated/amortized:				
Buildings and improvements	898,827,232	490,235	(6,979,671)	892,337,796
Land improvements	50,786,668	2,883,096	2,036,599	55,706,363
Furniture and equipment	103,618,477	5,637,461	(175,460)	109,080,478
Right-to-use leased equipment	488,396	95,374	-	583,770
Total Capital assets, being depreciated/amortized	<u>1,053,720,773</u>	<u>9,106,166</u>	<u>(5,118,532)</u>	<u>1,057,708,407</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	(320,196,617)	(25,162,920)	5,780,153	(339,579,384)
Land improvements	(15,005,650)	(407,855)	-	(15,413,505)
Furniture and Equipment	(84,871,653)	(6,920,540)	855,248	(90,936,945)
Right-to-use leased equipment	-	(198,950)	-	(198,950)
Total Accumulated depreciation/amortization	<u>(420,073,920)</u>	<u>(32,690,265)</u>	<u>6,635,401</u>	<u>(446,128,784)</u>
Governmental Capital Assets	<u>\$ 730,670,581</u>	<u>\$ 144,870,205</u>	<u>\$ (1,684,936)</u>	<u>\$ 873,855,850</u>

Note 5 - Capital Assets (continued)

There were no capital assets held in the Business-type Activities.

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

Function	Depreciation and Amortization Expense
Governmental Activities:	
Instruction	\$ 13,179,155
Instructional resources and media services	1,103,849
Curriculum and staff development	5,928
Instructional leadership	72,459
School leadership	974,932
Guidance, counseling and evaluation services	179,968
Social work services	1,756
Health services	149,369
Student transportation	449,404
Food Services	2,854,915
Extracurricular activities	9,749,311
General administration	575,845
Plant maintenance and operations	2,018,470
Security and monitoring services	1,265,803
Data processing services	104,003
Total Governmental Activities	\$ 32,690,265

Construction Commitments

The District has active construction projects as of June 30, 2022 including renovations and site improvements. All accumulated resources for capital projects are either restricted, committed, or assigned. At June 30, 2022, estimated construction commitments with contractors were as follows:

Project	Approved Construction Budget	Construction in Progress	Remaining Commitment
Bond Projects	\$ 364,757,022	\$ 242,679,626	\$ 122,077,396
Other Projects	5,003,234	3,848,823	1,154,411
	<u>\$ 369,760,256</u>	<u>\$ 246,528,449</u>	<u>\$ 123,231,807</u>

Note 6 - Compensated Absences and Other Retirement/Sick Leave Benefits

The balance of accumulated unpaid vacation and sick leave at June 30, 2022 was \$5,914,449 and is presented as other long-term liabilities in these financial statements.

Balance		Balance
July 01, 2021	Additions and Deductions, net	June 30, 2022
\$ 5,653,494	\$ 260,955	\$ 5,914,449

Note 7 - Long-term Liabilities

The District's long-term liabilities consist of bond indebtedness and compensated absences. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. The debt service expenditures for the lease revenue bonds are paid by the general fund. The current requirements for compensated absences are accounted for in the general fund.

Changes in Long-term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2022, was as follows:

	Balance July 1, 2021, as restated	Additions	Retirements	Balance June 30, 2022	Due Within One Year
General Obligation Bonds	\$ 753,753,205	\$ 146,040,000	\$ (16,352,003)	\$ 883,441,202	\$ 17,053,430
Maintenance Tax Notes	29,570,000	-	-	29,570,000	-
Accumulated Accretion on Capital Appreciation Bonds	55,949,156	1,311,766	(1,947,998)	55,312,924	2,521,570
Finance Lease Payable	109,834	-	(109,834)	-	-
Leases Payable	488,396	95,374	(192,492)	391,278	221,078
Unamortized Premium/Discount on Debt	66,834,370	5,273,663	(5,649,343)	66,458,690	-
Compensated Absences	5,653,494	260,955	-	5,914,449	728,118
	<u>\$ 912,358,455</u>	<u>\$ 152,981,758</u>	<u>\$ (24,251,670)</u>	<u>\$ 1,041,088,543</u>	<u>\$ 20,524,196</u>

General Obligation Bonds and Maintenance Tax Notes

General Obligation Bonds and Maintenance Tax Notes outstanding, at June 30, 2022, are comprised of the following:

Issue	Original Issuance Amount	Interest Rate (%)	Maturity Date	Debt Outstanding
General Obligation Bonds:				
Lease Revenue Refunding Bonds, Series 2001	\$ 37,845,000	3.4% to 5.375%	2024	\$ 9,800,000
Unlimited Tax Refunding Bonds, Series 2012A	51,250,000	2.00% to 5.00%	2030	2,790,000
Unlimited Tax Refunding Bonds, Series 2014	89,415,000	2.00% to 5.00%	2031	27,570,000
Unlimited Tax School Building Bonds, Series 2017	168,350,000	3.00% to 5.00%	2047	165,265,000
Unlimited Tax School Building Bonds, Series 2020	250,765,000	4.00%	2053	250,765,000
Unlimited Tax Refunding Bonds, Series 2020A	74,825,000	1.807-5.00%	2032	73,340,000
Unlimited Tax Refunding Bonds, Series 2020B	215,599,596	0.640-2.730%	2046	207,871,202
Unlimited Tax School Building Bonds, Series 2022	146,040,000	4.00% to 5.00%	2057	146,040,000
				<u>883,441,202</u>
Maintenance Tax Notes:				
Qualified School Construction MTN, Series 2009	16,805,000	2.00%	2026	16,805,000
Qualified School Construction MTN, Series 2017	12,765,000	4.51%	2036	12,765,000
				<u>29,570,000</u>
				<u>\$ 913,011,202</u>

Note 7 - Long-term Liabilities (continued)

General Obligation Bonds and Maintenance Tax Notes (continued)

Debt service requirements to maturity for the General Obligation Bonds are as follows:

Year Ending June 30	Principal	Interest	Totals
2023	\$ 17,053,430	\$ 35,139,289	\$ 52,192,719
2024	16,945,625	37,218,211	54,163,836
2025	16,764,114	36,739,891	53,504,005
2026	13,690,066	36,202,855	49,892,921
2027	13,667,039	35,660,256	49,327,295
2028-2032	78,396,301	168,179,723	246,576,024
2033-2037	84,999,627	164,799,920	249,799,547
2038-2042	132,330,000	116,659,878	248,989,878
2043-2047	156,150,000	92,230,206	248,380,206
2048-2052	176,090,000	58,810,400	234,900,400
2053-2057	177,355,000	20,798,625	198,153,625
	<u>\$ 883,441,202</u>	<u>\$ 802,439,254</u>	<u>\$ 1,685,880,456</u>

In June 2022, the District issued \$146 million of Series 2022 Unlimited Tax School Buildings Bonds for the construction, acquisition, and renovation of school buildings and purchase of necessary sites for school facilities and for payment of costs associated with the issuance of bonds. The new debt was issued with interest rate of 4.00% to 5.00% and maturities from 2023 to 2057. The initial interest payment is due on February 15, 2023.

Debt service requirements to maturity for the Maintenance Tax Notes are as follows:

Year Ending June 30	Principal	Interest	Totals
2023	\$ -	\$ 911,802	\$ 911,802
2024	-	911,802	911,802
2025	-	911,802	911,802
2026	16,805,000	911,802	17,716,802
2027	-	743,752	743,752
2028-2032	-	2,878,510	2,878,510
2033-2037	12,765,000	2,590,659	15,355,659
	<u>\$ 29,570,000</u>	<u>\$ 9,860,129</u>	<u>\$ 39,430,129</u>

There are a number of limitations and restrictions contained in the general obligation bond indentures. Management has indicated that the District is in compliance with all significant limitations and restrictions at June 30, 2022.

Note 7 - Long-term Liabilities (continued)

Deferred Charge on refunding

The balance of deferred charge on refunding at June 30, 2022 was \$22,889,435 and is presented as a deferred outflow of resources in the Statement of Net Position:

	Balance July 01, 2021	Deferred Charge on New Issues	*Recognized Amortization	Balance June 30, 2022
Deferred charge on refunding	\$ 27,215,960	\$ -	\$ 4,326,525	\$ 22,889,435

Prior Years' Refunding of Long-Term Debt

In prior years, the District defeased certain general obligation debt by placing the proceeds of the new bonds in an irrevocable trust, to provide for all future debt service payments on the refunded debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the District's financial statements. At June 30, 2022, the outstanding defeased debt is \$216,100,000.

A portion of the bonds sold in the Series 2020B refunding bond issues were capital appreciation bonds commonly referred to as "premium compound interest bonds." The District annually records the appreciation of the bond principal for the accreted value of the bonds through maturity of the issue. The interest of these bonds series will be paid upon maturity. The following table summarizes the significant features of the individual bonds, by issue:

Series	Original Bond Principal	Accreted Value	Current Year Accreted Interest
2020B Refunding	\$ 215,599,596	\$ 55,312,924	\$ (636,231)

Note 8 - Leases

In fiscal year 2022, the District reported several leases in accordance with GASB Statement No. 87 *Leases*. The District is the lessee for copiers. The District's incremental borrowing rate used to calculate the present value of the lease liability was 4.00%. The ending lease liability as of June 30, 2022 was \$391,278. The District is required to make monthly payments of approximately \$16,600. The copiers have a three to five-year useful life.

Year Ending June 30	Principal	Interest	Totals
2023	\$ 221,078	\$ 11,627	\$ 232,705
2024	131,858	3,509	135,367
2025	32,843	777	33,620
2026	5,499	67	5,566
	<u>\$ 391,278</u>	<u>\$ 15,980</u>	<u>\$ 407,258</u>

Note 9 - Revenues from Local, Intermediate, and Out-of-State Sources

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

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Property taxes	\$ 75,515,658	\$ 36,132,752	\$ -	\$ -	\$ 111,648,410
Penalties, interest and other tax related revenue	896,030	248,665	-	-	1,144,695
Investment Income	253,841	504,857	277,828	1,689	1,038,215
Co-curricular student activities	284,771	-	-	1,684,399	1,969,170
Food sales	-	-	-	49,626	49,626
Other	926,896	-	126,765	383,646	1,437,307
	<u>\$ 77,877,196</u>	<u>\$ 36,886,274</u>	<u>\$ 404,593</u>	<u>\$ 2,119,360</u>	<u>\$ 117,287,423</u>

Note 10 - Federal Source Revenues in the General Fund

For the year ended June 30, 2022, the General Fund reports the following federal revenues:

Program or Source	ALN	Amount
SHARS	N/A	\$ 10,009,002
Army JROTC	12.000	461,772
Medicaid Administrative Claiming Program	N/A	328,467
Impact Aid	84.041	128,752
Indirect Costs - Department of Education	84.XXX	6,643,469
Indirect Costs - Child Nutrition Cluster	10.555	1,186,548
QSCB III (subsidy for interest payment)	N/A	792,881
		<u>\$ 19,550,891</u>

Note 11 - Pension Plan and Other Post-Employment Benefit

A. Plan Description

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

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

B. Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at <https://www.trs.texas.gov/TRS%20Documents/acfr-2021.pdf>, selecting About TRS, then Publications, then Financial Reports or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698.

C. Benefits Provided

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

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

In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increases from the state, participating employers, and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in either the matching amount of their monthly annuity or \$2,000, whichever was less.

Note 11 - Defined Benefit Pension Plan (continued)

D. Contributions

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

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

		Contribution Rates	
		Plan Fiscal Year	
		2022	2021
Member		8.00%	7.70%
Non-employer contributing agency		7.75%	7.50%
Employers		7.75%	7.50%

		Fiscal Year 2022
		Contributions
Employer (District)	\$	10,815,982
Employee (Member)		23,855,044
Non-employer Contributing Entity		
On-behalf Contributions (State)		16,406,962

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

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate, times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year, reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities, or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

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

Note 11 - Defined Benefit Pension Plan (continued)

D. Contributions (continued)

In addition to the employer contributions listed above, the employer is subject to an additional surcharge in the following instances:

- All public schools, charter schools, and regional educational service centers must contribute 1.5 percent of the member's salary beginning in fiscal year 2020, gradually increasing to 2 percent in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

E. Actuarial Assumptions

The actuarial valuation was performed as of August 31, 2020. Update procedures were used to roll forward the total pension liability to August 31, 2021. The total pension liability is determined by an annual actuarial valuation. The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the Plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the three year period ending August 31, 2017 and were adopted in July 2018.

