

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED AUGUST 31, 2021



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Annual Comprehensive Financial Report

**For the Fiscal Year Ended
August 31, 2021**

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

2425 East Main Street, League City, Texas 77573

Prepared By The Department of Financial Services:

**Paul McLarty, RSBA, RTSBA
Deputy Superintendent of Business & Support Services**

**Alice Benzaia, CPA
Controller**

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit/ Table</u>
Introductory Section		
Principal Officials and Advisors	i	
Certificate of the Board	ii	
Transmittal Letter	iii	
GFOA Certificate of Achievement	x	
ASBO Certificate of Excellence	xi	
Organizational Chart	xii	
Financial Section		
Independent Auditors' Report	1	
Management's Discussion and Analysis	5	
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	17	A-1
Statement of Activities	18	B-1
Governmental Fund Financial Statements:		
Balance Sheet	20	C-1
Reconciliation of Balance Sheet for Governmental Funds to the Statement of Net Position	23	C-2
Statement of Revenues, Expenditures, and Changes in Fund Balance	24	C-3
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	26	C-4
Proprietary Fund Financial Statements:		
Statement of Net Position	27	D-1
Statement of Revenues, Expenses and Changes in Net Position	28	D-2
Statement of Cash Flows	29	D-3
Fiduciary Fund Financial Statements:		
Statement of Fiduciary Net Position	30	E-1
Statement of Changes in Fiduciary Net Position	31	E-2
Changes in Statement of Fiduciary Net Position		
Notes to the Financial Statements	33	F-1
Required Supplementary Information:		
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Original Budget, Amended Final and Actual - General Fund	71	G-1
Notes to Required Supplementary Information	72	
Schedule of the District's Proportionate Share of the Net Pension	73	G-2
Schedule of the District's Pension Contributions – Teacher Retirement System of Texas	74	G-3
Notes to Required Supplementary Information – Pension	75	
Schedule of the District's Proportionate Share of the Net OPEB Liability – Teacher Retirement System of Texas	76	G-4
Schedule of the District's OPEB Contributions – Teacher Retirement System of Texas	77	G-5
Notes to Required Supplementary Information - OPEB	78	

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

TABLE OF CONTENTS (continued)

	<u>Page</u>	<u>Exhibit/ Table</u>
Financial Section (continued)		
Other Supplementary Information:		
Combining Fund Statements:		
Combining Balance Sheet - Nonmajor Governmental Funds	84	H-1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds	93	H-2
Combining Statement of Net Position - Nonmajor Enterprise Funds	102	H-3
Combining Statement of Revenues, Expenses, and Changes in Net Position - Nonmajor Enterprise Funds	103	H-4
Combining Statement of Cash Flows - Nonmajor Enterprise Funds	104	H-5
Combining Statement of Net Position - Internal Service Funds	105	H-6
Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds	106	H-7
Combining Statement of Cash Flows - Internal Service Funds	107	H-8
Required TEA Schedules		
Schedule of Delinquent Taxes Receivable	110	J-1
Schedule of Revenues, Expenses, and Changes in Net Position - Original Budget, Amended Final and Actual - Child Nutrition	112	J-2
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Original Budget, Amended Final and Actual - Debt Service Fund	113	J-3
Statistical Section		
Net Position by Component	118	1
Changes in Net Position	120	2
Fund Balances of Governmental Funds	124	3
Changes in Fund Balances of Governmental Funds	126	4
Revenues by Source for Governmental Funds	128	5
Assessed Value and Actual Value of Taxable Property	130	6
Property Tax Rates - Direct and Overlapping Governments	132	7
Principal Taxpayers	134	8
Property Tax Levies and Collections	135	9
Ratios of Outstanding Debt by Type	136	10
Ratios of Net General Obligation Bonded Debt Outstanding	137	11
Computation of Estimated Direct and Overlapping Debt	138	12
Legal Debt Margin Information	140	13
Demographic and Economic Statistics	142	14
Principal Employers	145	15
Full-Time Equivalent District Employees	146	16
Operating Statistics	148	17
Teacher Base Salaries	151	18
School Building Information	152	19

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

TABLE OF CONTENTS (continued)

	<u>Page</u>	<u>Exhibit/ Table</u>
Federal Awards Section		
Government Auditing Standards Report Section		
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	155	
Independent Auditors' Report on Compliance for each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	157	
Schedule of Findings and Questioned Costs	159	
Schedule of Expenditures of Federal Awards	161	K-1
Notes to Schedule of Expenditures of Federal Awards	163	K-2
Summary Schedule of Prior Audit Findings	165	
Corrective Action Plan	166	



INTRODUCTORY SECTION



CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

Principal Officials and Advisors

Board of Trustees

Trustee	Office	Completed Years of Service	Term Expires May	Occupation
Jay Cunningham	President	6	2024	Business Manager
Arturo Sanchez	Vice-President	4	2023	External Relations
Dr. Laura DuPont	Secretary	8	2022	Consultant
Scott Bowen	Trustee	2	2022	Chemical Engineer
Jonathan Contrell	Trustee	3 Months	2024	Realtor
Michelle Davis	Trustee	8 Months	2023	Retired
Jeff Larson	Trustee	3 Months	2024	Consultant

Administrative Officials

Official	Position	Years of Service	
		Total	District
Dr. Eric Williams	Superintendent	31	1
Dr. Robert Bayard	Deputy Superintendent of Curriculum and Instruction	22	14
Paul McLarty	Deputy Superintendent of Business & Support Services	21	18
Karen Engle	Assistant Superintendent of Secondary Education	31	20
Holly Hughes	Assistant Superintendent of Elementary Education	30	28
Dr. Susan Silva	Assistant Superintendent of Teaching and Learning	28	17
Dr. Casey O'Pry	Assistant Superintendent of Human Resources	28	21
Dustin Hardin	Chief Technology Officer	15	< 1
Elaina Polsen	Director of Public Information	15	15
Leila Sarmecanic	General Counsel	10	5
Brian Palazzi	Director of Safe & Secure Schools	20	15
Alice Benzaia	Controller	25	13

Consultants and Advisors

Whitley Penn, LLP
Independent Auditors, Houston, Texas

Orrick, Herrington & Sutcliffe, LLP
Bond Counsel, Houston, Texas

Huntington Capital Markets
Financial Advisor, Houston, Texas

CERTIFICATE OF BOARD

Clear Creek Independent School District

Name of School District

Harris & Galveston

County

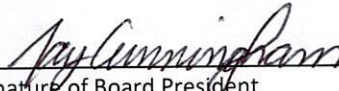
084-910

Co. - Dist. No.

We, the undersigned, certify that the annual financial reports for the above named school district were reviewed and approved for the year ended August 31, 2021, at a meeting of the Board of Trustees of such school district on the 24th day of January, 2022.



Signature of Board Secretary
Dr. Laura DuPont



Signature of Board President
Jay Cunningham

January 24, 2022

Members of the Board of Trustees and
Citizens of the Clear Creek Independent School District:

The Texas Education Code requires that all school districts file a complete set of financial statements with the Texas Education Agency (“TEA”) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (“GAAP”) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the Clear Creek Independent School District (the “District”) for the fiscal year ended August 31, 2021. The Annual Comprehensive Financial Report is management’s report of financial operations to the Board of Trustees (the “Board”), taxpayers, grantor agencies, employees, the TEA, and other interested parties.

This report consists of management’s representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District’s financial statements have been audited by Whitley Penn, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended August 31, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion and that the District’s financial statements for the period ended August 31, 2021, are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are included in the Federal Awards section of the Annual Comprehensive Financial Report.

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

Profile of the District

The Clear Creek Independent School District is the 29th largest of the 1,200 school districts in Texas, encompasses 103 square miles and is located 20 miles south of Houston along Interstate 45/Gulf Freeway. The District was created in 1948 when schools in League City, Seabrook, Webster and Kemah consolidated to form the Clear Creek Independent School District. At the time the schools were unified, there were fewer than 1,000 students in four schools. The district now employs over 5,300 persons, with over 2,500 of those being teachers, librarians, and nurses. We are proud that more than 28% of the faculty members have a master’s degree. The District now serves approximately 41,000 students and operates twenty-seven elementary schools, ten intermediate schools, five comprehensive high schools, two alternative secondary campuses, and one early college high school. The school district’s boundaries are not the same as municipal boundaries; therefore, the District provides instructional services to children who live in the communities of League City, Seabrook, Webster, Kemah, El Lago, Nassau Bay, Clear Lake Shores and Taylor Lake Village, along with portions of Bacliff, Friendswood, Houston, and Pasadena. The District encompasses parts of Galveston and Harris counties.

With NASA/Johnson Space Center, the University of Houston-Clear Lake, San Jacinto Community College, College of the Mainland, the fishing and recreation areas of Galveston Bay, chemical and energy resource industries and the numerous high-tech and engineering companies that form the Clear Creek community, our district recognizes that strong and dynamic partnerships are vital to academic achievement, as well as character education. Our partnerships and academic offerings are unparalleled to any school system in the state or nation. Clear Creek ISD prides itself as being one of the premier school systems in Texas.

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

The District is fully accredited by the Texas Education Agency. Our students and staff continue to excel in many arenas. Student SAT scores tend to be higher than local, state and national averages. Approximately 85% of graduating seniors plan to attend college or technical schools. Our student body reflects the cultural diversity of Texas with over 60 home languages spoken. Of the approximately 41,000 students enrolled, 44.4% are Anglo, 33.7% are Hispanic, 8.9% are Asian and 7.9% are African American.

The heart of a school district is its people, and the Clear Creek Independent School District takes great pride in its highly qualified Board of Trustees, administration, faculty and staff, all of whom are dedicated to providing the best possible education environment for all students. Parent and community interest and support strengthen the school program.

The District is not included in any other governmental “reporting entity” since the Board of Trustees is elected by the public and has decision-making authority. Residents of the District elect a seven-member Board of Trustees, who serve overlapping three-year terms. There are no component units included in the reporting entity.

Economic Condition and Outlook

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

Local Economy

The District currently enjoys a stable economic environment and local indicators point to continued growth. The economy of the District and its surrounding area is diversified, with oil and gas as the base industrial activity. The abundance of key natural resources along the Texas Gulf Coast has created the country's greatest concentration of petrochemical complexes within the overall coastal area. Though District industries are largely petrochemical in nature, they are not exclusively so. Originally a rice farming and ranching area, the lakes and waterways of the District offer not only boating and fishing sports and revenues from recreational tourist facilities, but also represent a hub of industrial development lining the nearby Houston Ship Channel.

The National Aeronautics and Space Administration (NASA) Lyndon B. Johnson Space Center (JSC) is the hub of Human Exploration. NASA-JSC is home to the International Space Station, Commercial Crew Program, Orion, Mission Control and the Astronaut Corps. NASA-JSC an important part of the Clear Lake economy, employing over 3,000 civil servants and over 8,000 contractors. In addition, Space Center Houston, a visitor complex and educational facility, has nearly a million visitors each year.

A major employment base in the area has been the Bayport Industrial Development ("Bayport"), a planned industrial development of approximately 10,750 acres with approximately 62 industrial plants in operation. Bayport is located in southeast Harris County approximately 23 miles from the central business district of the City of Houston. It includes a 40-foot-deep water port and channel facility connected to the Houston Ship Channel, barge dock facilities, a pipeline network and railroad service.

Presently serving the Clear Lake area are several general hospitals, one major mall, one university and two junior colleges.

A significant portion of the District is located in Harris County, the most populous county in the State of Texas, with a 2020 census population of 4,731,145, an increase of approximately 15.6% since 2010. The county's economy is based on industry, mineral production, shipping, and agriculture.

According to the Texas Almanac, Harris County is a highly industrialized county with manufacturing plants producing petroleum refining, chemical, food, fabricated metal products, non-electric machinery, primary metals, scientific instruments, paper and allied products and printing and publishing. Harris County is also a corporate management center, a center of energy, space and medical research centers and a center of international business. Harris County contains the nation's largest concentration of petrochemical plants and the largest U.S. wheat exporting port which is among the top U. S. ports in value of foreign trade and total tonnage.

The remaining portion of the District is located in Galveston County which is located on the Gulf Coast. Port activities dominate the economy but also included are insurance and finance centers, petrochemical plants, varied manufacturing, tourism, medical educational center, oceanographic research center, ship building, and commercial fishing. Galveston County had a 2010 United States Census population of 291,309 which grew to approximately 350,682 in 2020, an increase of 20.4%. According to the 2020 US Census, League City is the largest city with a population of 114,392 and Galveston, the county seat, is the second largest city with a population of 53,695.

Growth

The District has grown by nearly 1,400 students over the last ten years and continues to experience residential growth and development. A recent demographic study projects that enrollment will continue to grow by approximately 3,800 students over the next ten years to 44,646 students.

Clear Creek ISD is meeting the challenge of growth by proactively analyzing facility needs and placing bond issues for taxpayer approval. In May 2017 with a 63.6% approval rate, District taxpayers approved a \$487 million bond program to accommodate growth and facility needs over a five-year period. This bond provided funds to build one new elementary school campus, rebuild one high school and one elementary school campus, and the expansion,

renovation, or improvement of many other district facilities. This bond also provided for school buses for growth and replacement, security enhancements and \$32 million for technology.

Financial Information

Accounting Systems

The Board of Trustees maintains a system of accounting controls designed to assist the administration in meeting its responsibility for accurately reporting the financial condition of the District. The system is designed to provide reasonable assurance that assets are safeguarded against loss, theft, or misuse so activities can be recorded and transacted by the administration for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

The cost of operating the District's schools and the revenues to cover these costs are accounted for through the General Fund. Special programs funded by state or federal government grants designed to accomplish a particular objective are accounted for in Special Revenue Funds. Food service operations are accounted for in an Enterprise Fund.

The District accounts for school construction financed by bond sales through the Capital Projects Fund. A specific portion of the tax rate is dedicated to payment of bond principal and interest. These transactions are recorded in the Debt Service Fund.

The District has established Internal Service Funds to account for the transactions of its self-insured workers' compensation, dental insurance, and short-term disability insurance plans. Income is derived primarily from charges to governmental funds based on employee salaries.

Included in the ACFR as Agency Funds are financial schedules of student activity funds. Accounting for these funds is managed centrally by the Finance Department, using the same uniform accounting procedures and guidelines as the General Fund.

The District's accounting records are maintained on a modified accrual basis for governmental fund types and a full accrual basis for the proprietary fund types as prescribed by Texas Education Agency Financial Accountability System Resource Guide (FASRG). Additionally, the District has prepared the Government-wide Financial Statements on the full accrual basis as required by Governmental Accounting Standards Board Statement No. 34.

Financial data is submitted by the District to the Texas Education Agency through the Public Education Information Management System (PEIMS). The data is then analyzed, reviewed and presented to the State Board of Education.

Budgetary Process

State law requires that every local education agency in Texas prepare and file an annual budget of anticipated revenues and expenditures with the Texas Education Agency. The annual budget serves as the foundation for the District's financial planning and control. The process is instructionally driven and begins in November with a series of meetings to develop broad-based budget goals. The Deputy Superintendent of Business and Support Services facilitates a number of planning meetings with key District decision makers to develop a list of budget priorities for Board consideration. The Board receives budget priorities from the Superintendent's Cabinet, the District Educational Improvement Council (DEIC), the CFO Advisory Council (an advisory group of campus leaders throughout the District), and the Citizens Financial Advisory Committee (an advisory group of local business leaders). Each group develops budget priorities for Board consideration.

The final step in the District's budget goal-setting process is a planning meeting with the Board of Trustees in March. The Board reviews input from all sources and adopts the budget goals, assumptions and priorities that will drive budget development.

Budget preparation begins with training sessions for campus leaders and program managers in January. The District uses site-based budgeting to enhance the ability of campus leaders to serve as effective instructional leaders. Site-based budgeting places the campus leader at the center of the budget preparation process. The site-based budget reflects the prioritized needs of the campus and coordinates with the Campus Improvement Plan and the District's Strategic Plan.

All budget managers are required to submit requests for appropriations based on the priorities established by the Board of Trustees. After the completed campus and program budget packages have been returned to the Finance Department, a District Budget Committee reviews each department's budget requests with the responsible campus leader, program manager or department director. The review focuses on instructional impact and includes the allocation of existing funds as well as any additional funding requests. At these meetings, department/campus leaders are able to provide District staff with key information that is needed to make budget decisions. The Superintendent's Cabinet, comprised of District administrators, receives the draft budget and prioritizes budget requests and potential budget reductions based on the goals established by the Board.

Throughout the entire budget process, the Board of Trustees receives budget updates that include revisions to the long-range financial forecast, the preliminary budget, the compensation and salary plan, and the capital projects/capital improvement plan. If funds are available, the staffing plan for teachers is adopted at the April Board meeting. Adopting the plan this early in the budget process provides Clear Creek ISD with a competitive advantage in recruiting new teachers and retaining existing staff. Since Clear Creek is a growing district, staff also asks the Board to approve a number of additional teaching positions at this time to accommodate student growth. The compensation and salary plan for support staff is generally adopted in July.

The proposed budget must be adopted prior to the September 1st fiscal year start date. The Board President must call a Board meeting for the purpose of discussing and adopting the budget and tax rate. A public notice of this meeting is required to be published at least 10 days, but not more than 30 days, prior to the public meeting.

The District maintains budgetary controls throughout its financial systems. The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the official budget adopted by the Board. The Board adopts an official budget for the general fund, debt service fund and the child nutrition fund. Budgetary control is maintained at the organizational level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Outstanding encumbrances at the end of the fiscal year are a reserve of fund balance and are treated as expenditures in the subsequent year upon receipt of the goods and services.

Financial Planning

There are several departmental plans which fold into the district's overall comprehensive plan. The district maintains a Strategic Plan, a Compensation Plan and a Long-Range Facility Plan. Resources for the accomplishment of these goals will be identified in each department's action plan and will be used in the development of multi-year forecasts. Estimated taxable values are a major factor in forecasting, as the District currently generates more than 66% of general fund revenue from local taxes. Other major factors used in developing these forecasts include number of students enrolled and in average daily attendance, salaries, insurance and cost of inflationary items such as utilities and fuel. Ultimately, these forecasts are prepared and reviewed several times a year and shared with the Board, staff, community, and other stakeholders.

Fund Balance

Recognizing fund balance as key in maintaining a strong financial position, the Board policy regarding fund balance stipulates a goal of maintaining an adequate fund balance. The level of adequacy for the general fund unassigned fund balance is defined as 17% of the current budget, while the debt service fund is defined as 10% of the current year debt service requirements.

Local & State Funding

Local funding is derived from collections of ad valorem taxes levied on property located within the district's boundaries. School districts are authorized to levy two types of property taxes: a limited maintenance and operations ("M&O") tax to pay current expenses and an unlimited interest and sinking fund ("I&S") tax to pay debt service on bonds. School districts may not levy surplus M&O taxes for the purpose of paying debt service on bonds. A district is authorized to levy their M&O tax rate at a constitutionally mandated and voter-approved rate of up to \$1.50 per \$100 of taxable value in the district. Current law also requires school districts to demonstrate their ability to pay debt service on outstanding bonded indebtedness through the levy of an I&S tax at a rate not to exceed \$0.50 per \$100 of taxable value at the time bonds are issued. Once bonds are issued, however, districts may levy a tax sufficient to pay debt service on such bonds unlimited as to rate or amount. Because property values vary widely among school districts, the amount of local funding generated among school districts for the same tax rate is also subject to wide variation.

The State of Texas provides funding for public education via a financing formula which weights student attendance levels, property value per student, the District's tax effort, and regional variations in payroll and other costs.

The state and local economy have been affected by the coronavirus (COVID-19). On March 13, 2020, the Texas governor declared a statewide disaster for COVID-19. The federal government approved Texas as a major disaster on March 25, 2020, which allowed the state to receive federal assistance due to COVID-19.

The federal government approved two additional Coronavirus aid financial packages:

- The Coronavirus Response and Relief Supplemental Appropriations (CRRSA), also referred to as Elementary and Secondary School Emergency Relief ("ESSER II") funding, released in June 2021 with a District allocation of \$16.2 million. ESSER II has a preaward period starting in March 2020 with the grant period ending in September 2024. TEA will supplant approximately \$8.1 million of the ESSER II total for the hold harmless provision for the 2020-2021 school year average daily attendance (ADA).
- The American Rescue Plan (ARP) Act, also known as ESSER III, was released in April 2021. Clear Creek ISD was allocated \$36.5 million to be spent over the course of three years ending September 30, 2024. Phase I of ESSER III has been made available for reimbursements not to exceed \$24.3 million. Phase II amount of \$12.2 million is expected to be released at a later date.

Awards and Acknowledgments

Financial Reporting Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its ACFR for the fiscal year ended August 31, 2020. This was the 15th consecutive year that the District has received this prestigious award. We believe our current ACFR continues to meet the requirements and are submitting it to the GFOA to determine its eligibility for certification.

The District was also awarded the Certificate of Excellence in Financial Reporting by the Association of School Business Officials International (ASBO) for its ACFR for the fiscal year ended August 31, 2020. This was the 15th

consecutive year that the District has received this prestigious award. We believe that our current ACFR continues to meet the requirements and are submitting it to the ASBO to determine its eligibility for certification.

Additionally, the District was awarded the Meritorious Budget Award by the Association of School Business Officials International (ASBO) for the fiscal year beginning September 1, 2020. This award has been received for fourteen consecutive years. We believe that our current budget continues to meet the program's requirements and have submitted it to the ASBO to determine its eligibility for certification.

The TEA has awarded the District a rating of "Above Standard Achievement" for the year ended August 31, 2020. This is the 18th year of the State's financial accountability rating system for school districts (School FIRST) and Clear Creek ISD has maintained one of the two highest ratings for all eighteen years. The rating is based upon an analysis of staff and student data reported for the 2019-2020 school year and budgetary and actual financial data for the fiscal year ended August 31, 2020.

Acknowledgements

We appreciate the support of the Board, the residents of the District, and the business community, all who work cooperatively to ensure the best education for its students and the prudent development of the District. This cooperation is indicative of the strong support for the attainment of excellence in the District's educational programs.


Also, we would like to express an appreciation to all employees of the District's schools for their interest and support in planning and conducting the financial affairs of the District in a responsible and progressive manner.

Finally, a special thanks to the Financial Services Department for its diligence and dedicated service in helping prepare this report on a timely basis.

Respectfully submitted,



Eric Williams, Ph.D.
Superintendent



Paul McLarty, RSBO, RTSBA
Deputy Superintendent of Business
& Support Services



Alice Benzaia, CPA, RTSBA
Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Clear Creek Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2020

Christopher P. Morill

Executive Director/CEO



**The Certificate of Excellence in Financial Reporting
is presented to**

Clear Creek Independent School District

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended August 31, 2020.**

The report meets the criteria established for
ASBO International's Certificate of Excellence.