Component	Result
Valuation Date	August 31, 2020, rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.25%
Long-term Expected Rate	7.25%
Municipal Bond Rate as of August 2020	1.95% - The source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index"
Last year ending August 31 in Projection Period (100 years)	2120
Inflation	2.30%
Salary Increases	3.05% to 9.05% including inflation
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2020. For a full description of these assumptions please see the actuarial valuation report dated November 9, 2020.

Note 11 - Defined Benefit Pension Plan (continued)

F. Discount Rate

A single discount rate of 7.25 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent. The projection of flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

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

The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2021 are summarized below:

Asset Class¹	Target Allocation²	Long-Term Expected Geometric Real Rate of Return³	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.00%	3.60%	0.94%
Non-U.S. Developed	13.00%	4.40%	0.83%
Emerging Markets	9.00%	4.60%	0.74%
Private Equity	14.00%	6.30%	1.36%
Stable Value			
Government Bonds	16.00%	-0.20%	0.01%
Absolute Return	0.00%	1.10%	0.00%
Stable Value Hedge Funds	5.00%	2.20%	0.12%
Real Return			
Real Estate	15.00%	4.50%	1.00%
Energy, Natural Resources & Infrastructure	6.00%	4.70%	0.35%
Commodities	0.00%	1.70%	0.00%
Risk Parity	8.00%	2.80%	0.28%
Leverage			
Cash	2.00%	-0.70%	-0.01%
Asset Allocation Leverage	-6.00%	-0.50%	0.03%
Inflation Expectation			2.20%
Volatility Drag ⁴			-0.95%
Expected Return	100.00%		6.90%

¹ Absolute Return includes Credit Sensitive Investments.

² Target allocations are based on the fiscal year 2021 policy model.

³ Capital Market Assumptions come from Aon Hewitt as of August 31, 2021.

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

Note 11 - Defined Benefit Pension Plan (continued)

F. Discount Rate Sensitivity Analysis

The following table presents the Net Pension Liability of the plan using the discount rate of 7.25 percent, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate.

	Discount Rate		
	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
District's proportional share of the net pension liability	\$137,865,500	\$ 63,091,756	\$2,427,552

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

At June 30, 2022, the District reported a liability of \$63,091,756 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District are as follows:

District's proportionate share of the net pension liability	\$ 63,091,756
State's proportionate share of the net pension liability associated with the District	99,971,149
Total	<u>\$ 163,062,905</u>

The District's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2020 through August 31, 2021.

At August 31, 2021, the District's proportion of the collective net pension liability was 0.2477% which was an increase of 0.0264% from its proportion measured as of August 31, 2020.

Changes Since the Prior Actuarial Valuation

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

For the year ended June 30, 2022, the District recognized pension expense of \$5,410,248. The District also recognized an additional on-behalf revenue and expense of \$399,672 representing support provided by the State.

At June 30, 2022, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experience	\$ 105,582	\$ (4,441,710)
Changes of assumption	22,301,703	(9,721,630)
Net difference between projected and actual earnings on pension plan investments	-	(52,901,618)
Changes in proportion and differences between District contributions and proportionate share of contributions	10,391,547	(8,506,914)
District contributions subsequent to the measurement date	9,174,447	-
Total	<u>\$ 41,973,279</u>	<u>\$ (75,571,872)</u>

Note 11 - Defined Benefit Pension Plan (continued)

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

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$9,174,447 will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The net amounts of the District's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year</u>	<u>Pension Expense</u>
2023	\$ (8,316,215)
2024	(8,299,218)
2025	(12,478,408)
2026	(15,325,491)
2027	1,164,533
Thereafter	481,759
	<u>\$ (42,773,040)</u>

Note 12 - Defined Other Post-Employment Benefit Plans

A. Plan Description

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

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

B. OPEB Plan Fiduciary Net Position

Detail information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://www.trs.texas.gov/TRS%20Documents/cafr_2021.pdf, or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

Note 12 - Defined Other Post-Employment Benefit Plans (continued)

C. Benefits Provided

TRS-Care provides health insurance coverage to retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes, including automatic COLAs.

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

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

D. Contributions

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

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25 percent of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65 percent of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor:

	Measurement Year	
	2022	2021
Member	0.65%	0.65%
Non-employer contributing agency	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private funding	1.25%	1.25%

Fiscal Year 2022 Contributions	
Employer (District)	\$ 2,698,518
Employee (Member)	1,942,046
Non-employer Contributing Entity	
On-behalf Contributions (State)	4,192,511

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

Note 12 - Defined Other Post-Employment Benefit Plans (continued)

E. Actuarial Assumptions

The actuarial valuation was performed as of August 31, 2020. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2021. The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. In addition to the demographic assumptions, salary increases and inflation rates used for members of TRS are identical to the assumptions employed in the August 31, 2021 TRS annual pension actuarial valuation.

The rates of mortality, retirement, termination and disability incidence are identical to the assumptions used to value the pension liabilities of the Teacher Retirement System of Texas (TRS). The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017. The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from mortality projection scale MP-2018.

Additional Actuarial Methods and Assumptions:

Component	Result
Valuation Date	August 31, 2020, rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	1.95% as of August 31, 2021
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs.
Projected Salary Increases	3.05% to 9.05% including inflation
Healthcare Trend Rates	The initial medical trend rates were 8.50 percent for Medicare retirees and 7.10 percent for non-Medicare retirees. There was an initial prescription drug trend rate of 8.50 percent for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25 percent over a period of 12 years.
Election Rates	Normal Retirement: 65 percent participation rate prior to age 65 and 40 percent participation rate after age 65. Pre-65 retirees: 25 percent are assumed to discontinue coverage at age 65.
Ad hoc post-employment benefit changes	None

F. Discount Rate

The plan is a pay-as-you-go plan. As such, a single discount rate must be used that is equal to the prevailing municipal bond rate. The single discount rate changed from 2.33 percent as of August 31, 2020 to 1.95 percent, as of August 31, 2021. This change increased the Total OPEB Liability. The following presents the Net OPEB Liability of the plan using the discount rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, as well as what the Net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower, .95 percent or one percentage point higher, 2.95 percent, than the AA/Aa rate. The source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."

Note 12 - Defined Other Post-Employment Benefit Plans (continued)

G. Discount Rate Sensitivity Analysis

Discount Rate – The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (1.95%) in measuring the Net OPEB Liability.

Sensitivity of the Net OPEB Liability to the Single Discount Rate Assumptions

	Discount Rate		
	1% Decrease (0.95%)	Current Rate (1.95%)	1% Increase (2.95%)
District's proportional share of the net OPEB liability	\$157,010,480	\$130,166,241	\$109,038,951

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

At June 30, 2022, the District reported a liability of \$130,166,241 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District are as follows:

District's proportionate share of the net OPEB Liability	\$ 130,166,241
State's proportionate share of the net OPEB liability associated with the District	174,393,755
Total	\$ 304,559,996

The Net OPEB Liability was measured as of August 31, 2020 and rolled forward to August 31, 2021 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The District's proportion of the Net OPEB Liability was based on the District's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2020 through August 31, 2021.

At August 31, 2021, the District's proportion of the collective Net OPEB Liability was 0.3374% which was an increase of 0.0068% from its proportion measured as of August 31, 2020.

Healthcare Cost Trend Rates – The following schedule shows the impact of the Net OPEB Liability if a healthcare trend rate that is 1% less than and 1% greater than the health trend rates assumed.

	Healthcare Cost Trend Rate		
	1% Decrease	Current Rate	1% Increase
District's proportional share of the net OPEB liability	\$105,430,342	\$130,166,241	\$163,355,674

Changes Since the Prior Actuarial Valuation

The single discount rate changed from 2.33 percent as of August 31, 2020 to 1.95 percent, as of August 31, 2021. This change increased the Total OPEB Liability.

For the year ended June 30, 2022, the District recognized negative OPEB expense of \$4,813,255. The District also recognized negative on-behalf OPEB expense and revenue of \$6,436,462 for support provided by the State.

Note 12 - Defined Other Post-Employment Benefit Plans (continued)

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

At June 30, 2022, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 5,604,273	\$ (63,009,567)
Changes of assumptions	14,417,440	(27,527,751)
Net difference between projected and actual earnings on OPEB plan investments	141,319	-
Changes in proportion and differences between District contributions and proportionate share of contributions	5,048,131	(7,752,101)
District contributions subsequent to the measurement date	2,252,147	-
Total	<u>\$ 27,463,310</u>	<u>\$ (98,289,419)</u>

Changes Since the Prior Actuarial Valuation (continued)

The \$2,252,147 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2023. The net amounts of the District's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year</u>	<u>OPEB Expense Amount</u>
2023	\$ (14,181,621)
2024	(14,184,808)
2025	(14,183,936)
2026	(10,757,614)
2027	(6,118,977)
Thereafter	(13,651,300)
	<u>\$ (73,078,256)</u>

I. Medicare Part D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended June 30, 2022, 2021, and 2020, the subsidy payments received by TRS-Care on-behalf of the District were \$904,917, \$1,323,816, and \$1,262,460 respectively. These payments are recorded as equal revenues and expenditures in the governmental funds financial statements of the District.

Note 13 - Risk Management

Property/Liability

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty, and liability coverage through commercial insurance carriers, self-insurance, and from participation in a risk pool. The District's participation in the risk pool is limited to payment of premiums.

Self-Insurance

The District provides health benefits to its employees and dependents through a self-insured employee health benefit plan, which is accounted for in the Internal Service Fund and is principally supported by contributions from the District and employees. The District makes contributions to cover a portion of the employees' premiums, and the employees at their option, authorize payroll withholdings to pay contributions to cover their dependents or increased coverage. The District obtains stop loss coverage through a third-party insurance company for claims in excess of \$300,000 per year and an unlimited lifetime maximum for aggregate loss, which is based on a factor determined monthly by the third-party insurance company. The Internal Service Fund charges the General Fund and other funds for the District's portion of premiums for employees whose salaries are charged to those funds. Claims are paid by a third-party administrator acting on behalf of the District. The Plan was authorized by Section 22.005 Texas Education Code and is documented by contractual agreement.

The District also provides workers' compensation to its employees through a self-insured plan which is accounted for in the Internal Service Fund. The Internal Service Fund charges the General Fund and other funds for premiums for the District's contribution. The District does not purchase coverage for unanticipated catastrophic claims and aggregate loss. However, the District has an excess workers' compensation insurance policy that takes over after the District reaches its \$600,000 self-insured retention level and covers the District up to the statutory required limit. The District established the self-insurance plan for workers' compensation benefits as authorized by Section 504.011 of the Labor Code.

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

The costs associated with these self-insurance plans are reported as interfund transactions to the extent of amounts determined by the third-party administrators. Accordingly, they are treated as operating revenues of the Internal Service Funds and operating expenditures of the governmental and proprietary funds.

Estimates of claims payable and of claims incurred but not reported at June 30, 2022, are reflected as accrued expenses of the Fund. The liabilities include an amount for claims that have been incurred but were not reported until after June 30, 2022. Liability for claims is reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing the liabilities is an estimate. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors.