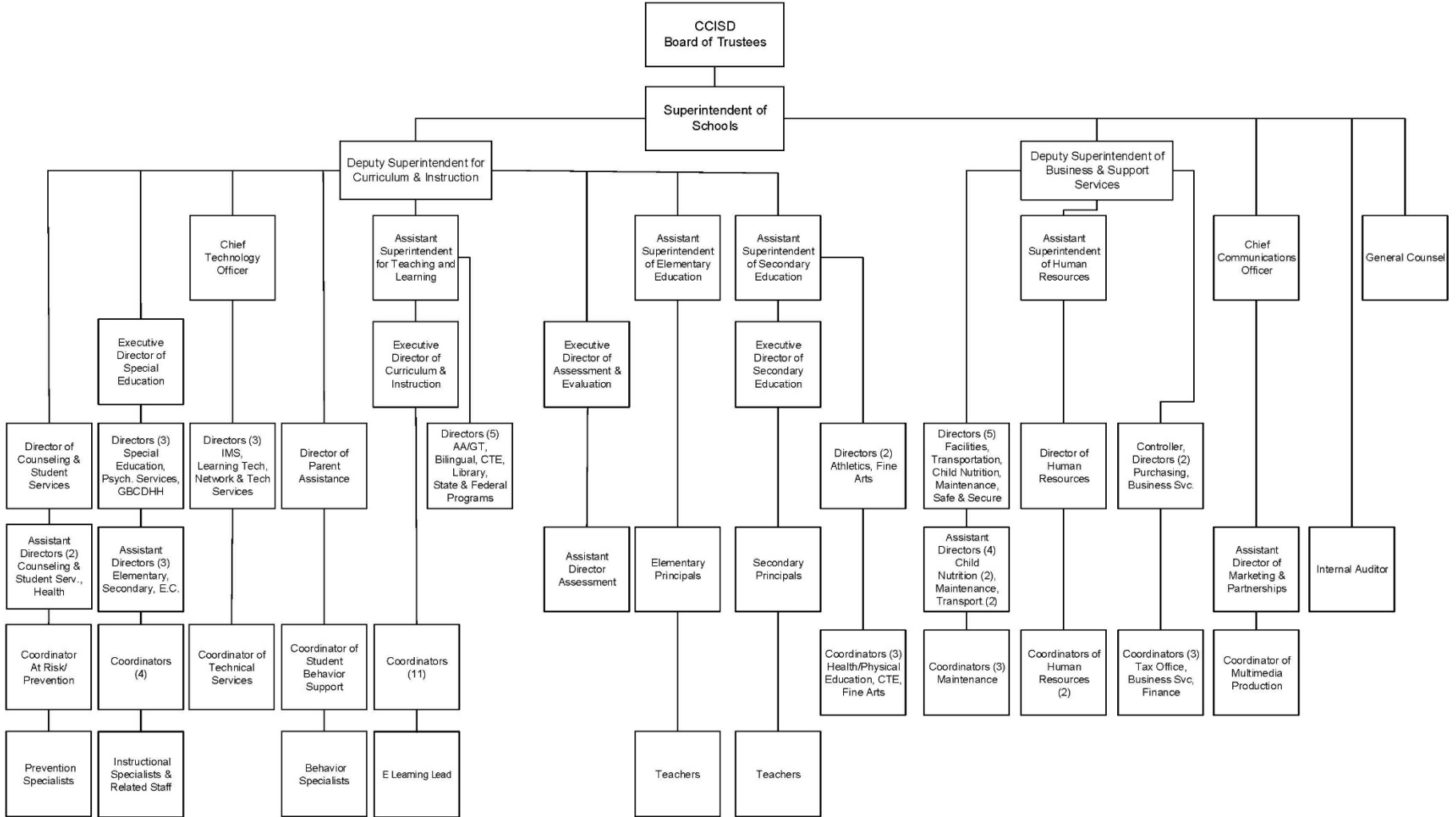
A handwritten signature in black ink that reads 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in black ink that reads 'David J. Lewis'.

David J. Lewis
Executive Director

Clear Creek Independent School District (2021-22)



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Clear Creek Independent School District
League City, Texas

Report on the Financial Statements

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 Clear Creek Independent School District (the "District") as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the 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 August 31, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, budgetary comparison information, pension schedules, and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it 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.

Other 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 introductory section, combining and individual nonmajor fund financial statements, required Texas Education Agency (“TEA”) schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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* (Uniform Guidance), is also presented for purposes of additional analysis and is not a required part of the basic financial statements..

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

To the Board of Trustees
Clear Creek Independent School District

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 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 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 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.

Whitley Penn LLP

Houston, Texas
January 24, 2022



CLEAR CREEK INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Clear Creek 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 fiscal year ended August 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii to ix of this report.

Financial Highlights

- The liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$105,255,847 (net deficit). The deficit is caused by inclusion of the District's proportionate share of pension and other post-employment benefit (OPEB) liabilities in the financials. The reduction to net position caused by the net amount of the pension liability and related deferred amounts is \$89,267,486. The reduction to net position caused by the net amount of the OPEB liability and related deferred amounts is \$171,892,904. This change 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 liability that the State of Texas manages and operates. The District's total net position increased by \$1,429,989.
- As of the close of the current fiscal year the District's governmental funds reported combined ending fund balances of \$262,869,906. Of this amount, \$4,649,283 is non-spendable in the form of (1) inventory in the amount of \$1,486,538 and (2) prepaid expenditures in the amount of \$3,162,745. Fund balance of \$112,152,060 is restricted for (1) capital acquisitions and contracts in the amount of \$71,518,296, (2) debt service in the amount of \$40,632,308, and (3) federal and state grants in the amount of \$1,456. Fund balance of \$75,578,463 is committed for (1) construction in the amount of \$67,346,534, (2) capital equipment in the amount of \$822,109, and (3) other committed in the amount of \$7,409,820.
- The General Fund ended the year with unassigned fund balance of \$70,490,100, a decrease of \$48,432 as compared to the prior fiscal year.
- The District's total bonded debt increased by \$77,067,773, or 7 percent during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves, including schedules required by the state oversight agency, the Texas Education Agency (TEA).

Government-Wide Financial Statements

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

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

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

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

The *government-wide financial statements* of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*). The *governmental activities* of the District include Instruction, Instructional Resources and Media Services, Curriculum and Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Co-curricular/ 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 Tax Increment Fund, and Other Intergovernmental Charges.

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.

Laws and contracts require the District to establish some funds, such as grants received from the U.S. Department of Education. The District's administration establishes many other funds to help control and manage money for particular purposes (such as campus activities).

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.

The focus of governmental funds is narrower than that of the government-wide financial statements, therefore 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 government'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 individual governmental funds for general, special revenue, debt service, and capital projects funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the financial statements. The District adopts an annual appropriated budget for its general fund, debt service fund, and the child nutrition fund (An enterprise fund).

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

Proprietary funds

The District maintains three internal service funds. *Internal service funds*, which consist of the Employee Dental Insurance fund, the Workers' Compensation Insurance fund, and the Disability Insurance fund. *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 this service predominantly benefits governmental functions, it has been included within *governmental activities* in the government-wide financial statements.

The District maintains three enterprise funds, which consist of the child nutrition program (National School Breakfast and Lunch), Athletic Concessions, and Advertising. *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.

Fiduciary fund

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

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. This is required supplementary information for the general fund and any major special revenue funds. The general fund is presented as required supplementary information.

Other Information

The combining and individual fund statements and schedules and other supplementary information 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, The liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources by \$105,255,847 at the close of the most recent fiscal year.

A portion of the District's net position 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.

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

As of August 31, 2021 and 2020, the District's net position included the following:

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 352,311,421	\$ 302,688,956	\$ 6,667,275	\$ 5,919,719	\$ 358,978,696	\$ 308,608,675
Capital assets	1,005,843,060	959,043,135	4,067,971	4,626,441	1,009,911,031	963,669,576
Total Assets	1,358,154,481	1,261,732,091	10,735,246	10,546,160	1,368,889,727	1,272,278,251
Deferred outflows of resources	82,886,629	99,060,073	1,493,340	1,909,048	84,379,969	100,969,121
Total Deferred Outflows of Resources	82,886,629	99,060,073	1,493,340	1,909,048	84,379,969	100,969,121
Current liabilities	77,884,886	68,238,474	579,408	429,632	78,464,294	68,668,106
Long-term liabilities	1,373,565,604	1,325,943,466	4,733,519	5,524,928	1,378,299,123	1,331,468,394
Total Liabilities	1,451,450,490	1,394,181,940	5,312,927	5,954,560	1,456,763,417	1,400,136,500
Deferred inflows of resources	99,373,582	77,977,273	2,388,544	1,819,435	101,762,126	79,796,708
Total Deferred Inflows of Resources	99,373,582	77,977,273	2,388,544	1,819,435	101,762,126	79,796,708
Net Position						
Net investment in capital assets	(51,923,071)	(55,526,588)	4,067,971	4,626,441	(47,855,100)	(50,900,147)
Restricted	41,317,748	34,057,956	405,349	35,787	41,723,097	34,093,743
Unrestricted	(99,177,639)	(89,898,417)	53,795	18,985	(99,123,844)	(89,879,432)
Total Net Position	\$ (109,782,962)	\$ (111,367,049)	\$ 4,527,115	\$ 4,681,213	\$ (105,255,847)	\$ (106,685,836)

Net position is restricted for various purposes as follows:

	Governmental Activities	
	2021	2020
Federal and state programs	\$ 1,456	\$ 1,456
Food service	405,349	35,787
Debt service	41,316,292	34,056,500
	\$ 41,723,097	\$ 34,093,743

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 \$99,123,844 due to the District recording the pension and OPEB liabilities and related amounts.

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

Comparative Schedule of Changes in Net Position
For the Years Ended August 31, 2021 and 2020

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Program Revenues:						
Charges for services	\$ 10,158,419	\$ 10,529,535	\$ 5,489,986	\$ 8,143,443	\$ 15,648,405	\$ 18,672,978
Operating grants	62,790,559	63,021,267	7,861,377	3,978,469	70,651,936	66,999,736
General Revenues:						
Property taxes	323,963,717	312,718,324	-	-	323,963,717	312,718,324
State Aid - Formula Grants	90,000,102	96,640,142	-	-	90,000,102	96,640,142
Interest earnings	1,592,856	6,207,932	8,919	106,161	1,601,775	6,314,093
Other	2,925,103	9,352,063	-	-	2,925,103	9,352,063
Total Revenues	491,430,756	498,469,263	13,360,282	12,228,073	504,791,038	510,697,336
Expenses						
Instruction	286,336,442	295,564,780	-	-	286,336,442	295,564,780
Instructional resources and media services	5,107,600	5,255,603	-	-	5,107,600	5,255,603
Curriculum and staff development	13,500,451	13,505,334	-	-	13,500,451	13,505,334
Instructional leadership	4,373,561	4,417,520	-	-	4,373,561	4,417,520
School leadership	26,389,730	27,557,403	-	-	26,389,730	27,557,403
Guidance, counseling, and evaluation services	19,004,199	19,947,654	-	-	19,004,199	19,947,654
Social work services	996,622	915,467	-	-	996,622	915,467
Health services	5,740,224	4,814,479	-	-	5,740,224	4,814,479
Student transportation	13,851,577	13,387,118	-	-	13,851,577	13,387,118
Food service	665,001	428,876	-	-	665,001	428,876
Extracurricular activities	12,445,780	14,208,918	-	-	12,445,780	14,208,918
General administration	8,497,799	8,800,871	-	-	8,497,799	8,800,871
Facilities maintenance and operations	38,866,112	38,277,690	-	-	38,866,112	38,277,690
Security and monitoring services	6,510,862	6,573,445	-	-	6,510,862	6,573,445
Data processing services	10,064,054	11,908,768	-	-	10,064,054	11,908,768
Community services	962,723	921,921	-	-	962,723	921,921
Interest on long-term debt	29,083,812	36,217,846	-	-	29,083,812	36,217,846
Bond issuance costs and fees	2,265,537	1,334,331	-	-	2,265,537	1,334,331
Facilities maintenance and repairs	2,052,071	2,698,955	-	-	2,052,071	2,698,955
Payments related to shared services arrangements	728,272	764,471	-	-	728,272	764,471
Payments to Juvenile Justice Alternative Education Programs	3,815	9,068	-	-	3,815	9,068
Other governmental charges	2,400,425	2,401,435	-	-	2,400,425	2,401,435
Child Nutrition	-	-	13,133,660	13,362,996	13,133,660	13,362,996
Athletic Concessions	-	-	181,559	174,592	181,559	174,592
Advertising	-	-	199,161	173,514	199,161	173,514
Total Expenses	489,846,669	509,911,953	13,514,380	13,711,102	503,361,049	523,623,055
Excess (deficiency) before transfers	1,584,087	(11,442,690)	(154,098)	(1,483,029)	1,429,989	(12,925,719)
Transfers	-	225,000	-	(225,000)	-	-
Increase (Decrease) in Net Position	1,584,087	(11,217,690)	(154,098)	(1,708,029)	1,429,989	(12,925,719)
Net Position - Beginning	(111,367,049)	(100,149,359)	4,681,213	6,389,242	(106,685,836)	(93,760,117)
Net Position - Ending	\$ (109,782,962)	\$ (111,367,049)	\$ 4,527,115	\$ 4,681,213	\$ (105,255,847)	\$ (106,685,836)

The net position of the District increased by \$1.4 million for the year ended August 31, 2021. The total expenses for the 2021 fiscal year were \$503.4 million, a decrease of \$20.3 million over the previous year. The total revenues from taxpayers, user service fees, grants and other sources for the District was \$504.8 million, a \$5.9 million decrease from fiscal year 2020.

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

Governmental Activities

Governmental activities increased the District's net position by \$1.6 million. Revenues are generated primarily from three sources. Property taxes, state-aid formula grants, and operating grants and contributions represent 97 percent of total revenues. The remaining 3 percent is generated from charges for services, investment earnings, and miscellaneous revenues.

	<u>Total Revenues</u>	<u>% of Total Revenues</u>
Property taxes	\$ 323,963,717	66%
State Aid - Formula Grants	90,000,102	18%
Operating grants and contributions	62,790,559	13%
Other revenue	14,676,378	3%
Total Revenues	\$ 491,430,756	100%

The primary functional expenses of the District are instruction, interest on long-term debt, facilities maintenance and operations, and school leadership which represent 78 percent of total expenses. The remaining individual functional categories of expenses are each less than 5 percent of total expenses.

	<u>Total Expenses</u>	<u>% of Total Expenses</u>
Instruction	\$ 286,336,442	58%
Interest on long-term debt	29,083,812	6%
Facilities maintenance and operations	38,866,112	8%
School leadership	26,389,730	5%
Other expenses	109,170,573	22%
Total Expenses	\$ 489,846,669	100%

Business Type Activities

Net position of the District's business-type activities decreased by \$0.2 million for the year ended August 31, 2021 related to normal operations of the District.

Financial Analysis of the District's Funds

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

Governmental Funds

The focus of the District's *governmental funds* is to provide information on 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 \$262,869,906, an increase of \$39,295,071 in comparison with the prior year. The increase in governmental fund balances was primarily due to an increase in the fund balance of the capital projects fund in the amount of \$31,010,609. The fund balance in the general fund and debt service fund increased by \$213,157 and \$7,185,067 respectively.

CLEAR CREEK 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 \$70,490,100 while the total fund balance was \$75,139,383. 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 20 percent of total general fund expenditures, and total fund balance represents 21 percent of that same amount. The fund balance of the District's general fund increased by \$213,157 during the current fiscal year. The increase was achieved primarily due to payroll costs and other costs less than the amounts budgeted.

The *debt service fund* has a total fund balance of \$40,632,308, all of which is restricted for debt service. The increase in fund balance during the current year of \$7,185,067 resulted from property tax revenue exceeding required debt service expenditures.

The capital projects fund has a total fund balance of \$139,686,939, which is comprised of \$71,518,296 restricted for future construction projects and \$68,168,643 committed for construction and capital expenditures for equipment. The increase in fund balance during the current year of \$31,010,609 is a result of the issuance of Unlimited Tax School Building Bonds, Series 2021, in the amount of \$107,490,000.

General Fund Budgetary Highlights

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

	Budget	
	Original	Final Amended
Total revenues	\$ 360,257,116	\$ 364,957,916
Total expenditures	(367,468,726)	(367,469,526)
Total other financing sources (uses)	7,225,000	2,525,000
Net change in fund balance	\$ 13,390	\$ 13,390

Revenue was amended during the year primarily to account for additional state funding generated from a property value audit by the State Comptroller for the tax year 2016. Accordingly, this amendment increased the state revenue budget and decreased the budget transfer from the Capital & Contingency Fund. There were additional amendments made between functional expenditures which did not affect expenditures as a whole.

After revenue budgets and appropriations were adjusted as described, the District's general fund balance of \$75,139,383 differs from the final budgetary fund balance of \$74,939,616. This is primarily due to expenditures that were less than final budgeted amounts by \$15,964,685 primarily due to payroll costs less than budgeted. This favorable variance was offset by revenue shortfalls of \$7,338,008 and by \$6,300,000 for an unbudgeted transfer that was made to the capital projects fund for ongoing capital projects.

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

Capital Asset and Debt Administration

Capital Assets

The District's investment in capital assets for its governmental type activities as of August 31, 2021, includes land, buildings and improvements, furniture and equipment, and construction in progress. The investment in capital assets for the current year was \$1,009,911,031. The following table summarizes the investment in capital assets as of August 31, 2021 and 2020.

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	\$ 60,359,441	\$ 60,359,441	\$ -	\$ -	\$ 60,359,441	\$ 60,359,441
Land improvements	37,636,847	37,447,917	-	-	37,636,847	37,447,917
Buildings and improvements	1,315,356,403	1,265,657,875	4,009,642	4,009,642	1,319,366,045	1,269,667,517
Furniture and equipment	146,553,580	144,986,742	5,652,284	5,636,067	152,205,864	150,622,809
Construction in progress	94,765,701	59,106,564	-	-	94,765,701	59,106,564
Total	<u>1,654,671,972</u>	<u>1,567,558,539</u>	<u>9,661,926</u>	<u>9,645,709</u>	<u>1,664,333,898</u>	<u>1,577,204,248</u>
Accumulated depreciation	(648,828,912)	(608,515,404)	(5,593,955)	(5,019,268)	(654,422,867)	(613,534,672)
Net capital assets	<u>\$ 1,005,843,060</u>	<u>\$ 959,043,135</u>	<u>\$ 4,067,971</u>	<u>\$ 4,626,441</u>	<u>\$ 1,009,911,031</u>	<u>\$ 963,669,576</u>

Additional information on the District's capital assets can be found in Note 5 to the financial statements.

Debt Administration

At the-end of the current fiscal year, the District had \$1,144,627,346 in bonded debt outstanding, an increase of \$77,067,773 over the previous year.

The District continues to enjoy excellent underlying bond ratings. The portion of the District's outstanding bonds that are insured by the Texas Permanent School Fund maintain an "AAA" rating. The current underlying rating on the District's bonds is Aa2 from Moody's, AA from Standard and Poor's, and AA+ from Fitch Ratings.

Changes in general obligation bonds for the year ended August 31, 2021, are as follows:

Outstanding 9/1/20	Issued	Retired	Outstanding 8/31/21
<u>\$ 1,067,559,573</u>	<u>\$ 363,185,612</u>	<u>\$ (286,117,839)</u>	<u>\$ 1,144,627,346</u>

Additional information on the District's debt administration can be found in Note 6 to the financial statements.

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

Economic Factors and Next Year's Budgets and Rates

Economic factors can have a significant impact on the District's finances. The average unemployment rate for both Harris and Galveston counties is 6.1% and 6.3% respectively, while the state and national averages are 5.3% and 5.4%, respectively. Inflationary trends in the region tend to be somewhat lower than the national consumer price index (CPI). In general, this positive factor helps the District keep costs low.

The District's elected and appointed officials considered many factors when setting the 2021-22 fiscal year general fund budget and tax rate. The adopted budget is based on the following significant assumptions:

- The District's enrollment was projected to increase by 4% or approximately 1,725 students to pre-COVID-19 enrollment at the time the budget was adopted
- Property values were budgeted to increase 8.25% while the M&O tax rate was budgeted to decrease from \$0.9359 to \$0.8897.
- General fund expenditures are budgeted to increase by approximately \$.8 million from the 2020-21 original budget due to:
 - Salary increases of 3.0% for all staff totaling \$9 million,
 - Special Education staffing additions of \$0.3 million,
 - Benefit increases of \$2.6 million of which \$1.6 million is offset by funding from the state, and
 - Other increases of \$0.6 million.
 - Decreases of \$6.5 million due to ESSER grant fund reclassifications
 - Decreases of \$3 million in laptop replacement funding due to funding source changes
 - Decreases of \$1.4 million due to payroll budget realignments
 - Other decreases of \$0.8 million

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 show the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Deputy Superintendent of Business and Support Services, Clear Creek Independent School District, 2425 East Main Street, League City, Texas, 77573.



BASIC FINANCIAL STATEMENTS



CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

STATEMENT OF NET POSITION

August 31, 2021

Exhibit A-1

Data Control Codes		Governmental Activities	Business-type Activities	Total
Assets				
1110	Cash and cash equivalents	\$ 17,268,492	\$ 622,313	\$ 17,890,805
1120	Current Investments	216,038,855	5,768,500	221,807,355
1225	Property taxes receivables, net	10,217,794	-	10,217,794
1240	Due from other governments	14,920,634	765,860	15,686,494
1250	Accrued interest	431,969	6,250	438,219
1260	Internal balances	871,766	(871,766)	-
1290	Other receivables, net	750,275	-	750,275
1300	Inventories	1,550,470	376,118	1,926,588
1410	Prepaid items	3,162,744	-	3,162,744
1800	Restricted cash	1,194,000	-	1,194,000
	Capital assets not subject to depreciation:			
1510	Land	60,359,441	-	60,359,441
1580	Construction in progress	94,765,701	-	94,765,701
	Capital assets net of depreciation:			
1520	Buildings and improvements, net	826,649,746	2,515,076	829,164,822
1530	Furniture and equipment, net	24,068,172	1,552,895	25,621,067
1910	Long-term investments	85,904,422	-	85,904,422
1000	Total Assets	<u>1,358,154,481</u>	<u>10,735,246</u>	<u>1,368,889,727</u>
Deferred Outflows of Resources				
1700	Deferred charge on refunding	15,342,919	-	15,342,919
1700	Deferred outflows - pension	46,152,535	1,079,292	47,231,827
1700	Deferred outflows - OPEB	21,391,175	414,048	21,805,223
	Total Deferred Outflows of Resources	<u>82,886,629</u>	<u>1,493,340</u>	<u>84,379,969</u>
Liabilities				
2110	Accounts payable	21,663,340	186,454	21,849,794
2140	Interest payable	1,862,265	-	1,862,265
2150	Payroll deductions and withholdings	572,181	-	572,181
2160	Accrued wages payable	27,859,545	392,954	28,252,499
2180	Due to other governments	3,099,703	-	3,099,703
2190	Due to student groups	179,607	-	179,607
2200	Accrued expenses	988,468	-	988,468
2300	Unearned revenue	21,659,777	-	21,659,777
	Noncurrent Liabilities:			
2501	Due within one year	42,859,534	-	42,859,534
2502	Due in more than one year	1,107,004,275	-	1,107,004,275
2540	Net pension liability	115,347,436	2,696,070	118,043,506
2545	Net other post-employment benefits (OPEB) liabilities	<u>108,354,359</u>	<u>2,037,449</u>	<u>110,391,808</u>
2000	Total Liabilities	<u>1,451,450,490</u>	<u>5,312,927</u>	<u>1,456,763,417</u>
Deferred Inflows of Resources				
2600	Deferred inflows - pension	17,868,179	587,628	18,455,807
2600	Deferred inflows - OPEB	81,505,403	1,800,916	83,306,319
	Total Deferred Inflows of Resources	<u>99,373,582</u>	<u>2,388,544</u>	<u>101,762,126</u>
Net Position				
3200	Net investment in capital assets	(51,923,071)	4,067,971	(47,855,100)
	Restricted for:			
3820	Federal and state programs	1,456	-	1,456
3820	Food service	-	405,349	405,349
3850	Debt service	41,316,292	-	41,316,292
3900	Unrestricted	<u>(99,177,639)</u>	<u>53,795</u>	<u>(99,123,844)</u>
3000	Total Net Position	<u>\$ (109,782,962)</u>	<u>\$ 4,527,115</u>	<u>\$ (105,255,847)</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended August 31, 2021

Exhibit B-1
Page 1 of 2

Data Control Codes	Functions/Programs	Expenses	Program Revenue	
			Charges for Services	Operating Grants and Contributions
Primary Government				
Governmental Activities:				
11	Instruction	\$ 286,336,442	\$ 3,053,520	\$ 39,024,940
12	Instructional resources and media services	5,107,600	53,827	239,695
13	Curriculum and staff development	13,500,451	46,055	3,768,386
21	Instructional leadership	4,373,561	345,682	475,929
23	School leadership	26,389,730	33,987	1,647,839
31	Guidance, counseling, and evaluation services	19,004,199	107,663	3,874,774
32	Social work services	996,622	-	45,122
33	Health services	5,740,224	5,665	5,904,453
34	Student transportation	13,851,577	16,994	404,298
35	Food service	665,001	-	728,331
36	Extracurricular activities	12,445,780	5,365,336	769,073
41	General administration	8,497,799	11,329	1,750,647
51	Facilities maintenance and operations	38,866,112	585,322	985,479
52	Security and monitoring services	6,510,862	11,329	321,933
53	Data processing services	10,064,054	355,571	2,258,832
61	Community services	962,723	166,139	590,828
72	Interest on long-term debt	29,083,812	-	-
73	Bond issuance costs and fees	2,265,537	-	-
81	Facilities maintenance and repairs	2,052,071	-	-
93	Payments related to shared services arrangements	728,272	-	-
95	Payments to Juvenile Justice Alternative Education Programs	3,815	-	-
99	Intergovernmental charges	2,400,425	-	-
TG	Total Governmental Activities	489,846,669	10,158,419	62,790,559
Business-Type Activities				
35	Child Nutrition	13,133,660	5,215,984	7,861,377
02	Athletic Concessions	181,559	115,692	-
03	Advertising	199,161	158,310	-
TB	Total Business-Type Activities	13,514,380	5,489,986	7,861,377
TP	Total Primary Government	\$ 503,361,049	\$ 15,648,405	\$ 70,651,936

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended August 31, 2021

Exhibit B-1
Page 2 of 2

		<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Primary Government</u>		
Data Control Codes	Functions/Programs	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
	Primary Government			
	Governmental Activities:			
11	Instruction	\$ (244,257,982)		\$ (244,257,982)
12	Instructional resources and media services	(4,814,078)		(4,814,078)
13	Curriculum and staff development	(9,686,010)		(9,686,010)
21	Instructional leadership	(3,551,950)		(3,551,950)
23	School leadership	(24,707,904)		(24,707,904)
31	Guidance, counseling, and evaluation services	(15,021,762)		(15,021,762)
32	Social work services	(951,500)		(951,500)
33	Health services	169,894		169,894
34	Student transportation	(13,430,285)		(13,430,285)
35	Food service	63,330		63,330
36	Extracurricular activities	(6,311,371)		(6,311,371)
41	General administration	(6,735,823)		(6,735,823)
51	Facilities maintenance and operations	(37,295,311)		(37,295,311)
52	Security and monitoring services	(6,177,600)		(6,177,600)
53	Data processing services	(7,449,651)		(7,449,651)
61	Community services	(205,756)		(205,756)
72	Interest on long-term debt	(29,083,812)		(29,083,812)
73	Bond issuance costs and fees	(2,265,537)		(2,265,537)
81	Facilities maintenance and repairs	(2,052,071)		(2,052,071)
93	Payments related to shared services arrangements	(728,272)		(728,272)
95	Payments to Juvenile Justice Alternative Education Programs	(3,815)		(3,815)
99	Intergovernmental charges	(2,400,425)		(2,400,425)
TG	Total Governmental Activities	<u>(416,897,691)</u>		<u>(416,897,691)</u>
	Business-Type Activities			
35	Child Nutrition	-	\$ (56,299)	(56,299)
02	Athletic Concessions	-	(65,867)	(65,867)
03	Advertising	-	(40,851)	(40,851)
TB	Total Business-Type Activities	<u>-</u>	<u>(163,017)</u>	<u>(163,017)</u>
TP	Total Primary Government	<u>(416,897,691)</u>	<u>(163,017)</u>	<u>(417,060,708)</u>
	General Revenues			
	Taxes:			
MT	Property taxes, levied for general purposes	239,536,562	-	239,536,562
DT	Property taxes, levied for debt service	84,427,155	-	84,427,155
SF	State-aid formula grants not restricted	90,000,102	-	90,000,102
IE	Investment earnings	1,592,856	8,919	1,601,775
MI	Miscellaneous	2,925,103	-	2,925,103
TR	Total General Revenues	<u>418,481,778</u>	<u>8,919</u>	<u>418,490,697</u>
CN	Change in net position	1,584,087	(154,098)	1,429,989
NB	Net Position - Beginning	<u>(111,367,049)</u>	<u>4,681,213</u>	<u>(106,685,836)</u>
NE	Net Position - Ending	<u>\$ (109,782,962)</u>	<u>\$ 4,527,115</u>	<u>\$ (105,255,847)</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
August 31, 2021

Exhibit C-1
Page 1 of 2

Data Control Codes		General Fund	Debt Service Fund	Capital Projects Fund
Assets				
1110	Cash and cash equivalents	\$ 4,751,348	\$ 1,165,917	\$ 18,243
1120	Current investments	81,321,939	10,169,155	119,352,503
	Receivables:			
1220	Delinquent property taxes receivables	9,096,530	2,924,404	-
1230	Allowance for uncollectible taxes (credit)	(1,364,479)	(438,661)	-
1240	Receivables from other governments	4,942,215	-	-
1250	Accrued interest	149,645	98,761	177,313
1260	Due from other funds	17,149,853	56,563	6,300,000
1290	Other receivables	175,690	-	532,905
1300	Inventories, at cost	1,486,538	-	-
1410	Prepaid items	3,162,744	-	-
1800	Restricted cash	-	-	1,194,000
1900	Long term investments	20,371,351	29,244,665	36,288,406
1000	Total Assets	<u>\$ 141,243,374</u>	<u>\$ 43,220,804</u>	<u>\$ 163,863,370</u>
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
2110	Accounts payable	\$ 3,299,407	\$ 5,619	\$ 17,008,016
2150	Payroll deduction and withholdings	572,181	-	-
2160	Accrued wages payable	27,520,333	-	-
2170	Due to other funds	6,508,124	-	7,168,415
2180	Payable to other governments	-	36,628	-
2190	Due to student groups	179,607	-	-
2300	Unearned revenues	20,122,832	-	-
2000	Total Liabilities	<u>58,202,484</u>	<u>42,247</u>	<u>24,176,431</u>
Deferred Inflows of Resources				
2600	Deferred Inflows - property taxes	7,901,507	2,546,249	-
	Total Deferred Inflows of Resources	<u>7,901,507</u>	<u>2,546,249</u>	<u>-</u>
Fund Balances:				
Non-Spendable:				
3410	Inventories	1,486,538	-	-
3430	Prepaid items	3,162,745	-	-
Restricted:				
3450	Federal/State funds grant restrictions	-	-	-
3470	Capital acquisitions and contractual oblig.	-	-	71,518,296
3480	Debt service	-	40,632,308	-
Committed:				
3510	Construction	-	-	67,346,534
3530	Capital expenditures for equipment	-	-	822,109
3545	Other committed	-	-	-
3600	Unassigned	70,490,100	-	-
3000	Total Fund Balances	<u>75,139,383</u>	<u>40,632,308</u>	<u>139,686,939</u>
4000	Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 141,243,374</u>	<u>\$ 43,220,804</u>	<u>\$ 163,863,370</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
August 31, 2021

Exhibit C-1
Page 2 of 2

<u>Data Control Codes</u>		<u>Total Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
1110	Cash and cash equivalents	\$ 7,911,187	\$ 13,846,695
1120	Current investments	4,707,350	215,550,947
	Receivables:		
1220	Delinquent property taxes receivables	-	12,020,934
1230	Allowance for uncollectible taxes (credit)	-	(1,803,140)
1240	Receivables from other governments	9,978,419	14,920,634
1250	Accrued interest	6,250	431,969
1260	Due from other funds	7,168,415	30,674,831
1290	Other receivables	1,795	710,390
1300	Inventories, at cost	63,932	1,550,470
1410	Prepaid items	-	3,162,744
1800	Restricted cash	-	1,194,000
1900	Long term investments	-	85,904,422
1000	Total Assets	<u>\$ 29,837,348</u>	<u>\$ 378,164,896</u>
Liabilities, Deferred Inflows, and Fund Balances			
Liabilities:			
2110	Accounts payable	\$ 1,201,607	\$ 21,514,649
2150	Payroll deduction and withholdings	-	572,181
2160	Accrued wages payable	339,212	27,859,545
2170	Due to other funds	16,285,234	29,961,773
2180	Payable to other governments	3,063,075	3,099,703
2190	Due to student groups	-	179,607
2300	Unearned revenues	1,536,944	21,659,776
2000	Total Liabilities	<u>22,426,072</u>	<u>104,847,234</u>
Deferred Inflows of Resources			
2600	Deferred Inflows - property taxes	-	10,447,756
	Total Deferred Inflows of Resources	<u>-</u>	<u>10,447,756</u>
Fund Balances:			
Non-Spendable:			
3410	Inventories	-	1,486,538
3430	Prepaid items	-	3,162,745
Restricted:			
3450	Federal/State funds grant restrictions	1,456	1,456
3470	Capital acquisitions and contractual oblig.	-	71,518,296
3480	Debt service	-	40,632,308
Committed:			
3510	Construction	-	67,346,534
3530	Capital expenditures for equipment	-	822,109
3545	Other committed	7,409,820	7,409,820
3600	Unassigned	-	70,490,100
3000	Total Fund Balances	<u>7,411,276</u>	<u>262,869,906</u>
4000	Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 29,837,348</u>	<u>\$ 378,164,896</u>



CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
August 31, 2021

Exhibit C-2

<u>Data Control Codes</u>		
	Total fund balance, governmental funds (from C-1)	\$ 262,869,906
	Amounts reported for governmental activities in the statement of net position (A-1) 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, where applicable.	1,005,843,060
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).	10,447,755
3	Deferred charges on refunding	15,342,919
4	Deferred inflows and outflows related to pension activities	28,284,356
5	Deferred inflows and outflows related to OPEB activities	(60,114,228)
	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	(1,032,420,000)
7	Premiums on issuance	(112,207,346)
8	Net pension liability	(115,347,436)
9	Net OPEB liability	(108,354,359)
10	Accrued compensated absences	(5,236,463)
11	Accrued interest payable	(1,862,265)
12	Addition of Internal Service Fund net position	<u>2,971,139</u>
19	Net Position of Governmental Activities	<u><u>\$ (109,782,962)</u></u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit C-3
Page 1 of 2

Data Control Codes	General Fund	Debt Service Fund	Capital Projects Fund
Revenues			
5700 Local and intermediate sources	\$ 242,272,137	\$ 84,381,227	\$ 3,134,584
5800 State program revenues	107,353,549	1,397,837	-
5900 Federal program revenues	<u>7,994,222</u>	-	<u>2,283,862</u>
5020 Total Revenues	<u>357,619,908</u>	<u>85,779,064</u>	<u>5,418,446</u>
Expenditures			
Current:			
0011 Instruction	222,162,813	-	295,826
0012 Instruction resources and media services	4,372,855	-	-
0013 Curriculum and staff development	8,988,357	-	-
0021 Instructional leadership	3,253,659	-	-
0023 School leadership	22,552,798	-	6,458
0031 Guidance, counseling and evaluation services	13,837,702	-	46,627
0032 Social work services	857,447	-	-
0033 Health services	3,691,243	-	-
0034 Student transportation	11,825,937	-	3,078,387
0035 Food services	401,816	-	82,308
0036 Extracurricular activities	7,063,004	-	164,066
0041 General administration	7,243,641	-	7,664
0051 Facilities maintenance and operations	28,758,810	-	5,177,620
0052 Security and monitoring services	5,416,066	-	3,393,003
0053 Data processing services	7,741,496	-	1,965,471
0061 Community services	204,685	-	18,199
Debt service:			
0071 Principal on long-term debt	-	42,140,000	-
0072 Interest on long-term debt	-	36,210,242	-
0073 Bond issuance costs and fees	-	1,417,450	848,087
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	-	84,303,793
Intergovernmental:			
0093 Payments related to shared services arrangements	728,272	-	-
0095 Payments to Juvenile Justice Alt. Ed. Prgm.	3,815	-	-
0099 Other intergovernmental charges	<u>2,400,425</u>	-	-
6030 Total Expenditures	<u>351,504,841</u>	<u>79,767,692</u>	<u>99,387,509</u>
1100 Excess (deficiency) of revenues over expenditures	<u>6,115,067</u>	<u>6,011,372</u>	<u>(93,969,063)</u>
Other Financing Sources (Uses):			
7901 Refunding bonds issued	-	160,020,000	-
7911 Capital-related debt issued (regular bonds)	-	-	107,490,000
7901 Bond remarketing	-	49,250,000	-
7912 Sale of real or personal property	398,090	-	-
7915 Transfers in	-	-	6,300,000
7916 Premium or discount on issuance of bonds	-	28,067,515	18,358,087
8911 Transfers out	(6,300,000)	-	(7,168,415)
8940 Payment to bond escrow agent	-	(236,163,820)	-
7080 Total Other Financing Sources (Uses)	<u>(5,901,910)</u>	<u>1,173,695</u>	<u>124,979,672</u>
1200 Net change in fund balances	213,157	7,185,067	31,010,609
0100 Fund Balance - September 1 (Beginning)	<u>74,926,226</u>	<u>33,447,241</u>	<u>108,676,330</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 75,139,383</u>	<u>\$ 40,632,308</u>	<u>\$ 139,686,939</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit C-3
Page 2 of 2

<u>Data Control Codes</u>		<u>Total Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
5700	Local and intermediate sources	\$ 7,771,965	\$ 337,559,913
5800	State program revenues	4,816,147	113,567,533
5900	Federal program revenues	<u>26,612,967</u>	<u>36,891,051</u>
5020	Total Revenues	<u>39,201,079</u>	<u>488,018,497</u>
Expenditures			
Current:			
0011	Instruction	29,441,131	251,899,770
0012	Instruction resources and media services	101,534	4,474,389
0013	Curriculum and staff development	3,010,680	11,999,037
0021	Instructional leadership	613,132	3,866,791
0023	School leadership	323,057	22,882,313
0031	Guidance, counseling and evaluation services	2,858,795	16,743,124
0032	Social work services	19,004	876,451
0033	Health services	1,461,985	5,153,228
0034	Student transportation	372,604	15,276,928
0035	Food services	167,646	651,770
0036	Extracurricular activities	4,316,202	11,543,272
0041	General administration	204,078	7,455,383
0051	Facilities maintenance and operations	1,145,323	35,081,753
0052	Security and monitoring services	298,538	9,107,607
0053	Data processing services	474,955	10,181,922
0061	Community services	674,592	897,476
Debt service:			
0071	Principal on long-term debt	-	42,140,000
0072	Interest on long-term debt	-	36,210,242
0073	Bond issuance costs and fees	-	2,265,537
Capital Outlay:			
0081	Facilities Acquisition and Construction	-	84,303,793
Intergovernmental:			
0093	Payments related to shared services arrangements	-	728,272
0095	Payments to Juvenile Justice Alt. Ed. Prgm.	-	3,815
0099	Other intergovernmental charges	-	<u>2,400,425</u>
6030	Total Expenditures	<u>45,483,256</u>	<u>576,143,298</u>
1100	Excess (deficiency) of revenues over expenditures	<u>(6,282,177)</u>	<u>(88,124,801)</u>
Other Financing Sources (Uses):			
7901	Refunding bonds issued	-	160,020,000
7911	Capital-related debt issued (regular bonds)	-	107,490,000
7901	Bond remarketing	-	49,250,000
7912	Sale of real or personal property	-	398,090
7915	Transfers in	7,289,216	13,589,216
7916	Premium or discount on issuance of bonds	-	46,425,602
8911	Transfers out	(120,801)	(13,589,216)
8940	Payment to bond escrow agent	-	<u>(236,163,820)</u>
7080	Total Other Financing Sources (Uses)	<u>7,168,415</u>	<u>127,419,872</u>
1200	Net change in fund balances	886,238	39,295,071
0100	Fund Balance - September 1 (Beginning)	<u>6,525,038</u>	<u>223,574,835</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 7,411,276</u>	<u>\$ 262,869,906</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended August 31, 2021

Exhibit C-4

<u>Data Control Codes</u>		
	Net change in fund balances - total governmental funds (from C-3)	\$ 39,295,071
	Amounts reported for governmental activities in the statement of activities (B-1) are different because:	
1	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 expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
	Capitalized expenditures reclassified to assets.	90,027,007
	Depreciation expense taken to Statement of Activities.	(43,186,705)
2	The net effect of various miscellaneous transactions involving capital assets (i.e., retirements, transfers, and capital contributions) is to increase net position.	(40,377)
3	Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	721,934
4	Repayment of bond principal and payments of accreted interest on capital appreciation bonds are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	42,140,000
5	Proceeds from issuance of long-term debt is reported as an other financing source in the governmental funds. In the government-wide financial statements, proceeds are treated as an increase in long term liabilities.	
6	Proceeds from issuance of capital-related bonds	(107,490,000)
7	Proceeds from issuance of refunding bonds	(160,020,000)
8	Proceeds from bond remarketing	(49,250,000)
9	Premium issued on regular bonds	(46,425,602)
10	Payments to refunding escrow agent	236,163,820
	Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
13	Decrease in interest payable not recognized in the fund statements	(143,170)
14	Amortization of gain/loss on refunding	7,269,600
15	Increase in long-term portion of accrued compensated absences	(308,293)
16	Changes in net pension liabilities and related deferred outflows and inflows of resources	(10,196,457)
17	Changes in net OPEB liabilities and related deferred outflows and inflows of resources	2,925,041
18	Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities (see D-2).	
		<u>102,218</u>
	Change in net position of governmental activities (see B-1)	<u>\$ 1,584,087</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
August 31, 2021

Exhibit D-1

	Business-type Activities			Governmental
	Child Nutrition	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Assets				
Current Assets:				
Cash and cash equivalents	\$ 393,558	\$ 228,755	\$ 622,313	\$ 3,421,797
Current investments	5,768,500	-	5,768,500	487,908
Receivables:				
Due from other governments	765,860	-	765,860	-
Accrued interest receivable	6,250	-	6,250	-
Due from other funds	13,511	-	13,511	158,708
Other receivables	-	-	-	39,885
Inventories, at cost	376,118	-	376,118	-
Total Current Assets	7,323,797	228,755	7,552,552	4,108,298
Noncurrent assets				
Capital assets net of depreciation:				
Building and improvements	2,450,712	64,364	2,515,076	-
Furniture and equipment	1,009,164	543,731	1,552,895	-
Total Noncurrent Assets	3,459,876	608,095	4,067,971	-
Total Assets	10,783,673	836,850	11,620,523	4,108,298
Deferred Outflows of Resources				
Deferred outflows - pension	1,079,292	-	1,079,292	-
Deferred outflows - OPEB	414,048	-	414,048	-
Total Deferred Outflows of Resources	1,493,340	-	1,493,340	-
Liabilities				
Current Liabilities:				
Accounts payable	179,615	6,839	186,454	148,691
Accrued wages payable	392,954	-	392,954	-
Due to other funds	717,156	168,121	885,277	-
Accrued expenses	-	-	-	988,468
Total Current Liabilities	1,289,725	174,960	1,464,685	1,137,159
Noncurrent Liabilities:				
Net pension liability	2,696,070	-	2,696,070	-
Net OPEB liability	2,037,449	-	2,037,449	-
Total Noncurrent Liabilities	4,733,519	-	4,733,519	-
Total Liabilities	6,023,244	174,960	6,198,204	1,137,159
Deferred Inflows of Resources				
Deferred inflows - pension	587,628	-	587,628	-
Deferred inflows - OPEB	1,800,916	-	1,800,916	-
Total Deferred Inflows of Resources	2,388,544	-	2,388,544	-
Net Position				
Investment in capital assets	3,459,876	608,095	4,067,971	-
Restricted for food service	405,349	-	405,349	-
Unrestricted	-	53,795	53,795	2,971,139
Total Net Position	\$ 3,865,225	\$ 661,890	\$ 4,527,115	\$ 2,971,139

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended August 31, 2021

Exhibit D-2

	Business-type Activities			Governmental
	Child Nutrition	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues				
Charges for services	\$ 5,215,984	\$ 274,002	\$ 5,489,986	\$ 3,465,828
Total Operating Revenues	<u>5,215,984</u>	<u>274,002</u>	<u>5,489,986</u>	<u>3,465,828</u>
Operating Expenses				
Payroll costs	6,265,116	111,625	6,376,741	45,529
Purchased and contracted services	85,072	40,733	125,805	238,867
Supplies and materials	6,324,157	80,723	6,404,880	47,948
Other operating costs	26,156	6,111	32,267	-
Claims expense and other operating expenses	-	-	-	3,031,801
Depreciation	433,159	141,528	574,687	-
Total Operating Expenses	<u>13,133,660</u>	<u>380,720</u>	<u>13,514,380</u>	<u>3,364,145</u>
Operating income (loss)	<u>(7,917,676)</u>	<u>(106,718)</u>	<u>(8,024,394)</u>	<u>101,683</u>
Nonoperating Revenues (Expenses)				
Investment earnings	8,919	-	8,919	535
National School Breakfast Program	1,169,001	-	1,169,001	-
National School Lunch Program	6,237,600	-	6,237,600	-
Donated commodities	416,183	-	416,183	-
State program revenue	38,593	-	38,593	-
Total Nonoperating Revenues (Expenses)	<u>7,870,296</u>	<u>-</u>	<u>7,870,296</u>	<u>535</u>
Change in Net Position	(47,380)	(106,718)	(154,098)	102,218
Net Position - September 1 (Beginning)	<u>3,912,605</u>	<u>768,608</u>	<u>4,681,213</u>	<u>2,868,921</u>
Net Position - August 31 (Ending)	<u>\$ 3,865,225</u>	<u>\$ 661,890</u>	<u>\$ 4,527,115</u>	<u>\$ 2,971,139</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended August 31, 2021

Exhibit D-3

	Business-type Activities			Governmental
	Child Nutrition	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities				
Receipts from customers	\$ 5,215,984	\$ 274,002	\$ 5,489,986	\$ 3,440,795
Receipts for other operating expenses	-	-	-	(3,018,801)
Payments to suppliers for goods and services	(5,712,452)	(218,449)	(5,930,901)	(273,172)
Payments to employees	(6,042,318)	(111,625)	(6,153,943)	(45,529)
Net Cash Provided By (Used For) Operating Activities	<u>(6,538,786)</u>	<u>(56,072)</u>	<u>(6,594,858)</u>	<u>103,293</u>
Cash Flows from Noncapital Financing Activities				
Transfers to other funds	-	-	-	-
Operating grants received	6,683,290	-	6,683,290	-
Net Cash Provided By (Used For) Noncapital Financing Activities	<u>6,683,290</u>	<u>-</u>	<u>6,683,290</u>	<u>-</u>
Cash Flows from Capital And Related Financing Activities				
Acquisition of capital assets	(16,217)	-	(16,217)	-
Net Cash Provided By (Used For) Capital And Related Financing Activities	<u>(16,217)</u>	<u>-</u>	<u>(16,217)</u>	<u>-</u>
Cash Flows from Investing Activities				
Interest on investments	8,919	-	8,919	535
Net Cash Provided By (Used For) Investing Activities	<u>8,919</u>	<u>-</u>	<u>8,919</u>	<u>535</u>
Net increase (decrease) in cash and cash equivalents	137,206	(56,072)	81,134	103,828
Cash And Cash Equivalents September 1	<u>6,024,852</u>	<u>284,827</u>	<u>6,309,679</u>	<u>3,805,877</u>
Cash And Cash Equivalents August 31	<u>\$ 6,162,058</u>	<u>\$ 228,755</u>	<u>\$ 6,390,813</u>	<u>\$ 3,909,705</u>
Reconciliation to statement of net position:				
Cash And Cash Equivalents	\$ 393,558	\$ 228,755	\$ 622,313	\$ 3,421,797
Current investments	5,768,500	-	5,768,500	487,908
Cash And Cash Equivalents	<u>\$ 6,162,058</u>	<u>\$ 228,755</u>	<u>\$ 6,390,813</u>	<u>\$ 3,909,705</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (7,917,676)	\$ (106,718)	\$ (8,024,394)	\$ 101,683
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided By (Used For) Operating Activities:				
Depreciation	\$ 433,159	\$ 141,528	\$ 574,687	\$ -
Donated Commodities	416,183	-	416,183	-
Change in Assets and Liabilities:				
Increase (decrease) in interest receivable	(6,250)	-	(6,250)	-
Increase (decrease) in due from other funds	2,742	-	2,742	(25,033)
Increase (decrease) in inventories	(4,408)	221	(4,187)	-
Increase (decrease) in deferred outflows for pension	336,690	-	336,690	-
Increase (decrease) in deferred outflows for OPEB	79,018	-	79,018	-
Decrease (increase) in accounts payable	114,196	6,190	120,386	13,643
Decrease (increase) in accrued liabilities	29,390	-	29,390	-
Decrease (increase) in interfund payables	200,470	(97,293)	103,177	-
Decrease (increase) in claims and judgements payable	-	-	-	13,000
Decrease (increase) in net pension liability	(39,312)	-	(39,312)	-
Decrease (increase) in net OPEB liability	(752,097)	-	(752,097)	-
Decrease (increase) in deferred inflows for pension	(26,578)	-	(26,578)	-
Decrease (increase) in deferred inflows for OPEB	595,687	-	595,687	-
Total Adjustments	<u>1,378,890</u>	<u>50,646</u>	<u>1,429,536</u>	<u>1,610</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (6,538,786)</u>	<u>\$ (56,072)</u>	<u>\$ (6,594,858)</u>	<u>\$ 103,293</u>
Schedule of non-cash capital and related financing activities				
Donated commodities received	\$ 416,183	\$ -	\$ 416,183	\$ -

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
For the Year Ended August 31, 2021

Exhibit E-1

	<u>Custodial Fund</u>
Assets	
Cash and cash equivalents	<u>\$ 550,643</u>
Total Assets	<u>550,643</u>
Liabilities	
Accounts payable	<u>3,977</u>
Total Liabilities	<u>3,977</u>
Net Position	
Restricted for Student Activities	<u>\$ 546,666</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended August 31, 2021

Exhibit E-2

	<u>Custodial Fund</u>
Contributions	
Revenues from student activities	\$ 300,281
Total Contributions	<u>300,281</u>
Deductions	
Payments for student activities	<u>320,156</u>
Total Deductions	<u>320,156</u>
Change in net position	(19,875)
Net Position Beginning of Year	-
Prior Period Adjustment	<u>566,541</u>
Net Position End of Year	<u>\$ 546,666</u>



Note 1 - Summary of Significant Accounting Policies

Clear Creek Independent School District (the "District") is an independent public educational agency operating under applicable laws and regulations of the State of Texas. The District is autonomously governed by a seven-member Board of Trustees elected by the District's residents.