Changes in the balances of claims liabilities are as follows:

Fiscal Year	Beginning of Year Accrual	Current Year Estimates	Claims Payments	End of Year Accrual
Health Insurance	\$ 4,377,000	\$ 41,680,201	\$ 42,667,293	\$ 3,389,908
Workers' Compensation	1,601,000	2,351,511	1,485,511	2,467,000

Note 14 - Shared Service Arrangements

The District is fiscal agent for a Shared Service Arrangement ("SSA"), which provides services for Adult Basic Education (ABE) to adult students, including those qualifying under the Temporary Assistance for Needy Families (TANF) program, to the member Districts: Ysleta ISD, Socorro ISD and El Paso ISD. All member districts are service providers. Funds are received from the Texas Workforce Commission. According to guidance provided in TEA's Resource Guide, the District has accounted for the fiscal agent's activities of the SSA in the appropriate Special Revenue Funds and has accounted for these funds using Model 2 in the SSA section of the Resource Guide. Expenditures of the SSA are summarized below:

SSA - ABE - Federal

Revenues	
5900 Federal revenue	\$ 2,147,343
	<u>\$ 2,147,343</u>
Expenditures	
6400 Miscellaneous operating costs	\$ 2,147,342
	<u>\$ 2,147,342</u>

SSA - TANF

Revenues	
5900 Federal revenue	\$ 204,779
	<u>\$ 204,779</u>
Expenditures	
6400 Miscellaneous operating costs	\$ 204,779
	<u>\$ 204,779</u>

SSA - ABE - State /Educational Technology (Ed Tech) Pilot

Revenues	
5800 State revenue	\$ 274,637
	<u>\$ 274,637</u>
Expenditures	
6400 Miscellaneous operating costs	\$ 274,637
	<u>\$ 274,637</u>

The District is a member district of a SSA, which provides services to deaf and hard of hearing students within the boundaries of ESC Region 19. Member districts pay El Paso Independent School District Regional Day School Program for the Deaf ("EPISD RDSPD") on a per student basis, for any student residing within the boundary of the District who are enrolled in EPISD RDSPD. The total amount paid during the fiscal year ended June 30, 2022 is \$116,339.

Note 15 - Contingent Liabilities

In 2008, the District entered into an Interlocal Agreement with the City of El Paso in which the District would lease 7.8662 acres from the City for 99 years for \$1 per year. The District agreed to construct a school and related facilities and would grant the City use of certain facilities within that school and related areas. Upon the termination of the lease, the land and any improvements shall be surrendered to and become the property of the City. Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial. The District is a defendant in various lawsuits arising in the normal course of operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and the District's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the District. However, administration has established a provision for losses in the amount of \$1,000,000.

Note 16 - Arbitrage

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary date of the bond issue. The District has estimated that it has no arbitrage liability as of June 30, 2022.

Note 17 - Encumbrances

The District utilizes encumbrance accounting in its governmental funds. Encumbrances represent commitments related to contracts not yet performed (executory contracts) and are used to control expenditures for the year and to enhance cash management. A school district often issues purchase orders or signs contracts for the purchase of goods and services to be received in the future. At the time these commitments are made, which in its simplest form means that when a purchase order is prepared, the appropriate account is checked for available funds. If an adequate balance exists, the amount of the order is immediately charged to the account to reduce the available balance for control purposes. The encumbrance account does not represent an expenditure for the period, only a commitment to expend resources.

At June 30, 2022, certain amounts which are restricted, committed, or assigned for specific purposes have been encumbered in the governmental funds. Significant encumbrances included in governmental fund balances are as follows:

	Encumbrances included in:			
	Restricted Fund Balance	Committed Fund Balance	Assigned Fund Balance	Total Encumbrances
General Fund	\$ -	\$ -	\$ 16,001,032	\$ 16,001,032
Capital Projects Fund	83,892,930	-	-	83,892,930
Nonmajor Governmental Funds	184,514	38,850	-	223,364
Totals	\$ 84,077,444	\$ 38,850	\$ 16,001,032	\$ 100,117,326

Note 18 – Subsequent Event

In fiscal year 2022-2023, the District modified Policy DEC (LOCAL) to allow employees hired after 9/1/1996 to be paid for one-half of their unused sick days upon retirement from the District, up to a maximum of forty-five days. The District is reviewing the potential financial impact of this change on subsequent years.



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION



YSLETA INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2022

Exhibit G-1

Data Control Codes		Budgeted Amounts		Actual Amounts, GAAP Basis	Variance with Final Budget - Positive (Negative)
		Original	Final		
Revenues					
5700	Local, intermediate, and out-of-state	\$ 79,020,084	\$ 79,020,084	\$ 77,877,196	\$ (1,142,888)
5800	State program revenues	319,840,865	319,840,865	304,467,149	(15,373,716)
5900	Federal program revenues	10,225,000	10,225,000	19,550,891	9,325,891
5020	Total Revenues	409,085,949	409,085,949	401,895,236	(7,190,713)
Expenditures					
Current:					
0011	Instruction	230,783,998	223,338,732	223,661,751	(323,019)
0012	Instruction resources and media services	1,488,439	1,676,254	1,230,300	445,954
0013	Curriculum and instructional staff development	5,966,448	5,966,449	4,995,629	970,820
0021	Instructional leadership	7,104,258	7,403,722	7,389,609	14,113
0023	School leadership	28,798,311	28,798,307	27,922,753	875,554
0031	Guidance, counseling and evaluation services	16,236,644	9,586,643	9,563,476	23,167
0032	Social work services	1,486,319	1,786,318	1,404,298	382,020
0033	Health services	5,098,101	1,798,102	1,377,932	420,170
0034	Student transportation	12,280,447	13,140,448	11,794,099	1,346,349
0035	Food services	879,082	879,082	597,964	281,118
0036	Extracurricular activities	11,828,898	15,934,051	15,576,504	357,547
0041	General administration	12,035,728	12,465,649	11,531,082	934,567
0051	Facilities maintenance and operations	53,382,650	61,827,021	46,601,776	15,225,245
0052	Security and monitoring services	6,037,765	6,302,529	5,897,177	405,352
0053	Data processing services	7,465,541	7,485,185	7,078,203	406,982
0061	Community services	123,196	322,079	110,926	211,153
Debt service:					
0071	Principal on long-term debt	2,930,000	3,889,833	3,232,326	657,507
0072	Interest on long-term debt	1,517,296	1,522,113	1,539,417	(17,304)
0073	Debt issuance costs and fees	24,500	119,849	7,500	112,349
Capital outlay:					
0081	Facilities acquisition and construction	1,000,000	16,237,642	3,678,646	12,558,996
Intergovernmental:					
0093	Payments to Fiscal Agent/Member Districts of SSA	115,000	190,000	116,339	73,661
0099	Other intergovernmental charges	1,265,000	1,565,000	1,411,572	153,428
6030	Total Expenditures	407,847,621	422,235,008	386,719,279	35,515,729
Excess (deficiency) of revenues over expenditures					
1100		1,238,328	(13,149,059)	15,175,957	28,325,016
Other Financing Sources (Uses)					
7912	Sale of real or personal property	-	-	3,353,731	3,353,731
7913	Proceeds from capital lease	-	-	95,374	95,374
7915	Transfers in	-	-	-	-
8911	Transfers out	(1,238,328)	(1,238,328)	(1,373,123)	(134,795)
7080	Total Other Financing Sources (Uses)	(1,238,328)	(1,238,328)	2,075,982	3,314,310
1200	Net change in fund balances	-	(14,387,387)	17,251,939	31,639,326
0100	Fund Balance - July 1 (Beginning)	108,386,051	108,386,051	108,386,051	-
3000	Fund Balance - June 30 (Ending)	\$ 108,386,051	\$ 93,998,664	\$ 125,637,990	\$ 31,639,326

YSLETA INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE

A. Budgets and Budgetary Accounting

The District adopts annual appropriations type budgets for the General Fund, Child Nutrition Program Special Revenue Fund, and the Debt Service Fund using the same method of accounting as for financial reporting, as required by law. The remaining Special Revenue Funds (primarily federal grant programs) utilize a managerial type budget approved at the fund level by the Board of Trustees upon acceptance of the grants. These grants are subject to Federal, State and locally imposed project length budgets and monitoring through submission of reimbursement reports. The General Fund Budget report is presented on Exhibit G-1, the Child Nutrition Program Special Revenue fund budget report and the Debt Service Fund budget report appear on Exhibit J-2 and J-3, respectively.

Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests which would require an increase in total budgeted appropriations must be approved by the Trustees through a normal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end. Supplemental appropriations were made to the General Fund during the fiscal year June 30, 2022. The Board of Trustees approved budget amendments to decrease or supplement appropriations as follows:

	<u>General Fund</u>	<u>Child Nutrition Program</u>	<u>Debt Service</u>
Amendments Approved	\$ 14,387,387	\$ 759,050	\$ -

The budget amendments approved in the General Fund were to allocate funds to support new classroom furniture for elementary schools, replacement of the district fueling station, the purchase of white fleet vehicles, and various campus renovation projects.

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

The official school budget was prepared for adoption for budgeted governmental fund types by June 30, 2021. The budget was formally adopted by the Board of Trustees at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the Texas Education Agency (TEA) through inclusion in the annual financial and compliance report. Encumbrance accounting is utilized in all government fund types. Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at year-end and encumbrances outstanding at that time are appropriately provided for in the subsequent year's budget.

B. Expenditures in Excess of Appropriations

At the end of the current fiscal year, the District had the following expenditures in excess of appropriations for the legally adopted budgets:

	<u>General Fund</u>
Current:	
Instruction	\$ 323,019
Debt Service:	
Interest on long-term debt	17,304

Current actual instructional expenditures exceeded the budget due to the District's increased usage of substitute teachers resulting from the difficulty in filling teacher vacancies during the year. Debt Service interest on long term debt is over budget because the District budgets all debt service in function 71, in accordance with the Financial System Accountability Resource Guide. When reviewing functions 71 -73 as shown above, the expenditures are under the combined budget by \$752,552.

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
Teacher Retirement System of Texas
For the Last Eight Measurement Years Ended August 31

	2021	2020	2019	2018
District's proportion of the net pension liability	0.2477%	0.2213%	0.2392%	0.2465%
District's proportionate share of the net pension liability	\$ 63,091,756	\$ 118,540,699	\$ 124,356,659	\$ 135,697,729
State's proportionate share of the net pension liability associated with the District	99,971,149	215,534,201	206,360,184	226,648,067
Total	<u>\$ 163,062,905</u>	<u>\$ 334,074,900</u>	<u>\$ 330,716,843</u>	<u>\$ 362,345,796</u>
District's covered payroll (for Measurement Year)	\$ 312,071,645	\$ 294,629,672	\$ 281,809,867	\$ 278,469,194
District's proportionate share of the net pension liability as a percentage of its covered payroll	20.2%	40.2%	44.1%	48.7%
Plan's fiduciary net position as a percentage of the total pension liability *	88.79%	75.54%	75.24%	73.74%
Plan's net pension liability as a percentage of covered payroll *	51.08%	110.36%	114.93%	126.11%

	2017	2016	2015	2014
District's proportion of the net pension liability	0.2553%	0.2575%	0.2742%	0.1976%
District's proportionate share of the net pension liability	\$ 81,634,756	\$ 97,290,151	\$ 96,930,327	\$ 52,780,544
State's proportionate share of the net pension liability associated with the District	136,826,004	166,026,955	162,030,094	163,222,182
Total	<u>\$ 218,460,760</u>	<u>\$ 263,317,106</u>	<u>\$ 258,960,421</u>	<u>\$ 216,002,726</u>
District's covered payroll (for Measurement Year)	\$ 275,977,992	\$ 271,988,317	\$ 267,689,396	\$ 269,416,257
District's proportionate share of the net pension liability as a percentage of its covered payroll	29.6%	35.8%	36.2%	19.6%
Plan's fiduciary net position as a percentage of the total pension liability *	82.17%	78.00%	78.43%	83.25%
Plan's net pension liability as a percentage of covered payroll *	75.93%	92.75%	91.94%	72.89%

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

Note: Ten years of data should be presented in this schedule, but data is unavailable prior to 2014.

Net Pension Liability and related ratios will be presented prospectively as data becomes available

* Per Teacher Retirement System of Texas' Annual Comprehensive Financial Report.