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 by 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" or "FASRG") and the requirements of contracts and grants of agencies from which it receives funds.

The District's Financial Statements are in accordance with GASB Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus*, which provides additional guidance for the implementation of GASB Statement No. 34, and GASB Statement No. 38, *Certain Financial Statement Disclosures*, which changes the note disclosure requirements in the financial statements for governmental entities.

GASB Statement No. 34 established a financial reporting model for state and local governments that included the addition of management's discussion and analysis, government-wide financial statements, required supplementary information and the elimination of the effects of internal service activities to the already required fund financial statements and notes.

The GASB determined that fund accounting has and will continue to be essential in helping governments to achieve fiscal accountability and should, therefore, be an essential part of financial reporting. The GASB also determined that government-wide financial statements are needed to allow users of financial reports to assess a government's operational accountability. The GASB Statement No. 34 reporting model integrates fund-based financial reporting and government-wide financial reporting as complementary components of a single comprehensive financial reporting model.

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

A. Reporting Entity

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

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the District's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the District is 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.

Note - Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

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 Board of Trustees (the "Board") is elected by the public and 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 a financial reporting entity as defined by the Governmental Accounting Standards Board (GASB) in its Statement No. 61, *The Financial Reporting Entity*. The District has also implemented GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The District receives support from various PTO, booster clubs and foundation organizations. None of these organizations meet the criteria specified by GASB 39 to be included in the District's financial statements. Therefore, there are no component units included within the reporting entity.

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* normally are supported by taxes and intergovernmental revenues.

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

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

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 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 and is reported on the accrual basis of accounting.

Note 1 - Summary of Significant Accounting Policies (continued)

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Grant revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

- The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *capital projects fund* is used to account for proceeds from sales of bonds and other revenues to be used for authorized construction and technology projects/enhancements.
- The *debt service fund* is used to account for revenues from debt service taxes and earnings on investments which are used for payment of interest and principal on the District's bonded indebtedness.

The District reports the following nonmajor governmental fund:

- The *special revenue funds* are used to account for resources restricted to, or designated for specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a special revenue fund. Generally, unused balances are returned to the grantor at the close of the specified project periods.

The District reports the following major enterprise fund:

- The *child nutrition fund* is used to account for allowable expenses as determined under the National School Breakfast and Lunch Program for the operations and improvement of Child Nutrition programs.

The District reports the following nonmajor enterprise funds:

- The *athletic concessions fund* and the *advertising fund*. These enterprise funds account for 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.

Additionally, the District reports the following fund types:

- The *internal service funds* account for the District's dental, workers compensation, and disability insurance provided to employees of the District.
- The *custodial fund* is used to account for resources held in custodial capacity by the District and consists of funds that are the property of students or others.

Note 1 - Summary of Significant Accounting Policies (continued)

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

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

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

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

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

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

Note 1 - Summary of Significant Accounting Policies (continued)

D. Current and future GASB pronouncements

Implementation of New Accounting Standards

GASB No. 84 *Fiduciary Activities* was issued in January 2017 and effective for periods beginning December 15, 2019. This standard establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. This standard must be applied retroactively and as such beginning net position and/or fund balance have been restated. The District has evaluated the effects of this standard and has restated its beginning net position and/or fund balance accordingly.

GASB No. 90 *Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61* was issued in August 2018 and effective for periods beginning December 15, 2019. The primary objectives of this Statement are to improve consistency in the measurement and comparability of the financial statement presentation of majority equity interests in legally separate organizations and to improve the relevance of financial statement information for certain component units. An equity interest is a financial interest in a legally separate organization evidenced by the ownership of shares of the organization's stock or by otherwise having an explicit, measurable right to the net resources of the organization that is usually based on an investment of financial or capital resources by a government. An equity interest is explicit and measurable if the government has a present or future claim to the net resources of the entity and the method for measuring the government's share of the entity's net resources is determinable. The District has determined that this Statement does not have an effect on the financial statements as of August 31, 2021

GASB 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 implemented this statement in fiscal year 2021.

E. Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, investment pools, and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments, with maturity of three months or less when purchased, to be cash equivalents. For cash management purposes, the District transfers balances to either a money market mutual or an externally pooled investment account. The cash is transferred back to the District as needed.

Investments consist primarily of U.S. government agency securities, commercial paper and municipal bonds. The District's investments are carried at fair value based on quoted market prices at year end, in accordance with U.S. generally accepted accounting principles. Investments having a maturity of three months or less are reported as cash and cash equivalents. 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. The District's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79 *Certain Investment Pools and Pool Participants*.

Note 1 - Summary of Significant Accounting Policies (continued)

F. Receivables and Payables

During the course of operations, transactions occur between individual funds for specified purposes. These receivables and payables are classified as “due from other funds” or “due to other funds” on the combined balance sheet.

Property taxes are levied by October 1st 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 1st of the year following the year in which imposed. On January 1st of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Appraised values are established by the Central Appraisal District (CAD) of Galveston County, Texas. Taxes are levied by the District's Board of Trustees based on the appraised values received from Galveston Central Appraisal District. Billing and collection of tax levies are performed by the District.

Property tax rates, established in accordance with state law, are levied on real and personal property within the District's boundaries for use in financing general government and debt service expenditures.

Tax rates levied to finance general government and debt service expenditures for the fiscal year were \$0.9359 and \$0.3300, respectively, based on an assessed property valuation of approximately \$25.6 billion resulting in an adjusted tax levy of approximately \$324.1 million. Allowances for uncollectible taxes 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.

G. Inventories and Prepaid Items

Inventories consisting of supplies and materials are stated at cost (average cost method) and they include consumable custodial, maintenance, transportation, instructional and office supplies. Inventories of governmental funds are recorded as expenditures when the supplies and materials are used or consumed (consumption method) rather than when purchased. Inventories of food commodities inventory are recorded at fair market value supplied by the Texas Department of Agriculture on the date received. Commodity inventory items are recorded as expenditures when distributed to individual campuses and revenue is recognized for an equal amount.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method of accounting.

H. Capital Assets

Capital Assets, which include land, land improvements, buildings, and furniture and equipment, are reported in the applicable governmental or business-type activities column 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 years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Costs of the Facilities Acquisition and Construction function that relate to overall planning of District facilities, managing overall District assets and overall construction projects are treated as period costs and are not capitalized unless related to specific assets. 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. When assets are retired or otherwise disposed of, the related costs or other recorded amounts are removed.

Note 1 - Summary of Significant Accounting Policies (continued)

H. Capital Assets (continued)

Buildings and improvements 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	20 - 40
Land improvements	10 - 25
Furniture and equipment	5 - 20

I. Compensated Absences

The District maintains a policy allowing employees meeting established requirements to be compensated for unused sick leave at retirement. The estimated liability for accumulated sick leave is reported in the government-wide statement of net position for the portion that is not currently payable from available financial resources at year end. The current portion of compensated absences payable is reported in the governmental funds and represents the amount payable to employees who retired prior to August 31st but are paid for unused sick leave in the next fiscal year. Annual vacation time which is unused lapses at the end of each fiscal year. There are no other compensated absences allowed under the District's personnel policies.

J. Long-Term Obligations

The District's long-term obligations consist of bonded indebtedness and compensated absences. 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 and proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds outstanding method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, 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. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund.

The current requirements for compensated absences are accounted for in the general fund.

K. 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 position (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 outflows of resources for 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)

K. Deferred Outflows/Inflows of Resources (continued)

- *Deferred outflows of resources for pension* - 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 and the results of 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 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 deferred outflows 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 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 governmentwide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of 1) differences between projected and actual earnings on 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 net OPEB liabilities. The 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 next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on plan investments will be amortized over a closed five-year period. The remaining OPEB related deferred outflows 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 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. The District reported property taxes that are unavailable as deferred inflows of resources on the fund financial statements.
- *Deferred inflows of resources for pension* - 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.

Note 1 - Summary of Significant Accounting Policies (continued)

K. Deferred Outflows/Inflows of Resources (continued)

- *Deferred inflows of resources for other post-employment benefits (OPEB)* - Reported in the governmentwide financial statement of net position, these deferred inflows result primarily from 1) changes in actuarial assumptions, 2) differences between expected and actual actuarial experiences, and 3) changes in the District's proportional share of net OPEB liabilities. These OPEB 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 plan.

L. Pension

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.

M. 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.

N. Fund Balance Classifications

The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance - amounts that are not in spendable form or are required to be maintained intact. As such, the inventory and prepaid items have been properly classified in the Governmental Funds Balance Sheet (Exhibit C-1).

Restricted fund balance - amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors. The fund balances for grant funds are classified as restricted.

Committed fund balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District takes the same highest level of action to remove or change the constraint. The capital projects fund has committed fund balance in the amount of \$68,168,643, of which \$67,346,534 is committed for construction and \$822,109 is committed for capital equipment. The total nonmajor governmental funds report committed fund balance in the amount \$7,409,820, of which is \$92,378 is committed for the campus activity fund, \$6,180,878 for the student device insurance fund, \$1,103,018 for District special events, and \$33,546 for music enrichment.

Note 1 - Summary of Significant Accounting Policies (continued)

N. Fund Balance Classifications (continued)

Assigned fund balance - amounts the District intends to use for a specific purpose. Intent can be expressed by the District or by an official or body to which the Board of Trustees delegates the authority.

Unassigned fund balance - amounts that are available for any purpose.

The District establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. A fund balance commitment is further indicated in the budget document as a commitment of the fund. Per Policy CE local, assigned fund balance amounts are established by the Superintendent or his designee.

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.

O. Data Control Codes

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

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.

Note 2 - Deposits and Investments

A. Cash Deposits

Deposits and investment transactions of the District are regulated by State statutes through provisions of Chapter 23, Subchapter E, Sections 23.71 through 23.8 (the School Depository Act) of the Texas Education Code and other Code sections referenced therein and through provisions of the Texas Revised Civil Statutes, Title 47, Articles 2529c, and 2548a regarding security for District funds in depository institutions.

In accordance with applicable statutes, the District has a depository contract with an area bank (depository) providing for interest to be earned on deposited funds and for banking charges the District incurs as a result of banking services received. All depository contracts have a term of two years, commencing with the start of every odd-numbered fiscal year. Depository contracts are awarded on the basis of competitive bids received from area banks and can be awarded to more than one bank if the bids received are relatively equal.

Note 2 - Deposits and Investments (continued)

A. Cash Deposits (continued)

The District may place funds with the depository in interest and non-interest bearing accounts. Statutes and the depository contract require that all funds in the depository institution be fully secured by federal depository insurance or a combination of federal depository insurance and acceptable collateral securities and/or an acceptable surety bond. The collateral securities must be delivered to the District or placed with an independent trustee institution with safekeeping receipts delivered to the District. In accordance with State statutes pertaining to lawful collateralization of District deposits, safekeeping receipts are issued in the name of the depository with proper indication that the collateral securities are pledged by the depository to secure funds of the District.

Acceptable collateral securities include direct obligations of the United States of America (U.S.), bonds of any agency of the U.S. (except Farmers Home Administration Insured Notes), Bonds of the State of Texas or of any county, school district, city, or town of the State of Texas that have been rated A or better by Moody's Investors Service, Inc., as authorized by Chapter 2257 Collateral for Public Funds of the Government Code. The District must approve all collateral securities prior to the security being pledged. The depository can change collateral securities pledged to secure District funds only upon obtaining the written approval of the District.

At August 31, 2021, the carrying amount of the District's cash on deposit was \$19,635,448 and the bank balances were \$25,885,099. The District's deposits with Wells Fargo Bank were secured with \$32,219,371 of pledged collateral and \$250,000 of FDIC coverage. The District's deposits at BB&T were secured with \$1,194,000 of pledged collateral and \$250,000 of FDIC coverage.

B. Investments

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

The State Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. It requires the District to adopt, implement, and publicize an investment policy. The investment policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the United States Treasury, certain United States agencies, and obligations of 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, and (10) common trust funds. Management of the District believes it is in compliance with the requirements of the Act and with local policies.

As of August 31, 2021, the District's investments included the Texas Local Government Investment Pool ("TexPool"), MBIA Texas Class Local Government Investment Pool ("Texas Class"), Texas Association of School Boards Lone Star Investment Pool (LSIP), and the TX-FIT cash pool, a local government investment pool.

Note 2 - Deposits and Investments (continued)

B. Investments (continued)

Local Government Investment Pools

TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (Trust Company) to provide a safe environment for the placement of local government funds in authorized short-term, fully-collateralized investments, including direct obligations of, or obligations guaranteed by, the United States or State of Texas or their agencies; federally insured certificates of deposit issued by Texas banks or savings and loans; and fully collateralized direct repurchase agreements secured by United States Government agency securities and placed through a primary government securities dealer. The Trust Company was incorporated by the State Treasurer by authority of the Texas Legislature as a special purpose trust company with direct access to the services of the Federal Reserve Bank to manage, disburse, transfer, safe keep, and invest public funds and securities more efficiently and economically. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. TexPool operates in a manner consistent with the Security and Exchange Commission's Rule 2a7 of the Investment Company Act of 1940.

MBIA Texas Class Pool is duly chartered by the State of Texas Interlocal Cooperation Act, is administered and managed by MBIA Municipal Investors Service Corporation. Wells Fargo Bank N.A. is the custodial bank. The primary objectives of MBIA Texas Class Pool, is to maintain safety of principal while providing participating government entities (Participants) with the highest possible rate of return for invested funds. The District's amortized cost in the MBIA Texas Class Pool is the same as the value of the pool shares.

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

The TX-FIT Cash Pool is a high-quality money market alternative for local government investors. The Cash Pool is a short-term investment product designed to add diversification with multiple asset classes and a competitive yield to other cash alternatives. Providing same day liquidity to participants, the pool is managed as a dollar-in/dollar-out product and has a floating net asset value. The TX-FIT investments in the TX-FIT Cash Pool are measured and reported at fair market value using the guidelines established by Generally Accepted Accounting Principles (GAAP). The Trust follows Financial Accounting Standards Board (FASB) Accounting Standards Topic (ASC) 820 Fair Value Measurement and Disclosure for financial reporting purposes. ASC 820 defines fair value, establishes a single framework for measuring fair value, and requires disclosures about fair value measurement.

Note 2 - Deposits and Investments (continued)

B. Investments (continued)

At August 31, 2021, the District's cash and investment balances and the weighted average maturity of these investments were as follows:

	<u>Carrying Value</u>	<u>Weighted Average Maturity (Days)</u>
Governmental Activities		
Cash and deposits	\$ 18,462,492	N/A
Certificates of Deposit	66,549,027	356
Investments:		
Local Government Investment Pools:		
Lone Star	27,206,268	45
TexPool Prime	21,015,843	52
TexasFIT	20,078,881	90
Texas CLASS	<u>6,680,378</u>	53
Total Local Government Investment Pools	<u>74,981,370</u>	60
Investment Securities:		
Federal Home Loan Mortgage Corp.	4,996,228	408
US Treasury Bonds	14,904,093	1,019
Municipal Bonds	38,260,225	448
Commercial Paper	<u>102,252,334</u>	46
Total Investment Securities	<u>160,412,880</u>	244
Total Governmental Activities	<u>320,405,769</u>	61
Business-type Activities		
Cash and deposits	622,313	N/A
Investments:		
Local Government Investment Pools:		
Lone Star	807,956	45
TexPool Prime	1,643,338	52
Texas CLASS	<u>1,787,307</u>	53
Total Local Government Investment Pools	<u>4,238,601</u>	51
Investment Securities:		
Municipal Bonds	<u>1,529,899</u>	448
Total Investment Securities	<u>1,529,899</u>	448
Total Business-type Activities	<u>6,390,813</u>	51
Fiduciary Funds		
Cash and deposits	<u>550,643</u>	N/A
Total Fiduciary Funds	<u>550,643</u>	
Total	<u>\$ 327,347,225</u>	134

Note 2 - Deposits and Investments (continued)

B. Investments (continued)

The District's investment securities are reported at fair value using Level 2 inputs. The fair value measurements are based on quoted market prices using matrix pricing technique by the pricing source that values securities based on their relationship to benchmark quoted prices (Level 2 inputs). Investments' fair value measurement are as follows at August 31, 2021:

Investments	Carrying Value	Carrying Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Governmental Activities				
Certificates of Deposit	\$ 66,549,027	\$ 66,549,027	\$ -	\$ -
Federal Home Loan Mortgage Corp.	4,996,228	-	4,996,228	-
US Treasury Bonds	14,904,093	-	14,904,093	-
Municipal Bonds	38,260,225	-	38,260,225	-
Commercial Paper	102,252,334	-	102,252,334	-
Total governmental activities	<u>\$ 226,961,907</u>	<u>\$ 66,549,027</u>	<u>\$ 160,412,880</u>	<u>\$ -</u>

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. In accordance with the Investment Policy, the District reduces its exposure to declines in fair market values by limiting the weighted average maturity of its investment portfolio to no more than 180 days, with the exception of debt service and capital projects funds which are limited to no more than 24 months without specific board approval.

At August 31, 2021, the District's exposure to interest rate risk as measured by the segmented time distribution by investment type is summarized below:

	Carrying Value	Investment Maturity in Years	
		Less than 1	1-5
Governmental Activities			
Certificates of Deposit	\$ 66,549,027	\$ 25,804,893	\$ 40,744,134
Local Government Investment Pools:			
Lone Star	27,206,268	27,206,268	-
TexPool Prime	21,015,843	21,015,843	-
TexasFIT	20,078,881	20,078,881	-
Texas CLASS	6,680,378	6,680,378	-
Investment Securities			
Federal Home Loan Mortgage Corp.	4,996,228	-	4,996,228
US Treasury Bonds	14,904,093	-	14,904,093
Municipal Bonds	38,260,225	13,081,317	25,178,908
Commercial Paper	102,252,334	102,252,334	-
Total Governmental Activities	<u>301,943,277</u>	<u>216,119,914</u>	<u>85,823,363</u>
Business Type Activities			
Local Government Investment Pools:			
Lone Star	807,956	807,956	-
TexPool Prime	1,643,338	1,643,338	-
Texas CLASS	1,787,307	1,787,307	-
Investment Securities			
Municipal Bonds	1,529,899	1,529,899	-
Total Business Type Activities	<u>5,768,500</u>	<u>5,768,500</u>	<u>-</u>
Total Investments	<u>\$ 307,711,777</u>	<u>\$ 221,888,414</u>	<u>\$ 85,823,363</u>

Note 2 - Deposits and Investments (continued)

B. Investments (continued)

Credit Risk

State law and the District's investment policy limits investments in all categories to top ratings issued by nationally recognized statistical rating organizations. The District's investment policy requires the investment portfolio to be diversified in terms of investment instruments, maturity scheduling, and financial institutions in order to reduce the risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer.

As of August 31, 2021, the District's portfolio consisted of the following:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Percentage of Portfolio</u>	<u>Rating</u>	<u>Rating Agency</u>
Certificates of Deposit	\$ 66,549,027	21.63%	N/A	N/A
Lone Star - Corporate Overnight Fund	28,014,224	9.10%	AAAm	Standard and Poor's
TexPool Prime	22,659,181	7.36%	AAAm	Standard and Poor's
TexasFIT	20,078,881	6.53%	AAAf/S1	Fitch Ratings
Texas CLASS	8,467,685	2.75%	AAAm	Standard and Poor's
Federal Home Loan Mortgage Corp.	4,996,228	1.62%	AA+	Standard and Poor's
US Treasury Bonds	14,904,093	4.84%	AA+	Standard and Poor's
Municipal Bonds	39,790,124	12.93%	AAA	Standard and Poor's
Commercial Paper	102,252,334	33.23%	N/A	N/A
	<u>\$ 307,711,777</u>	<u>100.00%</u>		

The District reports its local government investment pools at amortized cost as permitted by GASB Statement No. 79 *Certain External Investment Pools and Pool Participants*. In addition, Lone Star, TexPool and Texas TERM do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. The three pools do not impose any liquidity fees or redemption gates.

Note 3 - Receivables and Unearned Revenues

Receivables as of August 31, 2021, for the District's individual major and non-major funds and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Internal Service Funds</u>	<u>Child Nutrition</u>	<u>Total</u>
Governmental activities							
Property Taxes	\$ 9,096,530	\$ 2,924,404	\$ -	\$ -	\$ -	\$ -	\$ 12,020,934
Due from other governments	4,942,215	-	-	9,936,419	-	-	14,878,634
Accrued interest	149,645	98,761	177,313	6,250	-	-	431,969
Other Receivables	175,690	-	532,905	1,795	39,885	-	750,275
Gross receivables	14,364,080	3,023,165	710,218	9,944,464	39,885	-	28,081,812
Less: Allowance for doubtful accounts	(1,364,479)	(438,661)	-	-	-	-	(1,803,140)
Net total governmental activities	<u>12,999,601</u>	<u>2,584,504</u>	<u>710,218</u>	<u>9,944,464</u>	<u>39,885</u>	<u>-</u>	<u>26,278,672</u>
Business-type activities							
Due from other governments	-	-	-	-	-	765,860	765,860
Net total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>765,860</u>	<u>765,860</u>
Net total receivables	<u>\$ 12,999,601</u>	<u>\$ 2,584,504</u>	<u>\$ 710,218</u>	<u>\$ 9,944,464</u>	<u>\$ 39,885</u>	<u>\$ 765,860</u>	<u>\$ 27,044,532</u>

Note 3 - Receivables and Unearned Revenues (continued)

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

	Unearned Revenues
Foundation School Program	\$ 20,122,832
Unearned federal grant revenue	285,895
Unearned local and state revenue	<u>1,251,049</u>
Total unearned revenues	<u><u>\$ 21,659,776</u></u>

Note 4 - Interfund Receivables, Payables, and Transfers

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

	Receivable Fund						
	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Internal Service Funds	Child Nutrition Fund	
Payable Fund							
Governmental activities							
General fund	\$ -	\$ 56,563	\$ 6,300,000	\$ -	\$ 151,309	\$ 252	\$ 6,508,124
Capital Projects Fund	-	-	-	7,168,415	-	-	7,168,415
Nonmajor governmental funds	<u>16,285,234</u>	-	-	-	-	-	<u>16,285,234</u>
Total governmental activities	<u>16,285,234</u>	<u>56,563</u>	<u>6,300,000</u>	<u>7,168,415</u>	<u>151,309</u>	<u>252</u>	<u>29,961,773</u>
Business-type activities							
Child Nutrition Fund	709,757	-	-	-	7,399	-	717,156
Nonmajor Enterprise Funds	<u>154,862</u>	-	-	-	-	<u>13,259</u>	<u>168,121</u>
Total business-type activities	<u>864,619</u>	-	-	-	<u>7,399</u>	<u>13,259</u>	<u>885,277</u>
Net interfund totals	<u><u>\$ 17,149,853</u></u>	<u><u>\$ 56,563</u></u>	<u><u>\$ 6,300,000</u></u>	<u><u>\$ 7,168,415</u></u>	<u><u>\$ 158,708</u></u>	<u><u>\$ 13,511</u></u>	<u><u>\$ 30,847,050</u></u>

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 August 31, 2021:

	Transfers In		
	Capital Projects Fund	Nonmajor Governmental Funds	Totals
Transfers Out			
Governmental activities			
General fund	6,300,000	-	\$ 6,300,000
Capital Projects Fund	-	7,168,415	7,168,415
Nonmajor governmental funds	-	120,801	120,801
Total governmental activities	<u><u>\$ 6,300,000</u></u>	<u><u>\$ 7,289,216</u></u>	<u><u>\$ 13,589,216</u></u>

Interfund transfers were as follows: 1) \$6,300,000 from the general fund to the capital projects fund to finance the District’s improvement plan, 2) \$7,168,415 transferred to the pandemic response fund from the capital projects fund for expenditures made during the fiscal year and 3) \$120,801 transferred from the Cares Fund to the pandemic response fund for expenditures made during the prior fiscal year.

Note 5 - Capital Assets

The District records assets based on historical costs and calculates depreciation on capital assets in accordance with GASB Statement 34. The District's capitalization policy is to capitalize assets costing over \$5,000 and with a life expectancy of 1 year or more. Depreciation expense is allocated to functional categories based upon expenditures in the general fund.

Capital asset activity for the governmental activities of the District for the year ended August 31, 2021, are as follows:

	Balance September 01, 2020	Additions	(Retirements)	Transfers	Balance August 31, 2021
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 60,359,441	\$ -	\$ -	\$ -	\$ 60,359,441
Construction in progress	59,106,564	70,232,785	-	(34,573,648)	94,765,701
Total Capital assets, not being depreciated	119,466,005	70,232,785	-	(34,573,648)	155,125,142
Capital assets, being depreciated:					
Land improvements	37,447,917	188,930	-	-	37,636,847
Buildings and improvements	1,265,657,875	15,124,880	-	34,573,648	1,315,356,403
Furniture and equipment	144,986,742	4,480,412	(2,913,574)	-	146,553,580
Total Capital assets, being depreciated	1,448,092,534	19,794,222	(2,913,574)	34,573,648	1,499,546,830
Less accumulated depreciation for:					
Land improvements	(22,185,353)	(1,336,660)	-	-	(23,522,013)
Buildings and improvements	(464,259,427)	(38,562,064)	-	-	(502,821,491)
Furniture and Equipment	(122,070,624)	(3,287,981)	2,873,197	-	(122,485,408)
Total Accumulated depreciation	(608,515,404)	(43,186,705)	2,873,197	-	(648,828,912)
Governmental Capital Assets	\$ 959,043,135	\$ 46,840,302	\$ (40,377)	\$ -	\$ 1,005,843,060
Business-type Activities:					
Capital assets, being depreciated:					
Buildings and improvements	\$ 4,009,642	\$ -	\$ -	\$ -	\$ 4,009,642
Furniture and equipment	5,636,067	16,217	-	-	5,652,284
Total Capital assets, being depreciated	9,645,709	16,217	-	-	9,661,926
Less accumulated depreciation for:					
Buildings and improvements	(1,341,352)	(153,214)	-	-	(1,494,566)
Furniture and Equipment	(3,677,916)	(421,473)	-	-	(4,099,389)
Total Accumulated depreciation	(5,019,268)	(574,687)	-	-	(5,593,955)
Business-type Capital Assets	\$ 4,626,441	\$ (558,470)	\$ -	\$ -	\$ 4,067,971

Note 5 - Capital Assets (continued)

Depreciation expense of the governmental activities was charged to the functions/programs as follows:

<u>Function</u>	<u>Depreciation Expense</u>
Governmental Activities:	
Instruction	\$ 27,572,681
Instructional resources and media services	542,716
Curriculum and staff development	1,115,547
Instructional leadership	403,812
School leadership	2,799,033
Guidance, counseling and evaluation services	1,717,401
Social work services	106,418
Health services	458,121
Student transportation	1,467,720
Extracurricular activities	876,591
General administration	899,010
Facilities maintenance and operations	3,569,263
Security and monitoring services	672,189
Data processing services	960,799
Community services	25,404
Total Governmental Activities	\$ 43,186,705
Business-type Activities:	
Food Services	\$ 433,159
Extracurricular activities	141,528
Total Business-type Activities:	574,687
Total	\$ 43,761,392

A summary of capital projects having construction in progress as of August 31, 2021, is scheduled as follows:

<u>Project</u>	<u>Approved Construction Budget</u>	<u>Construction in Progress</u>	<u>Estimated Remaining Commitment</u>
Governmental Activities:			
17CVHS01 CVHS Rebuild	\$ 36,504,817	\$ 29,654,571	\$ 6,850,246
19CSIS01 Addition & Renovations	5,031,839	4,624,648	407,191
18WHE01 White Elementary	19,600,102	18,156,943	1,443,159
20ROSE01 Ross Elem Major Renovation	1,242,712	616,540	626,172
20WCME01 Whitcom Elem Additions & Renovations	1,563,157	348,374	1,214,783
19LANE01 Landout Renovation	14,875,035	12,841,178	2,033,857
19HALE01 Hall Renovations	15,458,830	11,204,262	4,254,568
17MATRO1 Main Transportation	20,377,824	16,954,074	3,423,750
Other Repairs & Renovations	27,508	27,508	-
OCIP Insurance - Bonds 2017	477,603	337,603	140,000
	\$ 115,159,427	\$ 94,765,701	\$ 20,393,726

Note 6 - Long-Term Liabilities

The District issues general obligation bonds to provide funds for the renovation, acquisition and construction of major capital facilities. The general obligation bonds are direct obligations and pledge the full faith and credit of the District.

In August 2021, the District remarketed \$49,250,000 of Variable Rate Unlimited Tax School Building Bonds - Series 2013B (2038 Term Bond Remarketing). The remarketed bonds carry a term rate of 2-3 percent. The last day of the new term rate period is August 15, 2023 with a mandatory tender date of August 16, 2023.

In December 2020, the District issued Unlimited Tax Refunding Bonds, Series 2020, in the amount of \$15,500,000 with an interest rate of 5 percent. The bonds refunded \$15,500,000 of previously issued outstanding bonds. The refunding resulted in an economic gain of \$2,249,320.

In November 2020, the District issued \$80,875,000 in Unlimited Tax Refunding Bonds, Taxable Series 2020A (PSF), with an interest rates ranging between of 1.729 – 5.00 percent. The bonds refunded \$87,480,000 of previously issued outstanding bonds as a current refunding transaction and a deferred loss on refunding was recorded in the amount of \$1,596,457. The deferred loss will be amortized over the life of the new or refunded bonds, whichever is less. The refunding resulted in an economic gain of \$9,316,891.

In November 2020, the District issued \$63,645,000 in Unlimited Tax Refunding Bonds, Taxable Series 2020B (Non-PSF), with an interest rate of 5.00 percent. The bonds refunded \$69,860,000 of previously issued outstanding bonds as a current refunding transaction and a deferred loss on refunding was recorded in the amount of \$145,403. The deferred loss will be amortized over the life of the new or refunded bonds, whichever is less. The refunding resulted in an economic gain of \$7,414,367.

In February 2021, the District issued \$107,490,000 in Unlimited Tax School Building Bonds, Series 2021, with interest rates ranging between 3-5 percent. Proceeds from the sale of the Bonds will be used for (i) the construction, acquisition and equipment of school buildings in the District, including the rehabilitation, renovation, expansion and improvement thereof; (ii) the purchase of the necessary sites for school buildings, (iii) the purchase of new school buses, and (iv) payment of the costs of issuance related to the Bonds.

A summary of general long-term debt transactions of the District for the fiscal year ended August 31, 2021, follows:

	<u>Balance</u> <u>September 01, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>August 31, 2021</u>	<u>Due Within</u> <u>One Year</u>
General obligation bonds	\$ 979,890,000	\$ 316,760,000	\$ (264,230,000)	\$ 1,032,420,000	\$ 42,255,000
Bond premiums/discouts	87,669,573	46,425,602	(21,887,829)	112,207,346	-
Total Bonds Payable	<u>1,067,559,573</u>	<u>363,185,602</u>	<u>(286,117,829)</u>	<u>1,144,627,346</u>	<u>42,255,000</u>
Compensated absences payable	4,928,170	918,470	(610,177)	5,236,463	604,534
Total Other Liabilities	<u>\$ 1,072,487,743</u>	<u>\$ 364,104,072</u>	<u>\$ (286,728,006)</u>	<u>\$ 1,149,863,809</u>	<u>\$ 42,859,534</u>

Note 6 - Long-Term Liabilities (continued)

General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These are issued as current interest bonds and term bonds with various amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

Issue	Original issuance amount	Interest Rate (%)	Maturity Date	Debt Outstanding
Unlimited Tax Refunding Bonds - Series 2012	\$ 82,755,000	4.00% to 5.00%	2028	\$ 2,755,000
Unlimited Tax Refunding Bonds - Series 2012A	81,950,000	1.00% to 5.00%	2029	4,730,000
Unlimited Tax Refunding Bonds - Series 2012B	52,810,000	0.19% to 3.70%	2026	52,215,000
Unlimited School Building Bonds - Series 2013A	45,945,000	2.00% to 5.00%	2029	11,035,000
Variable Rate Unlimited Tax School Building Bonds - Series 2013B	144,470,000	2.00% to 3.00%	2038	144,470,000
Unlimited Tax School Building Bonds - Series 2014	99,995,000	2.00% to 5.00%	2039	75,015,000
Unlimited Tax School Building and Refunding Bonds - Series 2015A	168,830,000	2.25% to 5.00%	2040	160,520,000
Unlimited Tax Refunding Bonds - Series 2015B	11,600,000	5.00%	2029	11,600,000
Unlimited Tax Refunding Bonds - Series 2016	45,170,000	2.00% to 5.00%	2033	39,625,000
Unlimited Tax School Building Bonds - Series 2018	154,970,000	3.00% to 5.00%	2041	145,785,000
Unlimited Tax Refunding Bonds - Series 2019	16,125,000	2.14%	2027	103,370,000
Unlimited Tax School Building Bonds - Series 2019A	108,970,000	3.00% to 5.00%	2041	16,105,000
Unlimited Tax Refunding Bonds - Series 2020A	80,875,000	1.73% - 5.00%	2033	79,850,000
Unlimited Tax Refunding Bonds - Series 2020B	63,645,000	5.00%	2028	62,630,000
Unlimited Tax Refunding Bonds - Series 2020	15,500,000	5.00%	2025	15,225,000
Unlimited Tax School Building Bonds, Series 2021	107,490,000	3.00% to 5.00%	2041	107,490,000
				<u>\$ 1,032,420,000</u>

Debt service requirements to maturity are as follows:

Year Ending August 31,	Principal	Interest	Totals
2022	\$ 42,255,000	\$ 40,413,633	\$ 82,668,633
2023	45,150,000	38,347,187	83,497,187
2024	47,325,000	38,087,281	85,412,281
2025	49,605,000	37,850,080	87,455,080
2026	53,760,000	35,497,781	89,257,781
2027 - 2031	305,505,000	136,486,907	441,991,907
2032 - 2036	284,180,000	68,589,113	352,769,113
2037 - 2041	204,640,000	17,880,051	222,520,051
	<u>\$ 1,032,420,000</u>	<u>\$ 413,152,033</u>	<u>\$ 1,445,572,033</u>

Refunding of Long-Term Debt

In previous years, the District defeased certain outstanding bonds by placing proceeds of new bonds in irrevocable escrow accounts to provide for all future debt service payments on the old bonds. Accordingly, the escrow accounts to provide for all future bonds are not included in the District's financial statements. At August 31, 2021, there was no defeased debt outstanding.

Note 7 - Commitments under Operating Leases

Commitments under operating (noncapitalized) lease agreements for facilities and equipment are classified as State of Texas Rental Contracts and are cancelable contingent upon budget funding approval. The District is therefore not obligated for any future minimum rental payments at August 31, 2021. The imputed interest on the leases is not readily determinable.

Rental expenditures for the year ended August 31, 2021 amounted to \$949,736 for the governmental activities and \$4,017 for the business-type activities.

Note 8 - Fund Balance and Net Position

Committed Fund Balance

The committed fund balance in the governmental funds consists of the following:

	Capital Projects Fund	Nonmajor Governmental Funds	Total
Committed Fund Balances			
Construction	\$ 67,346,534	\$ -	\$ 67,346,534
Capital Equipment	822,109	-	822,109
Campus Activities	-	6,180,878	6,180,878
Music Enrichment	-	92,378	92,378
Student Tablet Insurance	-	1,103,018	1,103,018
District Special Events	-	33,546	33,546
Total Committed Fund Balances	\$ 68,168,643	\$ 7,409,820	\$ 75,578,463

Net Position (deficit)

The District reports negative unrestricted net position in the amount of \$154,862 in the Advertising Fund, which is a nonmajor enterprise fund. This planned negative net position will be paid with future operating revenues generated by the Advertising Fund through advertising sponsorships.

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	\$ 237,730,051	\$ 83,814,534	\$ -	\$ -	\$ 321,544,585
Penalties, interest and other tax related revenue	1,294,797	394,726	-	-	1,689,523
Investment income	812,386	171,967	598,240	9,728	1,592,321
Co-curricular student activities	486,282	-	-	4,818,609	5,304,891
Donations	164,800	-	-	253,964	418,764
Facility rentals	539,768	-	-	-	539,768
SSA - Member districts	50,292	-	-	2,125,112	2,175,404
Tuition and fees	753,383	-	-	-	753,383
E-Rate	7,675	-	-	-	7,675
Student tablet insurance	-	-	-	344,242	344,242
Insurance proceeds	-	-	2,536,344	-	2,536,344
Other	432,703	-	-	220,310	653,013
	\$ 242,272,137	\$ 84,381,227	\$ 3,134,584	\$ 7,771,965	\$ 337,559,913

Note 10 - Defined Benefit Pension Plan

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.

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/cafr_2020.pdf, or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

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.

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

Note 10 - Defined Benefit Pension Plan (continued)

Contributions (continued)

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	
	2021	2020
Member	7.70%	7.70%
Non-Employer Contributing Entity	7.50%	7.50%
Employers	7.50%	7.50%

	Measurement Year (2020)		Fiscal Year (2021)
	Contributions Required and Made	Pension Expense	TRS Contributions
Employer (District)	\$ 9,095,620	\$ 20,095,882	\$ 9,645,706
Employee (Member)	21,157,097	-	21,834,147
Non-Employer Contributing Entity On-Behalf Contributions (State)	14,818,085	23,135,036	15,033,467

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.

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

- All public schools, charter schools, and regional 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.

Note 10 - Defined Benefit Pension Plan (continued)

Actuarial Assumptions

The total pension liability in the August 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Component	Result
Valuation Date	August 31, 2019, rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term Expected Rate	7.25%
Municipal Bond Rate as of August 2019	2.33%. 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)	2119
Inflation	2.30%
Salary Increases	3.05% to 9.05% including inflation
Ad Hoc Post-Employment Benefit Changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. These assumptions are further described the 2020 TRS ACFR, which includes actuarial valuation report dated November 14, 2019.

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.

Note 10 - Defined Benefit Pension Plan (continued)

Discount Rate (continued)

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, 2020 are summarized below:

Asset Class	Target Allocation ¹	Long-Term Expected Arithmetic Real Rate of Return ²	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.00%	3.90%	0.99%
Non-U.S. Developed	13.00%	5.10%	0.92%
Emerging Markets	9.00%	5.60%	0.83%
Private Equity	14.00%	6.70%	1.41%
Stable Value			
Government Bonds	16.00%	-0.70%	-0.05%
Absolute Return (Including Credit Sensitive Investments)	0.00%	1.80%	0.00%
Stable Value Hedge Funds	5.00%	1.90%	0.11%
Real Return			
Real Estate	15.00%	4.60%	1.01%
Energy, Natural Resources and Infrastructure	6.00%	6.00%	0.42%
Commodities	0.00%	0.80%	0.00%
Risk Parity			
Risk Parity	8.00%	3.00%	0.30%
Leverage			
Cash	2.00%	-1.50%	-0.03%
Asset Allocation Leverage	-6.00%	-1.30%	0.08%
Inflation Expectation			2.00%
Volatility Drag ³			-0.67%
Expected Return	100.00%		7.32%

¹ Target allocations are based on the FY2020 policy model.

² Capital Market Assumptions come from Aon Hewitt as of August 31, 2020.

³ The volatility drag results from the conversion between arithmetic and geometric mean returns.

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	Current	1% Increase
	(6.25%)	(7.25%)	(8.25%)
District's proportional share of the net pension liability	\$ 182,020,974	\$ 118,043,506	\$ 66,063,215

Note 10 - Defined Benefit Pension Plan (continued)

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

At August 31, 2021, the District reported a liability of \$118,043,506 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 118,043,506
State's proportionate share that is associated with the District	<u>192,346,694</u>
Total	<u>\$ 310,390,200</u>

The net pension liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer'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, 2019 thru August 31, 2020.

At August 31, 2020, the District's proportion of the collective net pension liability was 0.2204% which was a decrease of 0.0096% from its proportion measured as of August 31, 2019.

The General, Capital Projects and Special Revenue Funds are used to liquidate pension liabilities.

Changes Since the Prior Actuarial Valuation

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

For the year ended August 31, 2021, the District recognized pension expense of \$20,095,882. The District also recognized an additional on-behalf revenue and expense of \$23,135,036 representing for support provided by the State.

At August 31, 2021, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 215,538	\$ (3,294,281)
Changes of assumption	27,390,293	(11,646,162)
Net difference between projected and actual earnings on pension plan investments	2,389,690	-
Changes in proportion and differences between District contributions and proportionate share of contributions	7,590,598	(3,515,364)
District contributions subsequent to the measurement date	<u>9,645,708</u>	<u>-</u>
Total	<u>\$ 47,231,827</u>	<u>\$ (18,455,807)</u>

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$9,645,708 will be recognized as a reduction of the net pension liability in the year ended August 31, 2022. 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:

Note 10 - Defined Benefit Pension Plan (continued)

Changes Since the Prior Actuarial Valuation (continued)

<u>Fiscal Year</u>	<u>Pension Expense Amount</u>
2022	\$ 6,131,451
2023	6,810,821
2024	6,257,336
2025	1,853,394
2026	(1,698,287)
Thereafter	(224,403)
	<u>\$ 19,130,312</u>

Note 11 - Defined Other Post-Employment Benefit Plans

Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS- Care). It is a multiple-employer, cost-sharing defined 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.

OPEB Plan Fiduciary Net Position

Detail information about the TRS-Care’s fiduciary net position is available in the separately-issued TRS 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_2020.pdf, or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

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.

Note 11 - Defined Other Post-Employment Benefit Plans (continued)

Benefits Provided (continued)

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

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

Contributions

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and 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 0.65 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.

	Contribution Rates	
	2021	2020
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding remitted by Employers	1.25%	1.25%

	Measurement Year (2020)		Fiscal Year (2021)
	Contributions Required and Made	Pension Expense	TRS Contributions
Employer (District)	\$ 2,204,519	\$ (714,701)	\$ 2,269,512
Employee (Member)	1,805,528	-	1,843,122
Non-Employer Contributing Entity			
On-Behalf Contributions (State)	2,965,901	(1,030,018)	4,681,692

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

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$230.8 million in fiscal year 2020 to maintain premiums and benefit levels in the 2020-2021 biennium.

Note 11 - Defined Other Post-Employment Benefit Plans (continued)

Actuarial Assumptions

The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2020. The actuarial valuation was determined using the following actuarial assumptions:

Component	Result
Valuation Date	August 31, 2019, rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	2.33% as of August 31, 2020
Aging Factors	Based on plan specific experience
Election Rates	Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65, 25% of pre-65 retirees are assumed to discontinue coverage at age 65
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs.
Salary Increases	3.05% to 9.05% including inflation
Healthcare Trend Rates	Initial medical trend rates were 10.75% for Medicare retirees and 7.50% for non-Medicare retirees. Initial prescription drug trend rate of 10.25% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.50% over a period of 13 years.
Ad Hoc Post-Employment Benefit Changes	None

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. All the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in the OPEB valuation were identical to those used in the respective TRS pension valuation. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.

The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2019 TRS pension actuarial valuation that was rolled forward to August 31, 2020: (a) Rates of Mortality, (b) Rates of Retirement, (c) Rates of Termination, (d) Rates of Disability, (e) General Inflation, (f) Wage Inflation, and (g) Expected Payroll Growth..

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females, with full generational mortality using Scale BB. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published scale (U-MP).

Note 11 - Defined Other Post-Employment Benefit Plans (continued)

Discount Rate

A single discount rate of 2.33 percent was used to measure the Total OPEB Liability. There was a decrease of 0.30 percent in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the nonemployer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2020 using the fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis

Discount Rate – The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.33%) in measuring the Net OPEB Liability.

	Discount Rate		
	1% Decrease (1.33%)	Current Rate (2.33%)	1% Increase (3.33%)
District's proportionate share of the Net OPEB Liability	\$ 132,469,917	\$ 110,391,808	\$ 92,953,271

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

At August 31, 2021, the District reported a liability of \$110,391,808 for its proportionate share of the TRS’s Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 110,391,808
State's proportionate share that is associated with District	148,340,129
Total	<u>\$ 258,731,937</u>

The Net OPEB Liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 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, 2019 through August 31, 2020.