YSLETA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S PENSION CONTRIBUTIONS
Teacher Retirement System of Texas
For the Last Ten Years Ended June 30

Exhibit G-3

	2022	2021	2020	2019	2018
Contractually required contributions	\$ 10,815,982	\$ 10,409,816	\$ 8,983,963	\$ 8,368,063	\$ 8,272,927
Contributions in relation to the contractually required contributions	10,815,982	10,409,816	8,983,963	8,368,063	8,272,927
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll	\$ 298,888,179	\$ 310,580,567	\$ 293,433,317	\$ 280,580,254	\$ 276,898,100
Contributions as a percentage of covered employee payroll	3.62%	3.35%	3.06%	2.98%	2.99%
	2017	2016	2015	2014	2013
Contractually required contributions	\$ 8,277,745	\$ 7,998,199	\$ 7,677,705	\$ 4,954,171	\$ 4,494,199
Contributions in relation to the contractually required contributions	8,277,745	7,998,199	7,677,705	4,954,171	4,494,199
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll	\$ 275,643,403	\$ 270,867,867	\$ 268,001,219	\$ 269,021,697	\$ 266,793,672
Contributions as a percentage of covered employee payroll	3.00%	2.95%	2.86%	1.84%	1.68%

YSLETA INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION
TEACHER RETIREMENT SYSTEM OF TEXAS
For the Fiscal Year Ended June 30, 2022

Changes of Assumptions

The single discount rate as of August 31, 2021 was 7.25 percent, which is the same rate as of August 31, 2020.

Changes in Benefit Terms

There were no changes of benefit terms that affected measurement of the total pension liability during the 2021 or 2020 measurement periods.

Other Information

Effective September 1, 2014, employers who did not contribute to Social Security for TRS-eligible employees were required to contribute an additional 1.5% of TRS-eligible compensation which nearly doubled the District's contributions into the Plan. Because the District's proportional share of the plan is determined by its proportional share of contributions, the District recognized a corresponding increase in its share of net pension liability.

YSLETA INDEPENDENT SCHOOL DISTRICT
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
Teacher Retirement System of Texas
For the Last Five Measurement Years Ended August 31

Exhibit G-4

	2021	2020	2019
District's proportion of the net OPEB liability	0.3374%	0.3306%	0.3400%
District's proportionate share of the net OPEB liability	\$ 130,166,241	\$ 125,682,642	\$ 160,768,518
State's proportionate share of the net pension liability associated with the District	174,393,755	168,887,344	213,625,401
Total	<u>\$ 304,559,996</u>	<u>\$ 294,569,986</u>	<u>\$ 374,393,919</u>
District's covered payroll (for Measurement Year)	\$ 312,071,645	\$ 281,809,867	\$ 281,809,867
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	41.7%	42.7%	57.0%
Plan's fiduciary net position as a percentage of the total OPEB liability *	6.18%	4.99%	2.66%
Plan's net OPEB liability as a percentage of covered payroll*	100.13%	101.46%	135.21%

	2018	2017
District's proportion of the net OPEB liability	0.3476%	0.3438%
District's proportionate share of the net OPEB liability	\$ 173,554,349	\$ 149,493,006
State's proportionate share of the net pension liability associated with the District	208,436,444	208,436,444
Total	<u>\$ 381,990,793</u>	<u>\$ 357,929,450</u>
District's covered payroll (for Measurement Year)	\$ 278,469,194	\$ 275,977,992
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	62.3%	54.2%
Plan's fiduciary net position as a percentage of the total OPEB liability *	1.57%	0.91%
Plan's net OPEB liability as a percentage of covered payroll*	146.64%	132.55%

Note: Ten years of data should be presented in this schedule but data is unavailable prior to 2017
Net OPEB liability and related ratios will be presented prospectively as data becomes available.

* Per Teacher Retirement System of Texas' Annual Comprehensive Financial Report.

YSLETA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S OPEB CONTRIBUTIONS
Teacher Retirement System of Texas
For the Last Nine Fiscal Years Ended June 30

Exhibit G-5

	2022	2021	2020	2019	2018
Contractually required contributions	\$ 2,698,518	\$ 2,609,238	\$ 2,214,028	\$ 2,401,318	\$ 2,230,167
Contributions in relation to the contractually required contributions	<u>2,698,518</u>	<u>2,609,238</u>	<u>2,214,028</u>	<u>2,401,318</u>	<u>2,230,167</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 298,888,179	\$ 310,580,567	\$ 293,433,317	\$ 280,580,254	\$ 276,898,100
Contributions as a percentage of covered employee payroll	0.90%	0.84%	0.75%	0.86%	0.81%
	2017	2016	2015	2014	
Contractually required contributions	\$ 1,771,371	\$ 1,766,679	\$ 1,750,351	\$ 1,479,838	
Contributions in relation to the contractually required contributions	<u>1,771,371</u>	<u>1,766,679</u>	<u>\$ 1,750,351</u>	<u>\$ 1,479,838</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
District's covered employee payroll	\$ 275,643,403	\$ 270,867,867	\$ 268,001,219	\$ 269,021,697	
Contributions as a percentage of covered employee payroll	0.64%	0.65%	0.65%	0.55%	

YSLETA INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY OPEB INFORMATION
TEACHER RETIREMENT SYSTEM OF TEXAS
For the Fiscal Year Ended June 30, 2022

Changes of Assumptions

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

- The discount rate was 1.95 percent, 2.33 percent, and 2.63 percent as of August 31, 2021, August 31, 2020, and August 31, 2019, respectively.
- During measurement year 2020, the participation rate for post-65 retirees was lowered from 50% to 40%. This change lowered the Total OPEB Liability.
- During measurement year 2020, the ultimate health care trend rate assumption was lowered from 4.50% to 4.25% as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB Liability.
- During measurement year 2019, the health care trend rates were reset to better reflect the plan's anticipated experience. This change increased the TOL.
- During measurement year 2019, the participation rate for pre-65 retirees was lowered from 70 percent to 65 percent. The participation rate for post-65 retirees was lowered from 75 percent to 50 percent. 25 percent of pre-65 retirees are assumed to discontinue their coverage at age 65. There was no lapse assumption in the prior valuation. These changes decreased the TOL.
- During measurement year 2019, the percentage of retirees who are assumed to have two-person coverage was lowered from 20 percent to 15 percent. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20 percent to 10 percent. These changes decreased the TOL.

Changes in Benefit Terms

There were no changes in benefit terms in the 2021 measurement year.

The 85th Legislature, Regular Session, passed the following statutory changes in House Bill 3976 which became effective on September 1, 2017:

- Created a high-deductible health plan that provides a zero cost for generic prescriptions for certain preventive drugs and provides a zero premium for disability retirees who retired as a disability retiree on or before January 1, 2017 and are not eligible to enroll in Medicare.
- Created a single Medicare Advantage plan and Medicare prescription drug plan for all Medicare-eligible participants.
- Allowed the System to provide other, appropriate health benefit plans to address the needs of enrollees eligible for Medicare.
- Allowed eligible retirees and their eligible dependents to enroll in TRS-Care when the retiree reaches 65 years of age, rather than waiting for the next enrollment period.
- Eliminated free coverage under TRS-Care, except for certain disability retirees enrolled during Plan Years 2018 through 2021, requiring members to contribute \$200 per month toward their health insurance premiums.

OTHER SUPPLEMENTARY INFORMATION

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

Exhibit H-1
Page 1 of 10

		206	211	212
Data		ESEA, Title III-B, Education for Homeless Children and Youth	ESEA Title I, A - Improving Basic Ed.	ESEA Title I, Part C - Education of Migratory Children
Control				
Codes				
	Assets			
1110	Cash and temporary investments	\$ -	\$ -	\$ -
	Receivables:			
1240	Receivables from other governments	17,250	3,033,009	10,181
1260	Due from other funds	-	-	-
1000	Total Assets	\$ 17,250	\$ 3,033,009	\$ 10,181
	Liabilities and Fund Balances			
	Liabilities:			
2110	Accounts payable	\$ -	\$ 55,118	\$ -
2170	Due to other funds	17,250	2,977,891	10,181
2180	Payable to other governments	-	-	-
2300	Unearned revenue	-	-	-
2000	Total Liabilities	17,250	3,033,009	10,181
	Fund Balance			
	Non-Spendable:			
	Restricted:			
3450	Federal/State funds grant restrictions	-	-	-
	Committed:			
3545	Other purposes	-	-	-
3000	Total Fund Balances	-	-	-
4000	Total Liabilities and Fund Balance	\$ 17,250	\$ 3,033,009	\$ 10,181

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

Exhibit H-1
Page 2 of 10

		220	223	224
Data Control Codes		Adult Basic Education (ABE)	Temporary Assistance for Needy Families (TANF)	IDEA B - Formula
Assets				
1110	Cash and temporary investments	\$ -	\$ -	\$ -
	Receivables:			
1240	Receivables from other governments	131,874	9,138	2,424,535
1260	Due from other funds	-	-	-
1000	Total Assets	\$ 131,874	\$ 9,138	\$ 2,424,535
Liabilities and Fund Balances				
Liabilities:				
2110	Accounts payable	\$ 15,581	\$ -	\$ -
2170	Due to other funds	116,293	9,138	2,424,535
2180	Payable to other governments	-	-	-
2300	Unearned revenue	-	-	-
2000	Total Liabilities	131,874	9,138	2,424,535
Fund Balance				
Non-Spendable:				
Restricted:				
3450	Federal/State funds grant restrictions	-	-	-
Committed:				
3545	Other purposes	-	-	-
3000	Total Fund Balances	-	-	-
4000	Total Liabilities and Fund Balance	\$ 131,874	\$ 9,138	\$ 2,424,535

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

Exhibit H-1
Page 3 of 10

		225	240	242
Data Control Codes		IDEA B - Preschool	Child Nutrition	Summer Feeding Program
Assets				
1110	Cash and temporary investments	\$ -	\$ 3,872,155	\$ -
	Receivables:			
1240	Receivables from other governments	31,820	-	227,788
1260	Due from other funds	-	696,410	-
1000	Total Assets	\$ 31,820	\$ 4,568,565	\$ 227,788
Liabilities and Fund Balances				
	Liabilities:			
2110	Accounts payable	\$ -	\$ 72,859	\$ 4,590
2170	Due to other funds	31,820	-	223,198
2180	Payable to other governments	-	-	-
2300	Unearned revenue	-	-	-
2000	Total Liabilities	31,820	72,859	227,788
Fund Balance				
	Non-Spendable:			
	Restricted:			
3450	Federal/State funds grant restrictions	-	4,495,706	-
	Committed:			
3545	Other purposes	-	-	-
3000	Total Fund Balances	-	4,495,706	-
4000	Total Liabilities and Fund Balance	\$ 31,820	\$ 4,568,565	\$ 227,788

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

Exhibit H-1
Page 4 of 10

		244	255	263
Data Control Codes		Career and Technical Education - Basic	ESEA Title II, A - Training and Recruiting	English Language Acquisition and Language Enhancement
Assets				
1110	Cash and temporary investments	\$ -	\$ -	\$ -
	Receivables:			
1240	Receivables from other governments	318,590	723,659	-
1260	Due from other funds	-	-	124,355
1000	Total Assets	\$ 318,590	\$ 723,659	\$ 124,355
Liabilities and Fund Balances				
Liabilities:				
2110	Accounts payable	\$ 20,642	\$ 214,738	\$ 88,746
2170	Due to other funds	297,948	508,921	-
2180	Payable to other governments	-	-	35,609
2300	Unearned revenue	-	-	-
2000	Total Liabilities	318,590	723,659	124,355
Fund Balance				
Non-Spendable:				
Restricted:				
3450	Federal/State funds grant restrictions	-	-	-
Committed:				
3545	Other purposes	-	-	-
3000	Total Fund Balances	-	-	-
4000	Total Liabilities and Fund Balance	\$ 318,590	\$ 723,659	\$ 124,355