At August 31, 2020, the District’s proportion of the collective Net OPEB Liability was 0.2904% which was a decrease of 0.0044% from its proportion measured as of August 31, 2019.

Note 11 - Defined Other Post-Employment Benefit Plans (continued)

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

The General, Capital Projects and Special Revenue Funds are used to liquidate OPEB liabilities.

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	1% Increase
District's proportionate share of the Net OPEB Liability	\$ 90,175,964	\$ 110,391,808	\$ 137,316,456

Changes Since the Prior Actuarial Valuation

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

- The discount rate changed from 2.63 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the Total OPEB Liability.
- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.
- The ultimate health care trend rate assumption was lowered from 4.50 percent to 4.25 percent 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.

Changes of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

For the year ended August 31, 2021, the District recognized negative OPEB expense of \$714,701. The District also recognized negative on-behalf expense and revenue of \$1,030,018 for support provided by the State.

At August 31, 2021, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 5,780,071	\$ (50,520,936)
Changes in actuarial assumptions	6,808,879	(30,314,161)
Difference between projected and actual investment earnings	35,873	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	6,910,888	(2,471,222)
Contributions paid to TRS subsequent to the measurement date	2,269,512	-
Total	\$ 21,805,223	\$ (83,306,319)

Note 11 - Defined Other Post-Employment Benefit Plans (continued)

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

The \$2,269,512 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 August 31, 2022. 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:

Year ended August 31:	OPEB Expense Amount
2022	\$ (10,531,124)
2023	(10,535,919)
2024	(10,538,662)
2025	(10,537,911)
2026	(7,589,297)
Thereafter	(14,037,695)
	<u>\$ (63,770,608)</u>

Medicare Part D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended August 31, 2021, 2020, and 2019, the subsidy payments received by TRS-Care on-behalf of the District were \$1,277,091, \$1,181,748, and \$985,427, respectively. The information for the year ended August 31, 2021 is an estimate provided by the Teacher Retirement System. These payments are recorded as equal revenues and expenditures in the governmental funds financial statements of the District.

Note 12 - Risk Management

The District is exposed to various risks related to torts: theft of, damage to, and destruction of assets; errors and omissions; 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. Settled claims have not exceeded insurance coverage in any of the previous three fiscal years. There has not been any significant reduction in insurance coverage from the previous year.

In addition, the District is a member of the Texas Association of School Board's Joint Account Self-insurance Fund ("TASB Fund"). The TASB Fund was created to formulate, develop and administer a program of modified self-funding for the property and/or liability coverage for its membership, provide claims administration, and develop a comprehensive loss control program. The District pays contributions to the TASB Fund for its general and educators' liability coverage. The District's agreement with the TASB Fund provides that the TASB Fund will be self-sustaining through member premiums and will provide, through commercial companies, reinsurance contracts.

Note 12 - Risk Management (continued)

Dental Coverage

The District participates in a self-funded dental coverage program. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred but not reported (“IBNR”). The result of the process to estimate the claims liability is based upon the District’s historical experience.

Changes in the balances of claims liabilities during the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Beginning of Year Accrual</u>	<u>Current Year Estimates</u>	<u>Claims Payments</u>	<u>End of Year Accrual</u>
2020	\$ 150,000	\$ 1,458,384	\$ (1,458,384)	\$ 150,000
2021	150,000	1,713,698	(1,713,698)	150,000

The claims liability at year-end represents amount due for dental plan claim liabilities.

At August 31, 2021, \$90,000 of the \$150,000 end of year accrual represented dental claims that were reported but not paid and is included in the Benefits Fund accounts payable balance (Exhibit H-6).

Workers Compensation

During the year ended August 31, 2021, employees of the District were provided with workers’ compensation benefits which were self-funded from accumulated assets, provided directly from the District, which is the plan sponsor. All claims were submitted, processed, and approved by a third-party administrator acting as an agent of the District. The plan is documented by contractual agreement.

Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred but not reported (“IBNR”). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of these factors. The estimate of claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from stop-loss or subrogation, are another component of the claim’s liability estimate. An excess coverage insurance policy covers individual claims in excess of \$500,000 up to the statutory limits for any given claim. There were no significant reductions in insurance coverage from the prior year and settlements have not exceeded coverage for each of the past three fiscal years.

Changes in the balances of claims liabilities during the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Beginning of Year Accrual</u>	<u>Current Year Estimates</u>	<u>Claims Payments</u>	<u>End of Year Accrual</u>
2020	\$ 815,467	\$ 582,743	\$ (582,742)	\$ 815,468
2021	815,468	624,378	(624,378)	815,468

Note 12 - Risk Management (continued)

Disability Coverage

The District participates in a self-funded short-term disability program. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred but not reported (“IBNR”). The result of the process to estimate the claims liability is based upon the District’s historical experience.

Changes in the balances of claims liabilities during the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Beginning of Year Accrual</u>	<u>Current Year Estimates</u>	<u>Claims Payments</u>	<u>End of Year Accrual</u>
2020	\$ 100,000	\$ 500,584	\$ (500,584)	\$ 100,000
2021	100,000	693,725	(680,725)	113,000

The claims liability at year-end represents amount due for disability claim liabilities.

Note 13 - Compensated Absences

Sick Leave Policy

Upon retirement of all employees or separation of certain employees, the District pays any accrued sick and vacation leave in a lump sum cash payment to such employee or the employee’s estate. The District records these lump sum payments as expenditures in the General Fund. Additionally, \$604,534 in current compensated absences payable are recorded in the government-wide financial statements. The District estimates the long-term portion of the sick leave liability and records this amount in the government-wide financials as a long-term liability. The long-term liability for compensated absences was \$5,236,463 as of August 31, 2021.

Changes in the sick leave liability for the year ended August 31, 2021 was as follows:

	<u>Balance September 01, 2020</u>	<u>Additions</u>	<u>Payments to Participants</u>	<u>Balance August 31, 2021</u>
Compensated absences payable	\$ 4,928,170	\$ 918,470	\$ (610,177)	\$ 5,236,463

Vacation Leave

The District’s employees earn vacation time that can be accumulated for a one-year period. No liability has been recorded for accumulated vacation pay since the amount is not material to the financial statements.

Note 14 - Litigation, Commitments and Contingencies

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

The District received significant financial assistance from federal and state governmental agencies in the form of grants. The disbursements of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies and the TEA. Any disallowed claims resulting from such audits could become a liability of the General Fund. However, in the opinion of management, such disallowed claims, if any, will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at year end.

Note 15 - Shared Service Arrangements

The District participates in a Shared Service Arrangement (SSA) for the Galveston-Brazoria Co-op for the Hearing Impaired with nine other school districts. Approximately \$702,133 of the total SSA expenditures are attributable to the District. The District is also the fiscal agent of the SSA which provides a system of direct and support services to eligible hearing-impaired students of member districts. In addition to the District, other member districts include Alvin ISD, Dickinson ISD, Friendswood ISD, Galveston ISD, Hitchcock ISD, Pearland ISD, Santa Fe ISD and Texas City ISD. All services are provided by the fiscal agent. The member districts provide the funds to the fiscal agent. According to guidance provided in the Texas Education Agency's Financial Accountability and Resource Guide, the District has accounted for the fiscal agent's activities of the SSA in Special Revenue Fund No. 458, SSA- Regional Day School Deaf (Local), and will be accounted for using Model 3 in the SSA section of the resource guide.

Presented below are the revenues and expenditures attributable to the District's participation.

Revenues	
5700 Local revenue from member districts	\$ 2,125,112
	<u>\$ 2,125,112</u>
Expenditures	
6100 Payroll costs	\$ 1,646,162
6200 Contracted services	180,635
6300 Supplies and materials	277,822
6400 Miscellaneous operating costs	20,493
	<u>\$ 2,125,112</u>

The District is the fiscal agent for a Shared Services Arrangement ("SSA") which provides a system of direct and support services to eligible hearing-impaired students of member districts. In addition to the District, other member districts include Alvin ISD, Dickinson ISD, Friendswood ISD, Galveston ISD, Hitchcock ISD, Pearland ISD, Santa Fe ISD and Texas City ISD. All services are provided by the fiscal agent. The member districts provide the funds to the fiscal agent. According to guidance provided in the Texas Education Agency's Financial Accountability and Resource Guide, the District has accounted for the fiscal agent's activities of the SSA in the special revenue funds listed below and will be accounted for using Model 3 in the SSA section of the resource guide.

Expenditures of the SSA are summarized below:

	315	340
	SSA - IDEA B - Discretionary (Deaf)	SSA - IDEA C - Early Intervention (Deaf)
Alvin Independent School District	\$ 38,860	\$ 880
Clear Creek Independent School District	49,994	1,134
Dickinson Independent School District	14,892	338
Friendswood Independent School District	1,064	24
Galveston Independent School District	13,828	314
Hitchcock Independent School District	71	2
Pearland Independent School District	20,210	458
Santa Fe Independent School District	7,446	169
Texas City Independent School District	12,764	289
	<u>\$ 159,129</u>	<u>\$ 3,608</u>

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, or (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 no estimated arbitrage liability as of August 31, 2021.

Note 17 - Related Organizations

The Clear Creek Education Foundation (“Foundation”), a non-profit entity which was organized in 1992 to provide funds for the advancement of teaching objectives, is a “related organization” of the District as defined by *Governmental Accounting Standards Board Statement No. 39*. The members of the Board of the Foundation serve without financial compensation. The operations of the Foundation are not financially significant to the overall operations of the District, and therefore are not reported in the District’s financial statements. The nonmajor governmental fund 493, reported in the District’s financial statements is for activity related to the grants received by the District from the Foundation.

Note 18 – COVID-19

As of September 2, 2021, the Texas Education Agency (TEA) informed local education agencies (LEAs) that it has no plans to issue missed school day waivers due to COVID-19 during the 2021-2022 school year when the LEA or its campuses are closed. Each LEA will need to plan to make up time for school closures during the school year and may need to add additional instructional days and/or minutes to their calendar to meet the 75,600 operational minute requirement.

LEAs have reported to the TEA that attendance rate declines continue to occur due to COVID-19. As a result, the TEA is exploring options to ensure school systems will not experience significant financial difficulties. Additionally, LEAs had varying daily rates of attendance during the 2020-2021 school year due to the impact of virtual learning options. Once the TEA receives this local information in a PEIMS upload this fall, it will be equipped to analyze, understand, and determine potential changes to the rules around waivers, particularly low attendance waivers. As of the date of this report, the District has not determined the impact.

Note 19 – Prior Period Adjustment

During the current fiscal year, the District implemented GASB Statement No. 84, Fiduciary Activities. As a result, the beginning net position of the District’s custodial fund has been restated as follows:

Custodial Fund	
Beginning Net Position - As Originally Stated	\$ -
Reclassification of amounts due to student groups to net position	566,541
Beginning Net Position - As Restated	<u><u>\$ 566,541</u></u>

REQUIRED SUPPLEMENTARY INFORMATION



CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
ORIGINAL BUDGET, AMENDED FINAL (GAAP BASIS) AND ACTUAL - GENERAL FUND
For the Year Ended August 31, 2021

Exhibit G-1

Data Control Codes	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	
	Original	Final	Actual		
Revenues					
5700	Local revenues	\$ 240,411,000	\$ 240,411,800	\$ 242,272,137	\$ 1,860,337
5800	State program revenues	112,886,116	117,586,116	107,353,549	(10,232,567)
5900	Federal program revenues	6,960,000	6,960,000	7,994,222	1,034,222
5000	Total revenues	<u>360,257,116</u>	<u>364,957,916</u>	<u>357,619,908</u>	<u>(7,338,008)</u>
Expenditures					
Current:					
0011	Instruction	232,861,063	232,486,063	222,162,813	10,323,250
0012	Instructional resources and media services	4,482,066	4,482,066	4,372,855	109,211
0013	Curriculum and staff development	8,888,846	9,074,646	8,988,357	86,289
0021	Instructional leadership	3,327,183	3,327,183	3,253,659	73,524
0023	School leadership	22,846,297	22,846,297	22,552,798	293,499
0031	Guidance, counseling and evaluation services	14,605,266	14,605,266	13,837,702	767,564
0032	Social work services	854,642	904,642	857,447	47,195
0033	Health services	3,744,547	3,774,547	3,691,243	83,304
0034	Student transportation	13,064,900	13,064,900	11,825,937	1,238,963
0035	Food services	372,300	432,300	401,816	30,484
0036	Extracurricular activities	7,696,743	7,696,743	7,063,004	633,739
0041	General administration	7,899,500	7,899,500	7,243,641	655,859
0051	Facilities maintenance and operations	29,719,270	29,719,270	28,758,810	960,460
0052	Security and monitoring services	5,713,375	5,713,375	5,416,066	297,309
0053	Data processing services	7,839,700	7,864,700	7,741,496	123,204
0061	Community services	218,528	243,528	204,685	38,843
Intergovernmental:					
0093	Payments related to shared services arrangements	834,500	834,500	728,272	106,228
0095	Payments to Juvenile Justice Alt. Ed. Prgm.	5,000	5,000	3,815	1,185
0099	Other governmental charges	2,495,000	2,495,000	2,400,425	94,575
6030	Total Expenditures	<u>367,468,726</u>	<u>367,469,526</u>	<u>351,504,841</u>	<u>15,964,685</u>
1100	Excess (deficiency) of revenues over expenditures	(7,211,610)	(2,511,610)	6,115,067	8,626,677
Other Financing Sources (Uses):					
7912	Sale of real or personal property	-	-	398,090	398,090
7915	Transfers in	10,225,000	2,525,000	-	(2,525,000)
8911	Transfers out	(3,000,000)	-	(6,300,000)	(6,300,000)
7080	Total Other Financing Sources (Uses)	<u>7,225,000</u>	<u>2,525,000</u>	<u>(5,901,910)</u>	<u>(8,426,910)</u>
1200	Net change in fund balances	13,390	13,390	213,157	199,767
0100	Fund Balances - Beginning	<u>74,926,226</u>	<u>74,926,226</u>	<u>74,926,226</u>	<u>-</u>
3000	Fund Balances - Ending	<u>\$ 74,939,616</u>	<u>\$ 74,939,616</u>	<u>\$ 75,139,383</u>	<u>\$ 199,767</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgets and Budgetary Accounting

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the General Fund, Debt Service Fund, and the Child Nutrition Fund (which is an enterprise fund) before the beginning of the fiscal year. For fiscal year beginning September 1st, the Texas Education Code requires the budget to be prepared not later than August 20th and adopted by August 31st of each year. The District's administration determines budgetary funding priorities using a site-based budgeting concept, which is consistent with GAAP. Final budget allocations are determined by the Board, which subsequently establishes a tax rate sufficient to support the approved budget. The annual budget, which is prepared on the modified accrual basis of accounting, must be adopted by the Board at a scheduled meeting after giving ten days public notice of the meeting. The District annually adopts legally authorized appropriated budgets for the General, Debt Service, and Child Nutrition funds.

The District's administration performs budget reviews during the year in which budget requirements are re-evaluated and revisions are recommended to the Board. The Board may approve amendments to the budget, which are required when a change is made to any one of the functional expenditure categories or revenue object accounts defined by the TEA. Expenditures may not legally exceed budgeted appropriations, as amended, at the function level by fund. Unexpended appropriations lapse at year-end. During the year ended August 31, 2021, the Board of Trustees approved budget amendments for the general fund increasing expenditures by \$800.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
Last Seven Measurement Years

Exhibit G-2

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability	0.2204%	0.2300%	0.2248%	0.2159%
District's proportionate share of the net pension liability	\$ 118,043,506	\$ 119,560,786	\$ 123,758,393	\$ 69,033,003
State's proportionate share of the net pension liability associated with the District	<u>192,346,694</u>	<u>185,312,647</u>	<u>203,647,106</u>	<u>123,940,931</u>
Total	<u>\$ 310,390,200</u>	<u>\$ 304,873,433</u>	<u>\$ 327,405,499</u>	<u>\$ 192,973,934</u>
District's covered payroll (for Measurement Year)	\$ 277,773,487	\$ 262,826,184	\$ 254,550,975	\$ 247,724,612
District's proportionate share of the net pension liability as a percentage of covered payroll	42.5%	45.5%	48.6%	27.9%
Plan's fiduciary net position as a percentage of the total pension liability *	75.54%	75.24%	73.74%	82.17%
Plan's net pension liability as a percentage of covered payroll *	110.36%	114.93%	126.11%	75.93%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	
District's proportion of the net pension liability	0.2082%	0.2138%	0.1280%	
District's proportionate share of the net pension liability	\$ 78,672,174	\$ 75,575,737	\$ 34,303,532	
State's proportionate share of the net pension liability associated with the District	<u>150,104,516</u>	<u>144,452,743</u>	<u>124,496,289</u>	
Total	<u>\$ 228,776,690</u>	<u>\$ 220,028,480</u>	<u>\$ 158,799,821</u>	
District's covered payroll (for Measurement Year)	\$ 238,409,493	\$ 229,722,090	\$ 219,488,592	
District's proportionate share of the net pension liability as a percentage of covered payroll	33.0%	32.9%	15.6%	
Plan's fiduciary net position as a percentage of the total pension liability *	78.00%	78.43%	83.25%	
Plan's net pension liability as a percentage of covered payroll *	92.75%	91.94%	72.89%	

The amounts presented for each Plan year which ends the preceding August 31 of the District's fiscal year. Net pension liability is presented prospectively in accordance with GASB 68.

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

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

Exhibit G-3

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contributions	\$ 9,645,706	\$ 9,095,620	\$ 8,051,784	\$ 7,573,622	\$ 7,075,923
Contributions in relation to the contractually required contributions	<u>9,645,706</u>	<u>9,095,620</u>	<u>8,051,784</u>	<u>7,573,622</u>	<u>7,075,923</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 283,560,861	\$ 277,773,487	\$ 262,826,184	\$ 254,550,975	\$ 247,724,612
Contributions as a percentage of covered payroll	3.40%	3.27%	3.06%	2.98%	2.86%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contributions	\$ 6,614,746	\$ 6,330,733	\$ 3,255,877	\$ 2,561,439	\$ 2,308,402
Contributions in relation to the contractually required contributions	<u>6,614,746</u>	<u>6,330,733</u>	<u>3,255,877</u>	<u>2,561,439</u>	<u>2,308,402</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 238,409,493	\$ 229,723,026	\$ 219,488,592	\$ 207,384,548	\$ 206,789,766
Contributions as a percentage of covered payroll	2.77%	2.76%	1.48%	1.24%	1.12%

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLANS

Changes of Assumptions

The single discount rate as of August 31, 2019 was 7.25%, 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 2020 or 2019 measurement period.

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.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
Last Four Measurement Years

Exhibit G-4

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.2904%	0.2948%	0.2945%	0.2781%
District's proportionate share of the net OPEB liability	\$ 110,391,808	\$ 139,419,865	\$ 147,054,575	\$ 120,925,973
State's proportionate share of the net OPEB liability associated with the District	<u>148,340,129</u>	<u>185,257,814</u>	<u>222,707,255</u>	<u>199,147,753</u>
Total	<u>\$ 258,731,937</u>	<u>\$ 324,677,679</u>	<u>\$ 369,761,830</u>	<u>\$ 320,073,726</u>
District's covered payroll (for Measurement Year)	\$ 277,773,487	\$ 262,826,184	\$ 254,550,975	\$ 247,724,612
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	39.7%	53.0%	57.8%	48.8%
Plan fiduciary net position as a percentage of the total OPEB liability	4.99%	2.66%	1.57%	0.91%
Plan's net OPEB liability as a percentage of covered payroll	101.46%	135.21%	146.64%	132.55%

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

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

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

Exhibit G-5

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contributions	\$ 2,269,512	\$ 2,204,519	\$ 2,087,610	\$ 2,029,186	\$ 1,445,731
Contributions in relation to the contractually required contributions	<u>2,269,512</u>	<u>2,204,519</u>	<u>2,087,610</u>	<u>2,029,186</u>	<u>1,445,731</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 283,560,861	\$ 277,773,487	\$ 262,826,184	\$ 254,550,975	\$ 247,724,612
Contributions as a percentage of covered payroll	0.80%	0.79%	0.79%	0.80%	0.58%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contributions	\$ 1,391,555	\$ 1,341,681	\$ 1,287,985	\$ 1,183,826	\$ 1,208,060
Contributions in relation to the contractually required contributions	<u>1,391,555</u>	<u>1,341,681</u>	<u>1,287,985</u>	<u>1,183,826</u>	<u>1,208,060</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 238,409,493	\$ 229,723,026	\$ 219,488,592	\$ 207,384,548	\$ 206,789,766
Contributions as a percentage of covered payroll	0.58%	0.58%	0.59%	0.57%	0.58%

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - OPEB

Changes of Assumptions

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

- The discount rate was 2.33 percent, 2.63 percent, and 3.69 percent as of August 31, 2020, August 31, 2019, and August 31, 2018, 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 of Benefit Terms

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

Nonmajor Governmental Funds

Special Revenue Funds

ESEA Stands For: Elementary Secondary Education Act

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

Fund Number	Fund Name & Description
211	ESEA, Title I, Part A - Basic - supplemental service designed to accelerate the academic achievement of economically disadvantaged students, especially in the tested areas, to ensure that state standards are met on identified campuses.
224	IDEA, Part B - Formula - salaries and supplies to aid children with disabilities with low reading achievement.
225	IDEA, Part B - Preschool - aids preschool students with disabilities.
226	IDEA, Part B - High Cost Funds - assist LEA's in addressing the needs of high-need students with disabilities.
239	Substance Abuse Prevention and Treatment Block Grant - Prevention - prevention services for young people
244	Vocational Education - Basic - funds are for the use of various vocationally-inclined students in regular, disadvantaged and disability classes.
255	ESEA, Title II, Part A - TPTR (Teacher and Principal Training and Recruiting) - supplements the professional development, retention and recruitment programs district-wide, specifically on high needs campuses.
263	ESEA, Title III, Part A - BIL/ESL -helps to ensure that children who are limited English proficient, including immigrant children and youth, attain English proficiency, develop high levels of academic attainment in English, and meet the same challenging State academic content and student academic achievement standards as all children are expected to meet
265	21st Century CASE - to support the creation of community learning centers that provide academic enrichment opportunities during non-school hours for children.
266	Elementary & Secondary School Emergency Relief Fund (ESSER) - Funds used to account for federal stimulus Elementary and ESSER funds granted to LEAs through the CARES Act to support LEAs' ability to operate and instruct their students during the COVID-19 pandemic.
272	Medicaid Administrative Claiming Program - provides the District with the ability to receive reimbursement for outreach and case management.
276	Instructional Continuity - used to support costs associated with the development and deployment of curriculum and curricular resources for remote or at-home schools, professional development for teachers on delivering effective virtual instruction, additional remediation or supplemental instructional supports, technical assistance from a Regional Education Service Center and costs associated with the activities aligned to the Instructional Continuity Framework.
277	Coronavirus Relief Fund (CRF) - Funds used to account for federal stimulus Coronavirus Relief Funds granted to the District through the CARES Act for necessary expenditures incurred due to the public health emergency with respect to the COVID-19 pandemic.
281	Elementary & Secondary School Emergency Relief Fund (ESSER II) - Funds used to account for federal stimulus Elementary and ESSER funds granted to LEAs through the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) to support LEAs' ability to operate and instruct their students during the COVID-19 pandemic.
289	Other Federally Funded Special Revenue Funds - supports and encourages the development of new, self-supporting, community anti-drug coalitions; early childhood summer programs, library grants and wetlands and water education.

Nonmajor Governmental Funds (Continued)

Special Revenue Funds (Continued)

Fund Number	Fund Name & Description
315	SSA - IDEA B - Discretionary (Deaf) - provides basic special education component and Regional Day School Programs for the deaf.
340	SSA - IDEA C - Early Intervention (Deaf) - provides direct services to hearing impaired infants to toddlers, ages birth through two years of age.
385	Visually Impaired State - provides educational programs for visually impaired children.
397	Advanced Placement Incentives - enhancement of Advanced Placement programs on specific campuses based on student scores on Advanced Placement examinations.
410	Instructional Materials Allotment - provides funds to purchase instructional materials, technological equipment and technology-related services.
423	Read To Succeed - provides funds generated through the sale of Read to Succeed license plates designed by a Texas student to purchase educational materials for public school libraries.
427	Beginning Teacher Induction and Mentoring - provides funds to establish or enhance a beginning teacher induction and mentoring program to increase retention of beginning teachers.
429	Other State Funded Special Revenue Funds - provides funds to help schools fund various programs including mentors and campus awards.
435	SSA - Regional Day School Deaf (State) - provides state funds for staff and activities of the Regional Day School Program for the deaf.
458	SSA - Regional Day School Deaf (Local) - provides local funds for activities of the Regional Day School Program for the deaf.
461	Campus Activity - proceeds from fundraising activities, vending sales, corporate and private donations to school-sponsored activities benefiting students and staff of the campus.
488	Pandemic Response - Used to track additional expenditures related to the COVID 19 pandemic.
491	Student Device Insurance Fund - funds held for insurance of student devices.
492	District Special Events - provides funds for special events.
493	CCISD Education Foundation - provides innovative grant funds for District teachers.
494	Music Enrichment - funds received for music programs within the District.
495	Center Agriculture Science and Engineering - provides funds for the Longhorn project
496	NASA Grant - provides funding for robotic competition.
497	Science Donations - supports various District science projects.
498	After School Achievement - allows students to participate in supervised fun and safe activities, including academic help in reading and math, social activities, and recreational activities.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
August 31, 2021

Exhibit H-1
Page 1 of 9

	211	224	225	226
Data Control Codes	ESEA, Title I, Pt A - Improving Basic Ed.	IDEA B - Formula	IDEA B - Preschool	IDEA-Part B High Cost Risk Pool
Assets				
1110	\$ -	\$ -	\$ -	\$ 43,695
1120	-	-	-	-
	Receivables:			
1240	115,477	155,635	43,318	-
1250	-	-	-	-
1260	-	-	-	-
1290	-	-	-	-
1300	-	-	-	-
1000	<u>\$ 115,477</u>	<u>\$ 155,635</u>	<u>\$ 43,318</u>	<u>\$ 43,695</u>
Liabilities and Fund Balances				
Liabilities:				
Current Liabilities:				
2110	\$ 7,772	\$ 86,106	\$ 41,163	\$ 43,695
2160	93,469	-	-	-
2170	14,236	69,529	2,155	-
2180	-	-	-	-
2300	-	-	-	-
2000	<u>115,477</u>	<u>155,635</u>	<u>43,318</u>	<u>43,695</u>
Fund Balance:				
Restricted:				
3450	-	-	-	-
Committed:				
3545	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	<u>\$ 115,477</u>	<u>\$ 155,635</u>	<u>\$ 43,318</u>	<u>\$ 43,695</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
August 31, 2021

Exhibit H-1
Page 2 of 9

Data Control Codes	239	244	255	263
	Substance Abuse Prevention and Treatment Block	Vocational Ed - Basic	ESEA, Title II, Pt A - Improving Teacher Quality	ESEA, Title III, Pt A - BIL/ESL
Assets				
1110	\$ -	\$ -	\$ -	\$ -
1120	-	-	-	-
Receivables:				
1240	123,460	18	272,626	113,028
1250	-	-	-	-
1260	-	-	-	-
1290	-	-	-	-
1300	-	-	-	-
1000	<u>\$ 123,460</u>	<u>\$ 18</u>	<u>\$ 272,626</u>	<u>\$ 113,028</u>
Liabilities and Fund Balances				
Liabilities:				
Current Liabilities:				
2110	\$ 17,966	\$ -	\$ 10,692	\$ 12,622
2160	-	-	-	-
2170	105,494	18	261,934	100,406
2180	-	-	-	-
2300	-	-	-	-
2000	<u>123,460</u>	<u>18</u>	<u>272,626</u>	<u>113,028</u>
Fund Balance:				
Restricted:				
3450	-	-	-	-
Committed:				
3545	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	<u>\$ 123,460</u>	<u>\$ 18</u>	<u>\$ 272,626</u>	<u>\$ 113,028</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
August 31, 2021

Exhibit H-1
Page 3 of 9

Data Control Codes	265	266	272	276	
	21st Century CASE	Elementary & Secondary School Emergency Relief Fund (ESSER)	Medicaid Administrative Claiming Program	Instructional Continuity	
Assets					
1110	Cash and cash equivalents	\$ -	\$ -	\$ 285,895	\$ -
1120	Investments - Current	-	-	-	-
	Receivables:				
1240	Receivables from other governments	78,892	-	-	42,000
1250	Accrued interest	-	-	-	-
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1300	Inventories	-	-	-	-
1000	Total Assets	<u>\$ 78,892</u>	<u>\$ -</u>	<u>\$ 285,895</u>	<u>\$ 42,000</u>
Liabilities and Fund Balances					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ -	\$ -	\$ -	\$ -
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	78,892	-	-	42,000
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	-	-	285,895	-
2000	Total Liabilities	<u>78,892</u>	<u>-</u>	<u>285,895</u>	<u>42,000</u>
Fund Balance:					
Restricted:					
3450	Federal/State funds grant restrictions	-	-	-	-
Committed:					
3545	Other committed	-	-	-	-
	Total Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 78,892</u>	<u>\$ -</u>	<u>\$ 285,895</u>	<u>\$ 42,000</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
August 31, 2021

Exhibit H-1
Page 4 of 9

Data Control Codes	277 Coronavirus Relief Fund (CRF)	281 Elementary & Secondary School Emergency Relief Fund II (ESSER II)	289 Other Federally Funded Special Revenue Funds	315 SSA - IDEA B - Discretionary (Deaf)
Assets				
1110	\$ -	\$ -	\$ 2,939,953	\$ -
1120	-	-	-	-
Receivables:				
1240	-	8,101,247	114,767	26
1250	-	-	-	-
1260	-	-	-	-
1290	-	-	-	-
1300	-	-	-	-
1000	\$ -	\$ 8,101,247	\$ 3,054,720	\$ 26
Liabilities and Fund Balances				
Liabilities:				
Current Liabilities:				
2110	\$ -	\$ -	\$ -	\$ -
2160	-	-	-	-
2170	-	8,101,247	-	26
2180	-	-	3,054,720	-
2300	-	-	-	-
2000	-	8,101,247	3,054,720	26
Fund Balance:				
Restricted:				
3450	-	-	-	-
Committed:				
3545	-	-	-	-
	-	-	-	-
4000	\$ -	\$ 8,101,247	\$ 3,054,720	\$ 26

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
August 31, 2021

Exhibit H-1
Page 5 of 9

Data Control Codes		340	385	397	410
		SSA - IDEA C - Early Intervention (Deaf)	Visually Impaired State	Advanced Placement Incentive	State Instructional Materials Fund
Assets					
1110	Cash and cash equivalents	\$ -	\$ -	\$ 42,038	\$ 252,317
1120	Investments - Current	-	-	-	-
	Receivables:				
1240	Receivables from other governments	409	-	-	499,846
1250	Accrued interest	-	-	-	-
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1300	Inventories	-	-	-	-
1000	Total Assets	<u>\$ 409</u>	<u>\$ -</u>	<u>\$ 42,038</u>	<u>\$ 752,163</u>
Liabilities and Fund Balances					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ -	\$ -	\$ -	\$ 752,163
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	409	-	-	-
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	-	-	42,038	-
2000	Total Liabilities	<u>409</u>	<u>-</u>	<u>42,038</u>	<u>752,163</u>
Fund Balance:					
Restricted:					
3450	Federal/State funds grant restrictions	-	-	-	-
Committed:					
3545	Other committed	-	-	-	-
	Total Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 409</u>	<u>\$ -</u>	<u>\$ 42,038</u>	<u>\$ 752,163</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
August 31, 2021

Exhibit H-1
Page 6 of 9

Data Control Codes		427	429	435	458
		Beginning Teacher Induction & Mentoring	Other State Funded Special Revenue Funds	SSA - Regional Day School Deaf (State)	SSA - Regional Day School Deaf (Local)
Assets					
1110	Cash and cash equivalents	\$ 6,794	\$ -	\$ -	\$ 1,024,665
1120	Investments - Current	-	-	-	-
	Receivables:				
1240	Receivables from other governments	-	258,395	59,275	-
1250	Accrued interest	-	-	-	-
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1300	Inventories	-	-	-	-
1000	Total Assets	<u>\$ 6,794</u>	<u>\$ 258,395</u>	<u>\$ 59,275</u>	<u>\$ 1,024,665</u>
Liabilities and Fund Balances					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ -	\$ 26,800	\$ -	\$ 34,662
2160	Accrued wages payable	-	-	-	245,743
2170	Due to other funds	-	228,739	59,275	-
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	6,794	1,400	-	744,260
2000	Total Liabilities	<u>6,794</u>	<u>256,939</u>	<u>59,275</u>	<u>1,024,665</u>
Fund Balance:					
Restricted:					
3450	Federal/State funds grant restrictions	-	1,456	-	-
Committed:					
3545	Other committed	-	-	-	-
	Total Fund Balance	<u>-</u>	<u>1,456</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 6,794</u>	<u>\$ 258,395</u>	<u>\$ 59,275</u>	<u>\$ 1,024,665</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
August 31, 2021

Exhibit H-1
Page 7 of 9

	461	488	491	492
Data Control Codes	Campus Activity Funds	Pandemic Response	Student Device Insurance Fund	District Special Events
Assets				
1110	\$ 1,616,714	\$ -	\$ 1,103,048	\$ 33,546
1120	4,707,350	-	-	-
Receivables:				
1240	-	-	-	-
1250	6,250	-	-	-
1260	-	7,168,415	-	-
1290	407	-	-	-
1300	-	63,932	-	-
1000	<u>\$ 6,330,721</u>	<u>\$ 7,232,347</u>	<u>\$ 1,103,048</u>	<u>\$ 33,546</u>
Liabilities and Fund Balances				
Liabilities:				
Current Liabilities:				
2110	\$ 149,843	\$ 11,473	\$ 30	\$ -
2160	-	-	-	-
2170	-	7,220,874	-	-
2180	-	-	-	-
2300	-	-	-	-
2000	<u>149,843</u>	<u>7,232,347</u>	<u>30</u>	<u>-</u>
Fund Balance:				
Restricted:				
3450	-	-	-	-
Committed:				
3545	6,180,878	-	1,103,018	33,546
	<u>6,180,878</u>	<u>-</u>	<u>1,103,018</u>	<u>33,546</u>
4000	<u>\$ 6,330,721</u>	<u>\$ 7,232,347</u>	<u>\$ 1,103,048</u>	<u>\$ 33,546</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
August 31, 2021

Exhibit H-1
Page 8 of 9

Data Control Codes		493	494	495	496
		CCISD Education Foundation	Music Enrichment	Center for Ag Science and Engineering	NASA Grant
Assets					
1110	Cash and cash equivalents	\$ 404,411	\$ 90,990	\$ -	\$ 26,564
1120	Investments - Current	-	-	-	-
	Receivables:				
1240	Receivables from other governments	-	-	-	-
1250	Accrued interest	-	-	-	-
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	1,388	-	-
1300	Inventories	-	-	-	-
1000	Total Assets	<u>\$ 404,411</u>	<u>\$ 92,378</u>	<u>\$ -</u>	<u>\$ 26,564</u>
Liabilities and Fund Balances					
Liabilities:					
Current Liabilities:					
2110	Accounts payable	\$ 6,289	\$ -	\$ -	\$ -
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	-	-	-	-
2180	Due to other governments	8,355	-	-	-
2300	Unearned revenues	389,767	-	-	26,564
2000	Total Liabilities	<u>404,411</u>	<u>-</u>	<u>-</u>	<u>26,564</u>
Fund Balance:					
Restricted:					
3450	Federal/State funds grant restrictions	-	-	-	-
Committed:					
3545	Other committed	-	92,378	-	-
	Total Fund Balance	<u>-</u>	<u>92,378</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 404,411</u>	<u>\$ 92,378</u>	<u>\$ -</u>	<u>\$ 26,564</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
August 31, 2021

Exhibit H-1
Page 9 of 9

Data Control Codes		497	498	Total Nonmajor Governmental Funds
		Science Donations	After School Achievement	
Assets				
1110	Cash and cash equivalents	\$ 4,689	\$ 35,868	\$ 7,911,187
1120	Investments - Current	-	-	4,707,350
	Receivables:			
1240	Receivables from other governments	-	-	9,978,419
1250	Accrued interest	-	-	6,250
1260	Due from other funds	-	-	7,168,415
1290	Other receivables	-	-	1,795
1300	Inventories			63,932
1000	Total Assets	<u>\$ 4,689</u>	<u>\$ 35,868</u>	<u>\$ 29,837,348</u>
Liabilities and Fund Balances				
Liabilities:				
Current Liabilities:				
2110	Accounts payable	\$ -	\$ 331	\$ 1,201,607
2160	Accrued wages payable	-	-	339,212
2170	Due to other funds	-	-	16,285,234
2180	Due to other governments	-	-	3,063,075
2300	Unearned revenues	4,689	35,537	1,536,944
2000	Total Liabilities	<u>4,689</u>	<u>35,868</u>	<u>22,426,072</u>
Fund Balance:				
Restricted:				
3450	Federal/State funds grant restrictions	-	-	1,456
Committed:				
3545	Other committed	-	-	7,409,820
	Total Fund Balance	<u>-</u>	<u>-</u>	<u>7,411,276</u>
4000	Total Liabilities and Fund Balances	<u>\$ 4,689</u>	<u>\$ 35,868</u>	<u>\$ 29,837,348</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit H-2
Page 1 of 9

Data Control Codes	211 ESEA, Title I, Pt A - Improving Basic Ed.	224 IDEA B - Formula	225 IDEA B - Preschool	226 IDEA-Part B High Cost Risk Pool
Revenues				
5700	Local and Intermediate Sources	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-
5900	Federal Program Revenues	4,468,626	6,702,634	244,369
5020	Total Revenues	<u>4,468,626</u>	<u>6,702,634</u>	<u>244,369</u>
Expenditures				
Current:				
0011	Instruction	2,692,345	4,230,967	244,369
0012	Instructional Resources and Media Services	25,441	-	-
0013	Curriculum and Instructional Staff Development	1,406,060	37,914	-
0021	Instructional Leadership	171,927	40,945	125
0023	School Leadership	18,530	-	-
0031	Guidance, Counseling and Evaluation Services	32,316	2,392,648	8,166
0032	Social work services	-	-	-
0033	Health Services	4,114	-	-
0034	Student Transportation	-	-	-
0035	Food Services	-	-	-
0036	Cocurricular/Extracurricular Activities	-	-	-
0041	General Administration	-	-	-
0051	Facilities Maintenance and Operations	-	-	-
0052	Security and Monitoring Services	-	-	-
0053	Data Processing Services	-	-	-
0061	Community Services	117,893	160	-
6030	Total Expenditures	<u>4,468,626</u>	<u>6,702,634</u>	<u>244,369</u>
1100	Excess (deficiency) of revenues over expenditures	-	-	-
Other Financing Sources (Uses)				
7915	Transfers in	-	-	-
8911	Transfers out	-	-	-
	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit H-2
Page 2 of 9

Data Control Codes	239 Substance Abuse Prevention and Treatment Block	244 Vocational Ed - Basic	255 ESEA, Title II, Pt A - Improving Teacher Quality	263 ESEA, Title III, Pt A - BIL/ESL
Revenues				
5700	Local and Intermediate Sources	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-
5900	Federal Program Revenues	385,492	357,166	957,762
5020	Total Revenues	<u>385,492</u>	<u>357,166</u>	<u>957,762</u>
Expenditures				
Current:				
0011	Instruction	-	357,166	-
0012	Instructional Resources and Media Services	-	-	-
0013	Curriculum and Instructional Staff Development	442	-	931,215
0021	Instructional Leadership	-	-	26,547
0023	School Leadership	-	-	-
0031	Guidance, Counseling and Evaluation Services	-	-	-
0032	Social work services	-	-	-
0033	Health Services	-	-	-
0034	Student Transportation	-	-	-
0035	Food Services	-	-	-
0036	Cocurricular/Extracurricular Activities	-	-	-
0041	General Administration	-	-	-
0051	Facilities Maintenance and Operations	-	-	-
0052	Security and Monitoring Services	-	-	-
0053	Data Processing Services	-	-	-
0061	Community Services	385,050	-	-
6030	Total Expenditures	<u>385,492</u>	<u>357,166</u>	<u>957,762</u>
1100	Excess (deficiency) of revenues over expenditures	-	-	-
Other Financing Sources (Uses)				
7915	Transfers in	-	-	-
8911	Transfers out	-	-	-
	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit H-2
Page 3 of 9

Data Control Codes		265	266	272	276
		21st Century CASE	Elementary & Secondary School Emergency Relief Fund (ESSER)	Medicaid Administrative Claiming Program	Instructional Continuity
Revenues					
5700	Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	153,334	3,594,223	27,512	42,000
5020	Total Revenues	<u>153,334</u>	<u>3,594,223</u>	<u>27,512</u>	<u>42,000</u>
Expenditures					
Current:					
0011	Instruction	-	3,594,223	-	42,000
0012	Instructional Resources and Media Services	-	-	-	-
0013	Curriculum and Instructional Staff Development	-	-	-	-
0021	Instructional Leadership	-	-	-	-
0023	School Leadership	74,946	-	-	-
0031	Guidance, Counseling and Evaluation Services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health Services	-	-	27,512	-
0034	Student Transportation	-	-	-	-
0035	Food Services	-	-	-	-
0036	Cocurricular/Extracurricular Activities	78,388	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data Processing Services	-	-	-	-
0061	Community Services	-	-	-	-
6030	Total Expenditures	<u>153,334</u>	<u>3,594,223</u>	<u>27,512</u>	<u>42,000</u>
1100	Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)					
7915	Transfers in	-	-	-	-
8911	Transfers out	-	-	-	-
	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit H-2
Page 4 of 9

Data Control Codes	277 Coronavirus Relief Fund (CRF)	281 Elementary & Secondary School Emergency Relief Fund II (ESSER II)	289 Other Federally Funded Special Revenue Funds	315 SSA - IDEA B - Discretionary (Deaf)
Revenues				
5700 Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	<u>225,301</u>	<u>8,101,247</u>	<u>501,122</u>	<u>159,129</u>
5020 Total Revenues	<u>225,301</u>	<u>8,101,247</u>	<u>501,122</u>	<u>159,129</u>
Expenditures				
Current:				
0011 Instruction	104,500	8,101,247	1,287	159,129
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	344,796	-
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling and Evaluation Services	-	-	20,363	-
0032 Social work services	-	-	15,453	-
0033 Health Services	-	-	119,223	-
0034 Student Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Cocurricular/Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	-	-	-
6030 Total Expenditures	<u>104,500</u>	<u>8,101,247</u>	<u>501,122</u>	<u>159,129</u>
1100 Excess (deficiency) of revenues over expenditures	<u>120,801</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
7915 Transfers in	-	-	-	-
8911 Transfers out	<u>(120,801)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(120,801)</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net change in fund balances	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit H-2
Page 5 of 9

	340	385	397	410
Data Control Codes	SSA - IDEA C - Early Intervention (Deaf)	Visually Impaired State	Advanced Placement Incentive	State Instructional Materials Fund
Revenues				
5700	\$ -	\$ -	\$ -	\$ -
5800	-	20,000	24,000	3,225,825
5900	3,608	-	-	-
5020	<u>3,608</u>	<u>20,000</u>	<u>24,000</u>	<u>3,225,825</u>
Expenditures				
Current:				
0011	3,608	20,000	-	3,002,051
0012	-	-	-	-
0013	-	-	24,000	-
0021	-	-	-	-
0023	-	-	-	-
0031	-	-	-	-
0032	-	-	-	-
0033	-	-	-	-
0034	-	-	-	-
0035	-	-	-	-
0036	-	-	-	-
0041	-	-	-	-
0051	-	-	-	-
0052	-	-	-	-
0053	-	-	-	223,774
0061	-	-	-	-
6030	<u>3,608</u>	<u>20,000</u>	<u>24,000</u>	<u>3,225,825</u>
1100	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
7915	-	-	-	-
8911	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	-	-	-	-
0100	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit H-2
Page 6 of 9

Data Control Codes		427	429	435	458
		Beginning Teacher Induction & Mentoring	Other State Funded Special Revenue Funds	SSA - Regional Day School Deaf (State)	SSA - Regional Day School Deaf (Local)
Revenues					
5700	Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 2,125,112
5800	State Program Revenues	78,168	501,877	966,277	-
5900	Federal Program Revenues	-	-	-	-
5020	Total Revenues	<u>78,168</u>	<u>501,877</u>	<u>966,277</u>	<u>2,125,112</u>
Expenditures					
Current:					
0011	Instruction	9,950	-	966,277	1,692,693
0012	Instructional Resources and Media Services	-	814	-	-
0013	Curriculum and Instructional Staff Development	65,750	200	-	1,244
0021	Instructional Leadership	-	-	-	348,975
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling and Evaluation Services	2,468	223,629	-	81,863
0032	Social work services	-	-	-	-
0033	Health Services	-	-	-	337
0034	Student Transportation	-	-	-	-
0035	Food Services	-	-	-	-
0036	Cocurricular/Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0052	Security and Monitoring Services	-	277,234	-	-
0053	Data Processing Services	-	-	-	-
0061	Community Services	-	-	-	-
6030	Total Expenditures	<u>78,168</u>	<u>501,877</u>	<u>966,277</u>	<u>2,125,112</u>
1100	Excess (deficiency) of revenues over expenditures	-	-	-	-
Other Financing Sources (Uses)					
7915	Transfers in	-	-	-	-
8911	Transfers out	-	-	-	-
	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>1,456</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ 1,456</u>	<u>\$ -</u>	<u>\$ -</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit H-2
Page 7 of 9

Data Control Codes	461	488	491	492
Campus Activity Funds	Campus Activity Funds	Pandemic Response	Student Device Insurance Fund	District Special Events
Revenues				
5700 Local and Intermediate Sources	\$ 4,822,972	\$ -	\$ 344,242	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>4,822,972</u>	<u>-</u>	<u>344,242</u>	<u>-</u>
Expenditures				
Current:				
0011 Instruction	-	3,473,055	116	-
0012 Instructional Resources and Media Services	-	25,362	-	-
0013 Curriculum and Instructional Staff Development	-	61,250	-	-
0021 Instructional Leadership	-	18,008	-	-
0023 School Leadership	-	229,581	-	-
0031 Guidance, Counseling and Evaluation Services	-	97,342	-	-
0032 Social work services	-	3,551	-	-
0033 Health Services	-	1,310,799	-	-
0034 Student Transportation	-	372,604	-	-
0035 Food Services	-	167,646	-	-
0036 Cocurricular/Extracurricular Activities	4,166,491	5,326	-	-
0041 General Administration	-	203,803	-	-
0051 Facilities Maintenance and Operations	-	1,145,170	-	-
0052 Security and Monitoring Services	-	21,304	-	-
0053 Data Processing Services	-	148,328	102,853	-
0061 Community Services	-	6,087	-	-
6030 Total Expenditures	<u>4,166,491</u>	<u>7,289,216</u>	<u>102,969</u>	<u>-</u>
1100 Excess (deficiency) of revenues over expenditures	<u>656,481</u>	<u>(7,289,216)</u>	<u>241,273</u>	<u>-</u>
Other Financing Sources (Uses)				
7915 Transfers in	-	7,289,216	-	-
8911 Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>7,289,216</u>	<u>-</u>	<u>-</u>
1200 Net change in fund balances	656,481	-	241,273	-
0100 Fund Balance - September 1 (Beginning)	<u>5,524,397</u>	<u>-</u>	<u>861,745</u>	<u>33,546</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 6,180,878</u>	<u>\$ -</u>	<u>\$ 1,103,018</u>	<u>\$ 33,546</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit H-2
Page 8 of 9