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

Exhibit H-1
Page 5 of 10

		265	266	272
Data Control Codes		Title IV, Part B - 21st Century Community Learning Centers	ESSER	Medicaid Administrative Claiming Program - MAC
Assets				
1110	Cash and temporary investments	\$ -	\$ -	\$ -
Receivables:				
1240	Receivables from other governments	451,136	18,090	69,221
1260	Due from other funds	-	-	-
1000	Total Assets	<u>\$ 451,136</u>	<u>\$ 18,090</u>	<u>\$ 69,221</u>
Liabilities and Fund Balances				
Liabilities:				
2110	Accounts payable	\$ 20,659	\$ 18,090	\$ -
2170	Due to other funds	430,477	-	69,221
2180	Payable to other governments	-	-	-
2300	Unearned revenue	-	-	-
2000	Total Liabilities	<u>451,136</u>	<u>18,090</u>	<u>69,221</u>
Fund Balance				
Non-Spendable:				
Restricted:				
3450	Federal/State funds grant restrictions	-	-	-
Committed:				
3545	Other purposes	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balance	<u>\$ 451,136</u>	<u>\$ 18,090</u>	<u>\$ 69,221</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

Exhibit H-1
Page 6 of 10

		279	284	285
		Texas COVID		
		Learning		
		Acceleration		
Data		Support - ESSER	IDEA - Part B,	IDEA-Part B,
Control		III	Formula - ARP	Preschool - ARP
Codes				
Assets				
1110	Cash and temporary investments	\$ -	\$ -	\$ -
Receivables:				
1240	Receivables from other governments	93,918	127,839	70,627
1260	Due from other funds	-	-	-
1000	Total Assets	\$ 93,918	\$ 127,839	\$ 70,627
Liabilities and Fund Balances				
Liabilities:				
2110	Accounts payable	\$ -	\$ 3,542	\$ 67,516
2170	Due to other funds	93,918	124,297	3,111
2180	Payable to other governments	-	-	-
2300	Unearned revenue	-	-	-
2000	Total Liabilities	93,918	127,839	70,627
Fund Balance				
Non-Spendable:				
Restricted:				
3450	Federal/State funds grant restrictions	-	-	-
Committed:				
3545	Other purposes	-	-	-
3000	Total Fund Balances	-	-	-
4000	Total Liabilities and Fund Balance	\$ 93,918	\$ 127,839	\$ 70,627

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

Exhibit H-1
Page 7 of 10

		289	309	312
Data Control Codes		Federally Funded Special Revenue	SSA- Adult Basic Education (ABE)	SSA- Temporary Assistance for Needy Families (TANF)
Assets				
1110	Cash and temporary investments	\$ -	\$ -	\$ -
Receivables:				
1240	Receivables from other governments	312,468	254,025	13,342
1260	Due from other funds	-	3,159	12,989
1000	Total Assets	\$ 312,468	\$ 257,184	\$ 26,331
Liabilities and Fund Balances				
Liabilities:				
2110	Accounts payable	\$ 15,880	\$ 257,183	\$ 26,331
2170	Due to other funds	281,946	-	-
2180	Payable to other governments	-	-	-
2300	Unearned revenue	14,642	-	-
2000	Total Liabilities	312,468	257,183	26,331
Fund Balance				
Non-Spendable:				
Restricted:				
3450	Federal/State funds grant restrictions	-	1	-
Committed:				
3545	Other purposes	-	-	-
3000	Total Fund Balances	-	1	-
4000	Total Liabilities and Fund Balance	\$ 312,468	\$ 257,184	\$ 26,331

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

Exhibit H-1
Page 8 of 10

		381	397	410
Data Control Codes		Adult Basic Education (ABE)	Advanced Placement Incentive	Instructional Materials Allotment
Assets				
1110	Cash and temporary investments	\$ -	\$ -	\$ -
	Receivables:			
1240	Receivables from other governments	8,221	-	-
1260	Due from other funds	-	257,956	1,171,203
1000	Total Assets	<u>\$ 8,221</u>	<u>\$ 257,956</u>	<u>\$ 1,171,203</u>
Liabilities and Fund Balances				
Liabilities:				
2110	Accounts payable	\$ 45	\$ -	\$ 10,369
2170	Due to other funds	8,176	-	-
2180	Payable to other governments	-	-	-
2300	Unearned revenue	-	257,956	1,160,834
2000	Total Liabilities	<u>8,221</u>	<u>257,956</u>	<u>1,171,203</u>
Fund Balance				
Non-Spendable:				
Restricted:				
3450	Federal/State funds grant restrictions	-	-	-
Committed:				
3545	Other purposes	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balance	<u>\$ 8,221</u>	<u>\$ 257,956</u>	<u>\$ 1,171,203</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

Exhibit H-1
Page 9 of 10

		427	429	431
Data Control Codes		Texas Women's University Reading Recovery	State Funded Special Revenue Fund	SSA- Adult Basic Education State Ed Tech Pilot
Assets				
1110	Cash and temporary investments	\$ -	\$ -	\$ -
	Receivables:			
1240	Receivables from other governments	-	30,527	21,500
1260	Due from other funds	-	20,623	-
1000	Total Assets	<u>\$ -</u>	<u>\$ 51,150</u>	<u>\$ 21,500</u>
Liabilities and Fund Balances				
Liabilities:				
2110	Accounts payable	\$ -	\$ 2,926	\$ -
2170	Due to other funds	-	-	21,500
2180	Payable to other governments	-	-	-
2300	Unearned revenue	-	48,224	-
2000	Total Liabilities	<u>-</u>	<u>51,150</u>	<u>21,500</u>
Fund Balance				
Non-Spendable:				
Restricted:				
3450	Federal/State funds grant restrictions	-	-	-
Committed:				
3545	Other purposes	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
		<u>\$ -</u>	<u>\$ 51,150</u>	<u>\$ 21,500</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

Exhibit H-1
Page 10 of 10

		461	483	499	
Data				Locally	
Control				Defined	
Codes		Campus Activity	Comprehensive	Special	Total Nonmajor
		Fund	Care Center	Revenue	Governmental
				Fund	Funds
Assets					
1110	Cash and temporary investments	\$ 1,930,763	\$ -	\$ -	\$ 5,802,918
Receivables:					
1240	Receivables from other governments	-	-	-	8,398,758
1260	Due from other funds	-	16,944	728,480	3,032,119
1000	Total Assets	\$ 1,930,763	\$ 16,944	\$ 728,480	\$ 17,233,795
Liabilities and Fund Balances					
Liabilities:					
2110	Accounts payable	\$ 129,385	\$ 349	\$ 7,451	1,032,000
2170	Due to other funds	289,212	-	-	7,939,033
2180	Payable to other governments	-	-	-	35,609
2300	Unearned revenue	-	-	721,029	2,202,685
2000	Total Liabilities	418,597	349	728,480	11,209,327
Fund Balance					
Non-Spendable:					
Restricted:					
3450	Federal/State funds grant restrictions	-	16,595	-	4,512,302
Committed:					
3545	Other purposes	1,512,166	-	-	1,512,166
3000	Total Fund Balances	1,512,166	16,595	-	6,024,468
4000	Total Liabilities and Fund Balance	\$ 1,930,763	\$ 16,944	\$ 728,480	\$ 17,233,795

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit H-2
Page 1 of 10

Data Control Codes		206	211	212
		ESEA, Title III-B, Education for Homeless Children and Youth	ESEA Title I, A - Improving Basic Ed.	ESEA Title I, Part C - Education of Migratory Children
Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	74,843	15,483,385	60,492
5020	Total Revenues	74,843	15,483,385	60,492
Expenditures				
Current:				
0011	Instruction	36,504	13,925,979	56,614
0012	Instruction resources and media services	-	-	-
0013	Curriculum and instructional staff development	-	367,617	-
0021	Instructional leadership	-	73,997	87
0023	School leadership	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-
0032	Social work services	38,339	867,274	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	248,518	3,791
Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	-
6030	Total Expenditures	74,843	15,483,385	60,492
1200	Net change in fund balances	-	-	-
0100	Fund Balance - July 1 (Beginning)	-	-	-
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit H-2
Page 2 of 10

		220	223	224
Data Control Codes		Adult Basic Education (ABE)	Temporary Assistance for Needy Families (TANF)	IDEA B - Formula
Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	769,042	85,730	7,569,313
5020	Total Revenues	<u>769,042</u>	<u>85,730</u>	<u>7,569,313</u>
Expenditures				
Current:				
0011	Instruction	474,377	55,810	7,300,677
0012	Instruction resources and media services	-	-	-
0013	Curriculum and instructional staff development	69,048	142	-
0021	Instructional leadership	-	-	-
0023	School leadership	144,203	15,973	-
0031	Guidance, counseling and evaluation services	80,934	13,724	-
0032	Social work services	-	-	268,636
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	480	81	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	-	-
Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	-
6030	Total Expenditures	<u>769,042</u>	<u>85,730</u>	<u>7,569,313</u>
1200	Net change in fund balances	-	-	-
0100	Fund Balance - July 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit H-2
Page 3 of 10

		225	240	242
Data Control Codes		IDEA B - Preschool	Child Nutrition	Summer Feeding Program
Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ 65,456	\$ -
5800	State program revenues	-	57,831	-
5900	Federal program revenues	110,741	26,391,587	258,307
5020	Total Revenues	<u>110,741</u>	<u>26,514,874</u>	<u>258,307</u>
Expenditures				
Current:				
0011	Instruction	1,667	-	-
0012	Instruction resources and media services	-	-	-
0013	Curriculum and instructional staff development	-	-	-
0021	Instructional leadership	-	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling and evaluation services	109,074	-	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food service	-	24,205,163	258,307
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	-	-
Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	-
6030	Total Expenditures	<u>110,741</u>	<u>24,205,163</u>	<u>258,307</u>
1200	Net change in fund balances	-	2,309,711	-
0100	Fund Balance - July 1 (Beginning)	<u>-</u>	<u>2,185,995</u>	<u>-</u>
3000	Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ 4,495,706</u>	<u>\$ -</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit H-2
Page 4 of 10

		244	255	263
Data Control Codes		Career and Technical Education - Basic	ESEA Title II, A - Training and Recruiting	English Language Acquisition and Language Enhancement
Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	741,641	2,085,904	771,346
5020	Total Revenues	<u>741,641</u>	<u>2,085,904</u>	<u>771,346</u>
Expenditures				
Current:				
0011	Instruction	476,664	5,362	496,235
0012	Instruction resources and media services	-	-	-
0013	Curriculum and instructional staff development	38,828	1,595,292	272,879
0021	Instructional leadership	127,192	199,339	1,625
0023	School leadership	-	152,282	-
0031	Guidance, counseling and evaluation services	96,574	6,793	-
0032	Social work services	-	618	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	2,383	-	-
0041	General administration	-	116,207	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	10,011	607
Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	-
6030	Total Expenditures	<u>741,641</u>	<u>2,085,904</u>	<u>771,346</u>
1200	Net change in fund balances	-	-	-
0100	Fund Balance - July 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit H-2
Page 5 of 10

		265	266	272
Data Control Codes		Title IV, Part B - 21st Century Community Learning Centers	ESSER	Medicaid Administrative Claiming Program - MAC
Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	1,589,574	1,469,559	-
5020	Total Revenues	1,589,574	1,469,559	-
Expenditures				
Current:				
0011	Instruction	615,405	-	-
0012	Instruction resources and media services	-	768,066	-
0013	Curriculum and instructional staff development	4,362	-	-
0021	Instructional leadership	543,316	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling and evaluation services	9,990	-	-
0032	Social work services	-	-	-
0033	Health services	-	6,364	-
0034	Student transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	307,814	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	27,944	-	-
0053	Data processing services	-	695,129	-
0061	Community services	80,743	-	-
Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	-
6030	Total Expenditures	1,589,574	1,469,559	-
1200	Net change in fund balances	-	-	-
0100	Fund Balance - July 1 (Beginning)	-	-	-
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit H-2
Page 6 of 10

		279	284	285
Data Control Codes		Texas COVID Learning Acceleration Support - ESSER III	IDEA - Part B, Formula - ARP	IDEA-Part B, Preschool - ARP
Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	85,318	122,207	67,516
5020	Total Revenues	85,318	122,207	67,516
Expenditures				
Current:				
0011	Instruction	85,318	50,336	67,516
0012	Instruction resources and media services	-	-	-
0013	Curriculum and instructional staff development	-	780	-
0021	Instructional leadership	-	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling and evaluation services	-	71,091	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	-	-
Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	-
6030	Total Expenditures	85,318	122,207	67,516
1200	Net change in fund balances	-	-	-
0100	Fund Balance - July 1 (Beginning)	-	-	-
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit H-2
Page 7 of 10

		289	309	312
Data Control Codes		Federally Funded Special Revenue	SSA- Adult Basic Education (ABE)	SSA- Temporary Assistance for Needy Families (TANF)
Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	2,291,533	2,147,343	204,779
5020	Total Revenues	<u>2,291,533</u>	<u>2,147,343</u>	<u>204,779</u>
Expenditures				
Current:				
0011	Instruction	1,422,459	-	-
0012	Instruction resources and media services	3,500	-	-
0013	Curriculum and instructional staff development	90,768	-	-
0021	Instructional leadership	-	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling and evaluation services	146,132	-	-
0032	Social work services	-	-	-
0033	Health services	428,108	-	-
0034	Student transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	58,206	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	13,136	-	-
0053	Data processing services	119,559	-	-
0061	Community services	9,665	-	-
Intergovernmental:				
0093	Payments related to shared services arrangement	-	2,147,342	204,779
6030	Total Expenditures	<u>2,291,533</u>	<u>2,147,342</u>	<u>204,779</u>
1200	Net change in fund balances	-	1	-
0100	Fund Balance - July 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit H-2
Page 8 of 10

		381	397	410
Data Control Codes		Adult Basic Education (ABE)	Advanced Placement Incentive	Instructional Materials Allotment
Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ 3,208
5800	State program revenues	108,285	3,029	1,881,238
5900	Federal program revenues	-	-	-
5020	Total Revenues	<u>108,285</u>	<u>3,029</u>	<u>1,884,446</u>
Expenditures				
Current:				
0011	Instruction	83,594	3,029	1,865,787
0012	Instruction resources and media services	-	-	-
0013	Curriculum and instructional staff development	3,322	-	-
0021	Instructional leadership	-	-	344
0023	School leadership	530	-	-
0031	Guidance, counseling and evaluation services	19,150	-	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	17,280
0051	Facilities maintenance and operations	1,689	-	1,035
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	-	-
Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	-
6030	Total Expenditures	<u>108,285</u>	<u>3,029</u>	<u>1,884,446</u>
1200	Net change in fund balances	-	-	-
0100	Fund Balance - July 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit H-2
Page 9 of 10

		427	429	431
Data		Texas Women's	State Funded	SSA- Adult Basic
Control		University	Special Revenue	Education State
Codes		Reading	Fund	Ed Tech Pilot
		Recovery		
Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800	State program revenues	153,346	234,739	274,637
5900	Federal program revenues	-	-	-
5020	Total Revenues	153,346	234,739	274,637
Expenditures				
Current:				
0011	Instruction	153,346	2,220	-
0012	Instruction resources and media services	-	-	-
0013	Curriculum and instructional staff development	-	66,581	-
0021	Instructional leadership	-	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling and evaluation services	-	20,098	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	-	145,840	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	-	-
Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	274,637
6030	Total Expenditures	153,346	234,739	274,637
1200	Net change in fund balances	-	-	-
0100	Fund Balance - July 1 (Beginning)	-	-	-
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

Exhibit H-2
Page 10 of 10

		461	483	499	
Data				Locally	
Control				Defined	
Codes		Campus Activity	Comprehensive	Special	Total Nonmajor
		Fund	Care Center	Revenue	Governmental
				Fund	Funds
	Revenues				
5700	Local, intermediate, and out-of-state	\$ 1,684,671	\$ -	\$ 366,025	\$ 2,119,360
5800	State program revenues	-	-	2,191	2,715,296
5900	Federal program revenues	-	-	-	62,380,160
5020	Total Revenues	1,684,671	-	368,216	67,214,816
	Expenditures				
	Current:				
0011	Instruction	270,352	-	300,305	27,749,556
0012	Instruction resources and media services	5,010	-	2,795	779,371
0013	Curriculum and instructional staff development	27,763	-	200	2,537,582
0021	Instructional leadership	-	-	-	945,900
0023	School leadership	440,312	-	1,714	755,014
0031	Guidance, counseling and evaluation services	-	-	-	573,560
0032	Social work services	-	-	-	1,174,867
0033	Health services	156	-	4	434,632
0034	Student transportation	2,572	-	-	2,572
0035	Food service	-	-	-	24,463,470
0036	Extracurricular activities	755,365	-	21,053	1,144,821
0041	General administration	-	-	-	133,487
0051	Facilities maintenance and operations	24,240	-	-	173,365
0052	Security and monitoring services	510	-	39,680	81,270
0053	Data processing services	-	-	-	814,688
0061	Community services	15,600	-	2,465	371,400
	Intergovernmental:				
0093	Payments related to shared services arrangement	-	-	-	2,626,758
6030	Total Expenditures	1,541,880	-	368,216	64,762,313
1200	Net change in fund balances	142,791	-	-	2,452,503
0100	Fund Balance - July 1 (Beginning)	1,369,375	16,595	-	3,571,965
3000	Fund Balance - June 30 (Ending)	\$ 1,512,166	\$ 16,595	\$ -	\$ 6,024,468

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2022

Exhibit H-3
Page 1 of 2

	753	770	776
	Health Insurance	Workers' Compensation	Speech Therapy
Assets			
Current Assets:			
Due from other funds	\$ 11,782,518	\$ 3,590,585	\$ -
Total Current Assets	<u>11,782,518</u>	<u>3,590,585</u>	<u>-</u>
Noncurrent Assets:			
Capital Assets:			
Furniture and equipment	-	-	-
Accumulated depreciation - Furniture and Equipment	<u>-</u>	<u>-</u>	<u>-</u>
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 11,782,518</u>	<u>\$ 3,590,585</u>	<u>\$ -</u>
Liabilities			
Current Liabilities:			
Accounts payable	\$ 27,210	\$ -	\$ -
Due to other funds	-	-	-
Accrued expenses	<u>3,389,908</u>	<u>2,467,000</u>	<u>-</u>
Total Liabilities	<u>3,417,118</u>	<u>2,467,000</u>	<u>-</u>
Net Position			
Net investment in capital assets	-	-	-
Unrestricted net position	<u>8,365,400</u>	<u>1,123,585</u>	<u>\$ -</u>
Total Net Position	<u>\$ 8,365,400</u>	<u>\$ 1,123,585</u>	<u>\$ -</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2022

Exhibit H-3
Page 2 of 2

777

	Print Shop Services	Total Internal Service Funds
Assets		
Current Assets:		
Due from other funds	\$ -	\$ 15,373,103
Total Current Assets	-	15,373,103
Noncurrent Assets:		
Capital Assets:		
Furniture and equipment	306,162	306,162
Accumulated depreciation - Furniture and Equipment	(291,222)	(291,222)
Total Noncurrent Assets	14,940	14,940
Total Assets	\$ 14,940	\$ 15,388,043
Liabilities		
Current Liabilities:		
Accounts payable	\$ 14,490	\$ 41,700
Due to other funds	450	450
Accrued expenses	-	5,856,908
Total Liabilities	14,940	5,899,058
Net Position		
Net investment in capital assets	14,940	14,940
Unrestricted net position	(14,940)	9,474,045
Total Net Position	\$ -	\$ 9,488,985

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2022

Exhibit H-4
Page 1 of 2

	753	770	776
	Health Insurance	Workers' Compensation	Speech Therapy
Operating Revenues			
Miscellaneous revenue from local sources	\$ 5,177,749	\$ -	\$ -
Interfund service provided	47,029,716	2,647,062	4,163,382
Total Operating Revenues	<u>52,207,465</u>	<u>2,647,062</u>	<u>4,163,382</u>
Operating Expenses			
Payroll costs	225,871	182,852	4,140,052
Purchased and contracted services	2,609,928	159,960	-
Supplies and materials	371	-	-
Claims expense and other operating expenses	42,209,252	3,113,899	-
Total Operating Expenses	<u>45,045,422</u>	<u>3,456,711</u>	<u>4,140,052</u>
Operating Income (Loss)	<u>7,162,043</u>	<u>(809,649)</u>	<u>23,330</u>
Transfers			
Transfers in	-	-	-
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	7,162,043	(809,649)	23,330
Net Position - Beginning	<u>1,203,357</u>	<u>1,933,234</u>	<u>(23,330)</u>
Net Position - Ending	<u>\$ 8,365,400</u>	<u>\$ 1,123,585</u>	<u>\$ -</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2022

Exhibit H-4
Page 2 of 2

777

	Print Shop Services	Total Internal Service Funds
Operating Revenues		
Miscellaneous revenue from local sources	\$ -	\$ 5,177,749
Interfund service provided	451,081	54,291,241
Total Operating Revenues	<u>451,081</u>	<u>59,468,990</u>
Operating Expenses		
Payroll costs	315,781	4,864,556
Purchased and contracted services	31,401	2,801,289
Supplies and materials	91,644	92,015
Claims expense and other operating expenses	-	45,323,151
Total Operating Expenses	<u>438,826</u>	<u>53,081,011</u>
Operating Income (Loss)	<u>12,255</u>	<u>6,387,979</u>
Transfers		
Transfers in	9,308	9,308
Total Transfers	<u>9,308</u>	<u>9,308</u>
Change in net position	21,563	6,397,287
Net Position - Beginning	<u>(21,563)</u>	<u>3,091,698</u>
Net Position - Ending	<u>\$</u>	<u>\$ 9,488,985</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2022

Exhibit H-5
Page 1 of 2

	753 Health Insurance	770 Workers' Compensation	776 Speech Therapy
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash received from user charges	\$ 46,007,464	\$ 2,590,711	\$ 4,166,440
Cash payments to employees	(225,871)	(182,852)	(4,166,440)
Cash payments to suppliers for goods and services	(2,585,249)	(159,960)	-
Cash payments for insurance claims	(42,667,293)	(1,485,511)	-
Cash payments for other operating expenses	(529,051)	(762,388)	-
Net Cash Provided by (Used for) Operating Activities	-	-	-
Cash Flows from Non-Capital Financing Activities:			
Transfers in	-	-	-
Net Cash Provided by (Used for) Non-Capital Financing Activities	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents at Beginning of Year	-	-	-
Cash and Cash Equivalents at End of Year	\$ -	\$ -	\$ -
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ 7,162,043	\$ (809,649)	\$ 23,330
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Change in Assets and Liabilities:			
Decrease (increase) in interfund receivables	(6,200,001)	(56,351)	3,058
Increase (decrease) in accounts payable	25,050	-	-
Increase in accrued wages payable	-	-	(26,388)
Increase (decrease) in Interfund Payables	-	-	-
Increase (decrease) in claims payable	(987,092)	866,000	-
Net Cash Provided by (Used for) Operating Activities	\$ -	\$ -	\$ -

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2022

Exhibit H-5
Page 2 of 2

	777	
	Print Shop	Total Internal
	Services	Service Funds
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities:		
Cash received from user charges	\$ 420,081	\$ 53,184,696
Cash payments to employees	(315,781)	(4,890,944)
Cash payments to suppliers for goods and services	(113,608)	(2,858,817)
Cash payments for insurance claims	-	(44,152,804)
Cash payments for other operating expenses	-	(1,291,439)
Net Cash Provided by (Used for) Operating Activities	<u>(9,308)</u>	<u>(9,308)</u>
Cash Flows from Non-Capital Financing Activities:		
Transfers in	<u>9,308</u>	<u>9,308</u>
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>9,308</u>	<u>9,308</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents at Beginning of Year	-	-
Cash and Cash Equivalents at End of Year	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating income (loss)	\$ 12,255	\$ 6,387,979
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Change in Assets and Liabilities:		
Decrease (increase) in interfund receivables	-	(6,253,294)
Increase (decrease) in accounts payable	9,437	34,487
Increase in accrued wages payable	-	(26,388)
Increase (decrease) in Interfund Payables	(31,000)	(31,000)
Increase (decrease) in claims payable	-	(121,092)
Net Cash Provided by (Used for) Operating Activities	<u>\$ (9,308)</u>	<u>\$ (9,308)</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2022

Exhibit H-6
Page 1 of 2

	712 Teachers Network Technology	717 Regional Wrestling Meet	721 Employee Daycare Collaborative
Assets			
Current Assets:			
Cash and cash equivalents	\$ -	\$ -	\$ 200
Due from other funds	25,717	-	-
Total Assets	<u>25,717</u>	<u>-</u>	<u>200</u>
Liabilities			
Current Liabilities:			
Accounts payable	-	-	-
Due to other funds	-	-	200
Total Liabilities	<u>-</u>	<u>-</u>	<u>200</u>
Net Position			
Unrestricted	25,717	-	-
Total Net Position	<u>\$ 25,717</u>	<u>\$ -</u>	<u>\$ -</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2022

Exhibit H-6
Page 2 of 2

	722	726	
	Oasis Program	District Events	Total
Assets			
Current Assets:			
Cash and cash equivalents	\$ -	\$ -	\$ 200
Due from other funds	30,402	7,680	63,799
Total Assets	30,402	7,680	63,999
Liabilities			
Current Liabilities:			
Accounts payable	3,605	-	3,605
Due to other funds	-	-	200
Total Liabilities	3,605	-	3,805
Net Position			
Unrestricted	26,797	7,680	60,194
Total Net Position	\$ 26,797	\$ 7,680	\$ 60,194

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2022

Exhibit H-7
Page 1 of 2

	712 Teachers Network Technology	717 Regional Wrestling Meet	721 Employee Daycare Collaborative
Operating Revenues			
Miscellaneous revenue from local sources	\$ -	\$ 15,707	\$ 129,850
Total Operating Revenues	<u>-</u>	<u>15,707</u>	<u>129,850</u>
Operating Expenses			
Payroll costs	-	3,389	252,784
Purchased and contracted services	6,000	11,020	-
Supplies and materials	-	1,001	-
Other operating expenses	-	2,850	-
Total Operating Expenses	<u>6,000</u>	<u>18,260</u>	<u>252,784</u>
Operating income (loss)	<u>(6,000)</u>	<u>(2,553)</u>	<u>(122,934)</u>
Other Financing Sources (Uses)			
Transfers in	-	2,553	122,934
Total Other Financing Sources (Uses)	<u>-</u>	<u>2,553</u>	<u>122,934</u>
Change in net position	(6,000)	-	-
Net Position - Beginning	<u>31,717</u>	<u>-</u>	<u>-</u>
Net Position - Ending	<u>\$ 25,717</u>	<u>\$ -</u>	<u>\$ -</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2022

Exhibit H-7
Page 2 of 2

	722	726	
	Oasis Program	District Events	Total
Operating Revenues			
Miscellaneous revenue from local sources	\$ 8,612	\$ -	\$ 154,169
Total Operating Revenues	<u>8,612</u>	<u>-</u>	<u>154,169</u>
Operating Expenses			
Payroll costs	665	-	256,838
Purchased and contracted services	456	-	17,476
Supplies and materials	14,914	-	15,915
Other operating expenses	-	-	2,850
Total Operating Expenses	<u>16,035</u>	<u>-</u>	<u>293,079</u>
Operating income (loss)	<u>(7,423)</u>	<u>-</u>	<u>(138,910)</u>
Other Financing Sources (Uses)			-
Transfers in	-	-	125,487
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>125,487</u>
Change in net position	(7,423)	-	(13,423)
Net Position - Beginning	<u>34,220</u>	<u>7,680</u>	<u>73,617</u>
Net Position - Ending	<u>\$ 26,797</u>	<u>\$ 7,680</u>	<u>\$ 60,194</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2022

Exhibit H-8
Page 1 of 2

	712	717	721
	Teachers Network Technology	Regional Wrestling Meet	Employee Daycare Collaborative
Cash Flows from Operating Activities:			
Cash received from user charges	\$ -	\$ 15,707	\$ 129,850
Cash payments to employees	-	(3,389)	(252,784)
Cash payments to suppliers for goods and services	-	(12,021)	-
Cash payments for other operating expenses	-	(2,850)	-
Net Cash Used for Operating Activities	-	(2,553)	(122,934)
Cash Flows from Non-Capital Financing Activities:			
Transfers in	-	2,553	122,934
Net Cash Provided by Non-Capital Financing Activities	-	2,553	122,934
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents at Beginning of Year	-	-	200
Cash and Cash Equivalents at End of Year	\$ -	\$ -	\$ 200
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ (6,000)	\$ (2,553)	\$ (122,934)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Change in Assets and Liabilities:			
Decrease (increase) in Interfund Receivables	6,000	875	-
Increase (decrease) in Accounts Payable	-	(875)	-
Net Cash Provided by Operating Activities	\$ -	\$ (2,553)	\$ (122,934)

YSLETA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2022

Exhibit H-8
Page 2 of 2

	722	726	Total Nonmajor Enterprise Funds
	Oasis Program	District Events	
Cash Flows from Operating Activities:			
Cash received from user charges	\$ 8,612	\$ -	\$ 154,169
Cash payments to employees	(665)	-	(256,838)
Cash payments to suppliers for goods and services	(7,947)	-	(19,968)
Cash payments for other operating expenses	-	-	(2,850)
Net Cash Used for Operating Activities	<u>-</u>	<u>-</u>	<u>(125,487)</u>
Cash Flows from Non-Capital Financing Activities:			
Transfers in	-	-	125,487
Net Cash Provided by Non-Capital Financing Activities	<u>-</u>	<u>-</u>	<u>125,487</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents at Beginning of Year	-	-	200
Cash and Cash Equivalents at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ (7,423)	\$ -	\$ (138,910)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Change in Assets and Liabilities:			
Decrease (increase) in Interfund Receivables	4,559	-	11,434
Increase (decrease) in Accounts Payable	2,864	-	1,989
Net Cash Provided by Operating Activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (125,487)</u>



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

REQUIRED TEA SCHEDULES

YSLETA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
For the Year Ended June 30, 2022

Exhibit J-1
Page 1 of 2

	1	2	3	10
	Tax Rates		Net Assessed/Appraised	Beginning
Last Ten	Maintenance	Debt Service	Value For School	Balance
Fiscal Years				
			Tax Purposes	7/1/2021
2013 and prior	Various	Various	Various	\$ 2,970,250
2014	1.170000	0.190000	6,534,718,648	357,524
2015	1.170000	0.190000	6,508,882,059	365,262
2016	1.170000	0.190000	6,333,026,395	442,771
2017	1.170000	0.305000	6,431,324,778	597,474
2018	1.170000	0.285000	6,485,677,251	651,762
2019	1.170000	0.285000	6,804,056,014	872,611
2020	1.068300	0.285000	7,064,650,115	1,208,842
2021	1.054100	0.392500	7,255,042,142	2,674,461
2022	1.032000	0.495000	7,457,804,111	-
1000 Totals				<u><u>\$ 10,140,957</u></u>

Penalty and interest receivable on taxes

Total taxes receivable per Exhibit C-1

YSLETA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
For the Year Ended June 30, 2022

Exhibit J-1
Page 2 of 2

	20	31	32	40	50
Last Ten Fiscal Years	Current Year's Total Levy	Maintenance Total Collections	Debt Service Total Collections	Entire Year's Adjustments	Ending Balance 6/30/2022
2013 and prior	\$ -	\$ 56,244	\$ 12,346	\$ (218,713)	\$ 2,682,947
2014	-	18,428	2,993	(2,450)	333,653
2015	-	24,341	3,953	(3,194)	333,774
2016	-	26,082	4,236	(52,884)	359,569
2017	-	46,827	12,207	(109,336)	429,104
2018	-	34,724	8,458	(35,613)	572,967
2019	-	133,689	32,565	(11,250)	695,107
2020	-	58,434	15,589	(216,460)	918,359
2021	-	(267,398)	(99,567)	(1,813,700)	1,227,726
2022	<u>113,880,669</u>	<u>74,972,751</u>	<u>35,960,767</u>	<u>-</u>	<u>2,947,151</u>
1000 Totals	<u>\$ 113,880,669</u>	<u>\$ 75,104,122</u>	<u>\$ 35,953,547</u>	<u>\$ (2,463,600)</u>	<u>10,500,357</u>
Penalty and interest receivable on taxes					<u>7,878,013</u>
Total taxes receivable per Exhibit C-1					<u>\$ 18,378,370</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
CHILD NUTRITION PROGRAM FUND
For the Year Ended June 30, 2022

Exhibit J-2

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts, GAAP Basis	
Revenues				
Local revenues	\$ 1,837,424	\$ 1,837,424	\$ 65,456	\$ (1,771,968)
State program revenues	120,000	120,000	57,831	(62,169)
Federal program revenues	25,658,721	26,417,771	26,391,587	(26,184)
Total Revenues	<u>27,616,145</u>	<u>28,375,195</u>	<u>26,514,874</u>	<u>(1,860,321)</u>
Expenditures				
Current:				
Food services	<u>27,616,145</u>	<u>28,375,195</u>	<u>24,205,163</u>	<u>4,170,032</u>
Total Expenditures	<u>27,616,145</u>	<u>28,375,195</u>	<u>24,205,163</u>	<u>4,170,032</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>2,309,711</u>	<u>2,309,711</u>
Net change in fund balances	-	-	2,309,711	2,309,711
Fund Balances - Beginning	<u>2,185,995</u>	<u>2,185,995</u>	<u>2,185,995</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,185,995</u>	<u>\$ 2,185,995</u>	<u>\$ 4,495,706</u>	<u>\$ 2,309,711</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
For the Year Ended June 30, 2022

Exhibit J-3

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts, GAAP Basis	
Revenues				
Local and intermediate sources	\$ 29,715,786	\$ 29,715,786	\$ 36,886,274	\$ 7,170,488
State program revenues	12,564,720	12,564,720	22,570,473	10,005,753
Federal program revenues	-	-	-	-
Total Revenues	42,280,506	42,280,506	59,456,747	17,176,241
Expenditures				
Debt Service:				
Principal on long-term debt	13,422,003	13,422,003	13,422,003	-
Interest on long-term debt	30,107,218	30,107,218	30,107,218	-
Bond issuance costs and fees	32,500	32,500	4,250	28,250
Total Expenditures	43,561,721	43,561,721	43,533,471	28,250
Excess (deficiency) of revenues over expenditures	(1,281,215)	(1,281,215)	15,923,276	17,204,491
Other Financing Sources (Uses)				
Refunding bonds issued	-	-	-	-
Transfers in	1,281,215	1,281,215	1,238,328	(42,887)
Premium on issuance of bonds	-	-	1,296	1,296
Payment to Bond Refunding Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	1,281,215	1,281,215	1,239,624	(41,591)
Net change in fund balances	-	-	17,162,900	17,162,900
Fund Balances - Beginning	54,666,424	54,666,424	54,666,424	-
Fund Balances - Ending	\$ 54,666,424	\$ 54,666,424	\$ 71,829,324	\$ 17,162,900

YSLETA INDEPENDENT SCHOOL DISTRICT**Exhibit J-4****COMPENSATORY EDUCATION PROGRAM AND BILINGUAL EDUCATION PROGRAM COMPLIANCE RESPONSES****For the Year Ended June 30, 2022**

Data Codes	Section A: Compensatory Education Programs	Responses
AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$ 46,191,730
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$ 22,784,220
Section B: Bilingual Education Programs		
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 7,049,220
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$ 3,359,740

YSLETA INDEPENDENT SCHOOL DISTRICT
REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
For the Year Ended June 30, 2022

Schedule L-1

SF1 Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole? Yes

SF2 Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end? No

SF3 Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?

(If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered **to not have made** timely payments.) Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued.

Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued. Yes

SF4 Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold. No

SF5 Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? No

SF6 Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? No

SF7 Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end? Yes

SF8 Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget? Yes

SF9 Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end. \$ 55,312,924

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



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

FEDERAL AWARDS SECTION



THE DISTRICT
YSLETA INDEPENDENT SCHOOL DISTRICT

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

To the Board of Trustees
Ysleta Independent School District
El Paso, Texas

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, the business-type activities, each major fund, and the aggregate remaining fund information of Ysleta Independent School District (the "District"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 16, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance 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*.

To the Board of Trustees
Ysleta Independent School District

Purpose of this Report

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

Whitley Penn LLP

Houston, Texas
November 16, 2022

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

To the Board of Trustees
Ysleta Independent School District
El Paso, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited Ysleta Independent School District's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District's complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *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 District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

To the Board of Trustees
Ysleta Independent School District

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.

Whitley Penn LLP

Houston, Texas
November 16, 2022

YSLETA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance with major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) ?	No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number (ALN)</u>
---	---

US Department of Agriculture

Child Nutrition Cluster

<i>School Breakfast Program</i>	10.553
<i>National School Lunch Program</i>	10.555
<i>USDA Commodities</i>	10.555
<i>Summer Food Service Program for Children</i>	10.559
<i>Supply Chain Assistance</i>	10.555

US Department of Education

<i>CARES Act, Elementary and Secondary School Emergency Relief Fund (ESSER) Grant (COVID-19)</i>	84.425D
<i>Coronavirus Response and Relief Supplemental Appropriations CRRSA (ESSER II) Grant (COVID-19)</i>	84.425D
<i>Texas COVID Learning Acceleration Supports (TCLAS) - ESSER III (COVID-19)</i>	84.425U
<i>American Rescue Plan (ESSER III) Grant (COVID-19)</i>	84.425D

Federal Communications Commission

<i>Emergency Connectivity Fund</i>	32.009
------------------------------------	--------

Dollar Threshold Considered Between Type A and Type B Federal Programs	\$3,000,000
--	-------------

Auditee qualified as low risk auditee?	Yes
--	-----

YSLETA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended June 30, 2022

II. Financial Statement Findings

There are no financial statement findings during the current fiscal year.

III. Federal Awards Findings and Questioned Costs

There are no federal awards findings during the current fiscal year

YSLETA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Exhibit K-1
Page 1 of 2

(2A)	(1)	(2)	(3)	(4)
Pass Through Entity Identifying Number	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Federal Expenditures and Indirect Costs	Passed Through to Subrecipients
	U.S. Department of Defense			
	Direct Award:			
N/A	Army JROTC	12.000	\$ 461,772	\$ -
	Total U.S. Department of Defense		461,772	-
	Federal Communications Commission			
	Direct Award:			
142115	Emergency Connectivity Fund	32.009	\$ 966,000	\$ -
	Total Federal Communications Commission		966,000	-
	U.S. Department of Education			
53-TX-2020-0022	Impact Aid	84.041	128,752	-
5060A212185	Indian Education	84.060	22,739	-
	Passed Through Texas Workforce Commission:			
1018ALAB00	Adult Education (ABE) - Federal	84.002A	7,269	-
1018ALAB00	Adult Education (ABE) - Federal	84.002A	567,603	-
1018ALAB00	Adult Education (ABE) - EI Civics	84.002A	107,404	-
1018ALAB00	Adult Education (ABE) - PD	84.002A	1,763	-
1018ALAB00	Adult Education (ABE) - PD	84.002A	19,143	-
1018ALAB00	TWC-AEL Federal-Prof Develop-EICivics	84.002A	65,864	-
1018ALAB00	SSA - Adult Education (ABE) - Federal	84.002A	1,767,126	1,192,255
1018ALAB00	SSA - Adult Education (ABE) - EI Civics	84.002A	265,900	158,496
1018ALAB00	SSA - Adult Education (ABE) - PD	84.002A	48,454	27,550
1020AEL001	SSA - Adult Education (ABE) - Workforce Integration	84.002A	65,863	-
	Total ALN 84.002		2,916,389	1,378,301
	Passed Through Texas Education Agency:			
22610101071905	ESEA Title I Part A - Improving Basic Programs	84.010A	12,938,510	-
21610101071905	ESEA Title I Part A - Improving Basic Programs	84.010A	3,114,819	-
	Total ALN 84.010		16,053,329	-
226600010719056000	IDEA B - Formula	84.027A	7,918,107	-
225350010719055350	IDEA B - Formula - American Rescue Plan (COVID-19)	84.027X	127,838	-
226610010719056000	IDEA B - Preschool	84.173A	115,844	-
225360010719055000	IDEA B - Preschool - American Rescue Plan (COVID-19)	84.173X	70,627	-
	Total Special Education Cluster (ALN 84.027, 84.173)		8,232,416	-
22615001071905	ESEA Title I Part C - Migrant	84.011A	63,279	-
224600057110024	Texas Education for Homeless Children & Youth	84.196A	67,716	-
204600057110076	Texas Education for Homeless Children & Youth	84.196A	10,110	-
	Total ALN 84.196		77,826	-
22420006071905	Career and Technical - Basic Grant	84.048A	653,759	-
21420006071905	Career and Technical - Basic Grant	84.048A	37,914	-
1018ALAB00	Jobs and Education for Texans (JET)	84.048	79,808	-
	Total ALN 84.048		771,481	-
226950307110046	Title IV, Part B - 21st Century Community Learning Centers	84.287C	1,552,296	-
216950247110032	Title IV, Part B - 21st Century Community Learning Centers	84.287C	92,265	-
	Total ALN 84.287		1,644,561	-
	CARES Act, Elementary and Secondary School Emergency Relief			
20521001071905	Fund (ESSER) Grant (COVID-19)	84.425D	1,469,559	-
	Coronavirus Response and Relief Supplemental Appropriations			
21521001071905	CRRSA (ESSER II) Grant (COVID-19)	84.425D	25,466,194	-
21528042071905	Texas COVID Learning Acceleration Supports (TCLAS) - ESSER III (COVID-19)	84.425U	93,918	-
21528001071905	American Rescue Plan (ESSER III) Grant (COVID-19)	84.425D	34,488,201	-
	Total ALN 84.425		61,517,872	-
22671001071905	Title III, Part A - English Language Acquisition and Language Enhancement	84.365A	771,346	-
22694501071905	ESEA, Title II, Part A -Supporting Effective Instruction	84.367A	772,573	-
20694501071905	ESEA, Title II, Part A -Supporting Effective Instruction	84.367A	1,409,422	-
	Total ALN 84.367		2,181,995	-
22680101071905	Title IV, Part A - Subpart 1	84.424A	1,329,197	-
21680101071905	Title IV, Part A - Subpart 1	84.424A	8,836	-
	Total ALN 84.424		1,338,033	-
	Total U.S. Department of Education		95,720,018	1,378,301

YSLETA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Exhibit K-1
Page 2 of 2

(2A)	(1)	(2)	(3)	(4)
Pass Through Entity Identifying Number	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Federal Expenditures and Indirect Costs	Passed Through to Others
	U.S. Department of Health and Human Services			
	Passed Through Texas Workforce Commission:			
1018ALAB00	<i>Temporary Assistance for Needy Families (TANF)</i>	93.558	\$ 6,936	\$ -
1018ALAB00	<i>Temporary Assistance for Needy Families (TANF)</i>	93.558	78,794	-
1018ALAB00	<i>SSA - Temporary Assistance for Needy Families (TANF)</i>	93.558	204,779	119,048
	<i>Total ALN 93.558</i>		290,509	119,048
	Passed Through Texas Health and Human Services Commission:			
529-07-0157-00234	<i>Medicaid Administrative Claiming Program – MAC</i>	93.778	328,467	-
	Total U.S. Department of Health and Human Services		618,976	119,048
	U.S. Department of Agriculture			
	Passed Through Texas Department of Agriculture:			
	Cash Assistance:			
00349	<i>Child and Adult Care Food Program</i>	10.558	435,343	-
00349	<i>Pandemic EBT Food Benefits (P-EBT) - Admin Costs (COVID-19)</i>	10.649	5,814	-
00349	<i>Summer Food Service Program for Children</i>	10.559	269,071	-
	Non Cash Assistance (Commodities):			
00349	<i>National School Lunch Program</i>	10.555	1,733,629	-
00349	<i>Supply Chain Assistance</i>	10.555	759,050	-
	Passed Through Texas Education Agency:			
	Cash Assistance:			
71402201	<i>School Breakfast Program</i>	10.553	8,444,635	-
71302201	<i>National School Lunch Program</i>	10.555	16,188,896	-
	Total Child Nutrition Cluster (ALN 10.555, 10.559, 10.553)		27,395,281	-
	Total U.S. Department of Agriculture		27,836,438	-
	Total Expenditures of Federal Awards		\$ 125,603,204	\$ 1,497,349

Note 1 -Basis of Accounting

The District accounts for all awards under federal programs in the General and Certain Special Revenue Funds in accordance with the Texas Education Agency's *Financial Accountability System Resource Guide*.

These programs are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for these funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned. Generally, unused balances are returned to the grantor at the close of specified project periods. The District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 2 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

Note 3 - Reconciliation to Basic Financial Statements

The following is a reconciliation of expenditures of federal awards program per Exhibit K-1 and expenditures reported on Exhibit C-3:

Total Expenditures of Federal Awards - Exhibit K-1	\$ 125,603,204
SHARS	10,009,002
QSCB Federal Subsidy	792,881
Total Federal Revenue - Exhibit C-3	<u>\$ 136,405,087</u>

Note 4 - Title II, Part A Transferability

As described in the U.S. Department of Education Cross-Cutting Section (ALN 84.000), Sections III.A.3 *Activities Allowed or Unallowed - Transferability (SEAs and LEAs)* and IV.3 *Other Information - Transferability* of the 2022 OMB Compliance Supplement, expenditures of funds should be included in the audit universe and total expenditures of the receiving program. For fiscal year 2022, the District transferred Title II, Part A (ALN 84.367A) expenditures in the amount of \$505,436 to its Title IV, Part A (ALN 84.424A) program as submitted to the Texas Education Agency in its consolidated application and as denoted on the Schedule of Expenditures of Federal Awards. As such, the expenditures transferred from Title II, Part A (ALN 84.367A) were included as part of Title IV, Part A (ALN 84.424A).

Note 5 - General Fund Expenditures

Federal Awards reported in the general fund are summarized as follows:

SHARS	\$	10,009,002
Army JROTC		461,772
Impact Aid		128,752
QSCB III		792,881
Medicaid Administrative Claiming Program – MAC		328,467
Indirect Costs:		
Child Nutrition Cluster		1,186,548
ESEA Title I, Part A - Improving Basic Programs		569,944
Coronavirus Response and Relief Supplemental Appropriations		
CRRSA (ESSER II) Grant (COVID-19)		2,331,933
Texas COVID Learning Acceleration Supports (TCLAS) - ESSER III (COVID-19)		8,600
American Rescue Plan (ESSER III) Grant (COVID-19)		3,148,426
Texas Education for Homeless Children & Youth		2,983
ESEA Title I Part C - Migrant		2,787
IDEA B - Formula		348,794
IDEA B - Formula - American Rescue Plan (COVID-19)		5,631
IDEA B - Preschool		5,103
IDEA B - Preschool - American Rescue Plan (COVID-19)		3,111
Career and Technical - Basic Grant		29,840
Title IV, Part B - 21st Century Community Learning Centers		54,987
ESEA, Title II, Part A -Supporting Effective Instruction		96,091
Title IV, Part A - Subpart 1		35,239
	\$	<u>19,550,891</u>

YSLETA INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2022

Federal regulations, Title 2 U.S. Code of Federal Regulations Section 200.511 states, "The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings." The summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs and
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

I. Prior Audit Findings

There were no findings reported during the prior fiscal year.

YSLETA INDEPENDENT SCHOOL DISTRICT

CORRECTIVE ACTION PLAN

For the Year Ended June 30, 2022

Federal regulations, Title 2 U.S. Code of Federal Regulations §200.511 states, "At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports."

I. Corrective Action Plan

Not Applicable