		493	494	495	496
Data Control Codes		CCISD Education Foundation	Music Enrichment	Center for Ag Science and Engineering	NASA Grant
Revenues					
5700	Local and Intermediate Sources	\$ 401,355	\$ 5,365	\$ 90	\$ 49,116
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	-	-	-	-
5020	Total Revenues	<u>401,355</u>	<u>5,365</u>	<u>90</u>	<u>49,116</u>
Expenditures					
Current:					
0011	Instruction	179,996	-	-	-
0012	Instructional Resources and Media Services	49,917	-	-	-
0013	Curriculum and Instructional Staff Development	23,458	-	-	-
0021	Instructional Leadership	-	-	-	-
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling and Evaluation Services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health Services	-	-	-	-
0034	Student Transportation	-	-	-	-
0035	Food Services	-	-	-	-
0036	Cocurricular/Extracurricular Activities	-	16,881	-	49,116
0041	General Administration	275	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data Processing Services	-	-	-	-
0061	Community Services	147,709	-	90	-
6030	Total Expenditures	<u>401,355</u>	<u>16,881</u>	<u>90</u>	<u>49,116</u>
1100	Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(11,516)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)					
7915	Transfers in	-	-	-	-
8911	Transfers out	-	-	-	-
	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	(11,516)	-	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>103,894</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ 92,378</u>	<u>\$ -</u>	<u>\$ -</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2021

Exhibit H-2
Page 9 of 9

Data Control Codes		497	498	Total Nonmajor Governmental Funds
		Science Donations	After School Achievement	
Revenues				
5700	Local and Intermediate Sources	\$ -	\$ 23,713	\$ 7,771,965
5800	State Program Revenues	-	-	4,816,147
5900	Federal Program Revenues	-	-	26,612,967
5020	Total Revenues	-	23,713	39,201,079
Expenditures				
Current:				
0011	Instruction	-	896	29,441,131
0012	Instructional Resources and Media Services	-	-	101,534
0013	Curriculum and Instructional Staff Development	-	5,061	3,010,680
0021	Instructional Leadership	-	-	613,132
0023	School Leadership	-	-	323,057
0031	Guidance, Counseling and Evaluation Services	-	-	2,858,795
0032	Social work services	-	-	19,004
0033	Health Services	-	-	1,461,985
0034	Student Transportation	-	-	372,604
0035	Food Services	-	-	167,646
0036	Cocurricular/Extracurricular Activities	-	-	4,316,202
0041	General Administration	-	-	204,078
0051	Facilities Maintenance and Operations	-	153	1,145,323
0052	Security and Monitoring Services	-	-	298,538
0053	Data Processing Services	-	-	474,955
0061	Community Services	-	17,603	674,592
6030	Total Expenditures	-	23,713	45,483,256
1100	Excess (deficiency) of revenues over expenditures	-	-	(6,282,177)
Other Financing Sources (Uses)				
7915	Transfers in	-	-	7,289,216
8911	Transfers out	-	-	(120,801)
	Total Other Financing Sources (Uses)	-	-	7,168,415
1200	Net change in fund balances	-	-	886,238
0100	Fund Balance - September 1 (Beginning)	-	-	6,525,038
3000	Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ 7,411,276

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
August 31, 2021

Exhibit H-3

	711	712	
	<u>Athletic Concessions</u>	<u>Advertising</u>	<u>Total</u>
Assets			
Current Assets:			
Cash and cash equivalents	\$ 228,755	\$ -	\$ 228,755
Total Current Assets	<u>228,755</u>	<u>-</u>	<u>228,755</u>
Noncurrent Assets			
Capital assets net of depreciation:			
Building and improvements	64,364	-	64,364
Furniture and equipment	13,576	530,155	543,731
Total Noncurrent Assets	<u>77,940</u>	<u>530,155</u>	<u>608,095</u>
Total Assets	<u>306,695</u>	<u>530,155</u>	<u>836,850</u>
Liabilities			
Current Liabilities:			
Accounts payable	6,839	-	6,839
Due to other funds	13,259	154,862	168,121
Total Current Liabilities	<u>20,098</u>	<u>154,862</u>	<u>174,960</u>
Total Liabilities	<u>20,098</u>	<u>154,862</u>	<u>174,960</u>
Net Position			
Investment in capital assets	77,940	530,155	608,095
Unrestricted	208,657	(154,862)	53,795
Total Net Position	<u>\$ 286,597</u>	<u>\$ 375,293</u>	<u>\$ 661,890</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN NET POSITION - NONMAJOR ENTERPRISE FUNDS
For the Year Ended August 31, 2021

Exhibit H-4

	711	712	
	<u>Athletic</u>		
	<u>Concessions</u>	<u>Advertising</u>	<u>Total</u>
Operating Revenues			
Charges for services	\$ 115,692	\$ 158,310	\$ 274,002
Total Operating Revenues	<u>115,692</u>	<u>158,310</u>	<u>274,002</u>
Operating Expenses			
Payroll costs	67,597	44,028	111,625
Purchased and contracted services	24,925	15,808	40,733
Supplies and materials	80,247	476	80,723
Other operating costs	2,412	3,699	6,111
Depreciation	6,378	135,150	141,528
Total Operating Expenses	<u>181,559</u>	<u>199,161</u>	<u>380,720</u>
Changes in net position	(65,867)	(40,851)	(106,718)
Net Position - September 1 (Beginning)	<u>352,464</u>	<u>416,144</u>	<u>768,608</u>
Net Position - August 31 (Ending)	<u>\$ 286,597</u>	<u>\$ 375,293</u>	<u>\$ 661,890</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended August 31, 2021

Exhibit H-5

	711	712	
	Athletic		
	Concessions	Advertising	Total
Cash Flows from Operating Activities			
Receipts from customers	\$ 115,692	\$ 158,310	\$ 274,002
Payments to suppliers for goods and services	(104,167)	(114,282)	(218,449)
Payments to employees	(67,597)	(44,028)	(111,625)
Net Cash Provided By (Used For) Operating Activities	<u>(56,072)</u>	<u>-</u>	<u>(56,072)</u>
Net increase (decrease) in cash and cash equivalents	(56,072)	-	(56,072)
Cash And Cash Equivalents September 1	<u>284,827</u>	<u>-</u>	<u>284,827</u>
Cash And Cash Equivalents August 31	<u>\$ 228,755</u>	<u>\$ -</u>	<u>\$ 228,755</u>
Reconciliation to statement of net position:			
Cash and cash equivalents	\$ 228,755	\$ -	\$ 228,755
Cash and cash equivalents	<u>\$ 228,755</u>	<u>\$ -</u>	<u>\$ 228,755</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (65,867)	\$ (40,851)	\$ (106,718)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	6,378	135,150	141,528
Change in Assets and Liabilities:			
Increase (decrease) in inventories	221	-	221
Decrease (increase) in accounts payable	6,190	-	6,190
Decrease (increase) in interfund payables	(2,994)	(94,299)	(97,293)
Total Adjustments	<u>9,795</u>	<u>40,851</u>	<u>50,646</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (56,072)</u>	<u>\$ -</u>	<u>\$ (56,072)</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
August 31, 2021

Exhibit H-6

	753	771	772	
	<u>Dental Insurance</u>	<u>Workers Comp Insurance</u>	<u>Disability Insurance</u>	<u>Total</u>
Assets				
Current Assets:				
Cash and cash equivalents	\$ 712,724	\$ 1,103,204	\$ 1,605,869	\$ 3,421,797
Current investments	325,409	162,499	-	487,908
Receivables:				
Due from other funds	-	158,708	-	158,708
Other receivables	39,885	-	-	39,885
Total Current Assets	<u>1,078,018</u>	<u>1,424,411</u>	<u>1,605,869</u>	<u>4,108,298</u>
Total assets	<u>1,078,018</u>	<u>1,424,411</u>	<u>1,605,869</u>	<u>4,108,298</u>
Liabilities				
Current Liabilities:				
Accounts payable	135,549	-	13,142	148,691
Accrued expenses	60,000	815,468	113,000	988,468
Total Current Liabilities	<u>195,549</u>	<u>815,468</u>	<u>126,142</u>	<u>1,137,159</u>
Total Liabilities	<u>195,549</u>	<u>815,468</u>	<u>126,142</u>	<u>1,137,159</u>
Net Position				
Unrestricted	882,469	608,943	1,479,727	2,971,139
Total Net Position	<u>\$ 882,469</u>	<u>\$ 608,943</u>	<u>\$ 1,479,727</u>	<u>\$ 2,971,139</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended August 31, 2021

Exhibit H-7

	753	771	772	
	<u>Dental Insurance</u>	<u>Workers Comp Insurance</u>	<u>Disability Insurance</u>	<u>Total</u>
Operating Revenues				
Charges for services	\$ 1,740,422	\$ 709,598	\$ 1,015,808	\$ 3,465,828
Total Operating Revenues	<u>1,740,422</u>	<u>709,598</u>	<u>1,015,808</u>	<u>3,465,828</u>
Operating Expenses				
Payroll costs	-	-	45,529	45,529
Purchased and contracted services	80,369	88,736	69,762	238,867
Supplies and materials	-	-	47,948	47,948
Claims expense and other operating expenses	1,713,698	624,378	693,725	3,031,801
Total Operating Expenses	<u>1,794,067</u>	<u>713,114</u>	<u>856,964</u>	<u>3,364,145</u>
Operating income (loss)	<u>(53,645)</u>	<u>(3,516)</u>	<u>158,844</u>	<u>101,683</u>
Nonoperating Revenues (Expenses)				
Investment Earnings	357	178	-	535
Total Nonoperating Revenues (Expenses)	<u>357</u>	<u>178</u>	<u>-</u>	<u>535</u>
Change in Net Position	(53,288)	(3,338)	158,844	102,218
Net Position - September 1 (Beginning)	<u>935,757</u>	<u>612,281</u>	<u>1,320,883</u>	<u>2,868,921</u>
Net Position - August 31 (Ending)	<u>\$ 882,469</u>	<u>\$ 608,943</u>	<u>\$ 1,479,727</u>	<u>\$ 2,971,139</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended August 31, 2021

Exhibit H-8

	753	771	772	
	Dental Insurance	Workers Comp Insurance	Disability Insurance	Total
Cash Flows from Operating Activities				
Receipts from customers	\$ 1,740,422	\$ 684,565	\$ 1,015,808	\$ 3,440,795
Payments for insurance claims	(1,713,698)	(624,378)	(680,725)	(3,018,801)
Payments to suppliers for goods and services	(65,098)	(91,184)	(116,890)	(273,172)
Cash payments to employees	-	-	(45,529)	(45,529)
Net cash provided by (used for) operating activities	<u>(38,374)</u>	<u>(30,997)</u>	<u>172,664</u>	<u>103,293</u>
Cash Flows from Investing Activities				
Interest on investments	357	178	-	535
Net cash provided by investing activities	<u>357</u>	<u>178</u>	<u>-</u>	<u>535</u>
Net increase (decrease) in cash and cash equivalents	(38,017)	(30,819)	172,664	103,828
Cash and cash equivalents September 1	<u>1,076,150</u>	<u>1,296,522</u>	<u>1,433,205</u>	<u>3,805,877</u>
Cash and cash equivalents August 31	<u>\$ 1,038,133</u>	<u>\$ 1,265,703</u>	<u>\$ 1,605,869</u>	<u>\$ 3,909,705</u>
Reconciliation to statement of net position:				
Cash and cash equivalents	\$ 712,724	\$ 1,103,204	\$ 1,605,869	\$ 3,421,797
Current investments	325,409	162,499	-	487,908
Cash and cash equivalents	<u>\$ 1,038,133</u>	<u>\$ 1,265,703</u>	<u>\$ 1,605,869</u>	<u>\$ 3,909,705</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (53,645)	\$ (3,516)	\$ 158,844	\$ 101,683
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Change in Assets and Liabilities:				
Increase (decrease) in due from other funds	-	(25,033)	-	(25,033)
Decrease (increase) in accounts payable	15,271	(2,448)	820	13,643
Decrease (increase) in claims and judgements payable	-	-	13,000	13,000
Total Adjustments	<u>15,271</u>	<u>(27,481)</u>	<u>13,820</u>	<u>1,610</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (38,374)</u>	<u>\$ (30,997)</u>	<u>\$ 172,664</u>	<u>\$ 103,293</u>



REQUIRED TEA SCHEDULES

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
For the Year Ended August 31, 2021

Exhibit J-1
Page 1 of 2

Last Ten Fiscal Years	1		2		3		10	
	Tax Rates				Net Assessed/Appraised Value For School Tax Purposes		Beginning Balance 9/1/2020	
	Maintenance		Debt Service					
2012 and prior	Various		Various		Various		\$ 1,349,135	
2013	\$ 1.040000	\$ 0.320000	\$ 15,482,234,687		205,050			
2014	1.040000	0.360000	16,216,746,719		250,220			
2015	1.040000	0.360000	17,307,472,723		310,664			
2016	1.040000	0.360000	18,353,765,080		360,198			
2017	1.040000	0.360000	19,883,383,643		514,535			
2018	1.040000	0.360000	21,372,628,429		853,723			
2019	1.060000	0.340000	22,080,627,830		1,236,034			
2020	0.970000	0.340000	23,878,271,462		2,585,952			
2021	0.935900	0.330000	25,606,074,299		-			
1000 TOTALS							\$ 7,665,511	

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
For the Year Ended August 31, 2021

Exhibit J-1
Page 2 of 2

	20	31	32	40	50
<u>Last Ten Fiscal Years</u>	<u>Current Year's Total Levy</u>	<u>Maintenance Total Collections</u>	<u>Debt Service Total Collections</u>	<u>Entire Year's Adjustments</u>	<u>Ending Balance 8/31/2021</u>
2012 and prior	\$ -	\$ 57,645	\$ 14,293	\$ (240,407)	\$ 1,036,790
2013	-	6,009	1,849	9,471	206,663
2014	-	8,300	2,873	6,120	245,167
2015	-	15,612	5,404	1,067	290,715
2016	-	17,121	5,927	2,412	339,562
2017	-	56,292	19,486	2	438,759
2018	-	248,695	86,087	(16,309)	502,632
2019	-	91,700	29,413	(135,293)	979,628
2020	-	71,617	25,103	(1,524,048)	965,184
2021	<u>324,147,295</u>	<u>237,809,181</u>	<u>83,851,939</u>	<u>9,426</u>	<u>2,495,601</u>
1000 TOTALS	<u>\$ 324,147,295</u>	<u>\$ 238,382,172</u>	<u>\$ 84,042,374</u>	<u>\$ (1,887,559)</u>	7,500,701
					<u>4,520,233</u>
					<u>\$ 12,020,934</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL - CHILD NUTRITION
For the Year Ended August 31, 2021

Exhibit J-2

Data Control Codes	Child Nutrition				
	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	
	Original	Final	Actual		
Operating Revenues					
5700	Local revenues	\$ 11,311,000	\$ 11,311,000	\$ 5,215,984	\$ (6,095,016)
	Total Operating Revenues	<u>11,311,000</u>	<u>11,311,000</u>	<u>5,215,984</u>	<u>(6,095,016)</u>
Operating Expenses					
0035	Food services	15,164,000	15,164,000	12,964,625	2,199,375
0036	Extracurricular activities	222,000	222,000	169,035	52,965
	Total Operating Expenses	<u>15,386,000</u>	<u>15,386,000</u>	<u>13,133,660</u>	<u>2,252,340</u>
1100	Operating income (loss)	<u>(4,075,000)</u>	<u>(4,075,000)</u>	<u>(7,917,676)</u>	<u>(3,842,676)</u>
Non-Operating Revenues (Expenses)					
7020	Investment earnings	50,000	50,000	8,919	(41,081)
7952	School Breakfast	760,000	760,000	1,169,001	409,001
7953	National School Lunch	2,670,000	2,670,000	6,237,600	3,567,600
7954	U.S.D.A. donated commodities	550,000	550,000	416,183	(133,817)
5800	State program revenues	45,000	45,000	38,593	(6,407)
	Total Non-Operating Revenues (Expenses)	<u>4,075,000</u>	<u>4,075,000</u>	<u>7,870,296</u>	<u>3,795,296</u>
1200	Net change in fund balances/net position	-	-	(47,380)	(47,380)
0100	Net Position - September 1 (Beginning)	<u>3,912,605</u>	<u>3,912,605</u>	<u>3,912,605</u>	<u>-</u>
3000	Net Position - August 31 (Ending)	<u>\$ 3,912,605</u>	<u>\$ 3,912,605</u>	<u>\$ 3,865,225</u>	<u>\$ (47,380)</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL - DEBT SERVICE FUND
For the Year Ended August 31, 2021

Exhibit J-3

Data Control Codes	Debt Service				
	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	
	Original	Final	Actual		
Revenues					
5700	Local revenues	\$ 84,075,000	\$ 84,075,000	\$ 84,381,227	\$ 306,227
5800	State program revenues	1,300,000	1,300,000	1,397,837	97,837
	Total Revenues	<u>85,375,000</u>	<u>85,375,000</u>	<u>85,779,064</u>	<u>404,064</u>
Expenditures					
Debt Service:					
0071	Principal on long-term debt	39,900,000	42,140,000	42,140,000	-
0072	Interest on long-term debt	38,700,000	36,345,000	36,210,242	134,758
0073	Bond issuance costs and fees	200,000	1,447,000	1,417,450	29,550
	Total Expenditures	<u>78,800,000</u>	<u>79,932,000</u>	<u>79,767,692</u>	<u>164,308</u>
1100	Excess (deficiency) of revenues over expenditures	<u>6,575,000</u>	<u>5,443,000</u>	<u>6,011,372</u>	<u>568,372</u>
Other Financing Sources (Uses):					
7901	Refunding bonds issued	-	188,046,000	160,020,000	(28,026,000)
7901	Bond remarketing	-	49,250,000	49,250,000	-
7916	Premium or discount on issuance of bonds	-	-	28,067,515	28,067,515
8940	Payment to Bond Refunding Escrow Agent	-	(236,164,000)	(236,163,820)	180
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>1,132,000</u>	<u>1,173,695</u>	<u>41,695</u>
1200	Net change in fund balances	6,575,000	6,575,000	7,185,067	610,067
0100	Fund Balances - Beginning	<u>33,447,241</u>	<u>33,447,241</u>	<u>33,447,241</u>	<u>-</u>
3000	Fund Balances - Ending	<u>\$ 40,022,241</u>	<u>\$ 40,022,241</u>	<u>\$ 40,632,308</u>	<u>\$ 610,067</u>



Statistical Section

(Unaudited)

Statistical Tables are used to provide detailed data on the physical, economic, social and political characteristics of a government. They are intended to provide financial report users with a broader and more complete understanding of the government and its financial affairs than it is possible from the basic financial statements.

The District's Statistical Tables usually cover ten fiscal years and often present data from outside the accounting records. The tables are unaudited due to the nature of the information contained therein.

	<u>Page</u>
Financial Trends	118
<p>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</p>	
Revenue Capacity	128
<p>The schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</p>	
Debt Capacity	136
<p>The schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</p>	
Demographic and Economic Information	142
<p>The schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</p>	
Operating Information	148
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</p>	



CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
GENERAL INFORMATION REGARDING THE DISTRICT - (Unaudited)

General

Clear Creek Independent School District encompasses the communities of League City, Seabrook, Webster, Kemah, El Lago, Nassau Bay, Clear Lake Shores and Taylor Lake Village, along with portions of Bacliff, Friendswood, Houston and Pasadena. Clear Creek ISD encompasses parts of Galveston and Harris counties.

Education

The District serves over 40,700 students in grades pre-kindergarten through twelfth. The District operates twenty-seven elementary schools, ten intermediate schools, five comprehensive high schools, two alternative secondary campuses, and one early college high school. Clear Creek ISD is now the 29th largest of the 1,200 school districts in Texas. The District currently employs approximately 5,800 persons with over 3,800 teachers, librarians, and nurses.

Economy

Major sectors of the area's economic base include aerospace (NASA), petro chemicals, health care, upscale commercial, boating and visitor attractions.

The area includes a well-educated and highly technical workforce and a diverse and expanding economic base.

Numerous shopping centers, malls, other retail establishments, and a wide variety of service oriented businesses are located within the District, and offer a complement to industry within the District.

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

Table 1
Page 1 of 2

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Governmental Activities					
Net investment in capital assets	\$ (51,923,071)	\$ (55,526,588)	\$ (53,784,057)	\$ (42,319,999)	\$ (29,239,412)
Restricted	41,317,748	34,057,956	31,219,963	27,055,848	13,336,192
Unrestricted	<u>(99,177,639)</u>	<u>(89,898,417)</u>	<u>(77,585,265)</u>	<u>(88,525,449)</u>	<u>66,922,755</u>
Total Governmental Activities	<u>(109,782,962)</u>	<u>(111,367,049)</u>	<u>(100,149,359)</u>	<u>(103,789,600)</u>	<u>51,019,535</u>
Business-type Activities					
Net investment in capital assets	4,067,971	4,626,441	5,156,554	5,647,128	6,085,893
Restricted	405,349	35,787	1,108,464	393,925	3,477,715
Unrestricted	<u>53,795</u>	<u>18,985</u>	<u>124,224</u>	<u>(105,252)</u>	<u>(470,801)</u>
Total Business-type Activities	<u>4,527,115</u>	<u>4,681,213</u>	<u>6,389,242</u>	<u>5,935,801</u>	<u>9,092,807</u>
Primary Government					
Net investment in capital assets	(47,855,100)	(50,900,147)	(48,627,503)	(36,672,871)	(23,153,519)
Restricted	41,723,097	34,093,743	32,328,427	27,449,773	16,813,907
Unrestricted	<u>(99,123,844)</u>	<u>(89,879,432)</u>	<u>(77,461,041)</u>	<u>(88,630,701)</u>	<u>66,451,954</u>
Total Primary Government	<u>\$ (105,255,847)</u>	<u>\$ (106,685,836)</u>	<u>\$ (93,760,117)</u>	<u>\$ (97,853,799)</u>	<u>\$ 60,112,342</u>

Source of Information: Clear Creek Independent School District's Financial Statements.
During the fiscal year 2015, the District adopted GASB Statement No. 68.
During the fiscal year 2018, the District adopted GASB 75.
This has been reflected beginning with fiscal year 2017 in the table above.

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

Table 1
Page 2 of 2

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental Activities					
Net investment in capital assets	\$ (45,310,343)	\$ (53,062,930)	\$ (44,215,669)	\$ (11,904,999)	\$ 25,399,203
Restricted	15,940,617	5,774,533	5,123,307	5,993,358	4,796,717
Unrestricted	68,445,433	82,381,457	113,817,039	95,483,711	65,033,214
Total Governmental Activities	<u>39,075,707</u>	<u>35,093,060</u>	<u>74,724,677</u>	<u>89,572,070</u>	<u>95,229,134</u>
Business-type Activities					
Net investment in capital assets	6,414,213	5,884,161	4,916,229	5,095,907	3,880,687
Restricted	2,829,155	3,211,423	4,270,434	3,947,723	4,345,790
Unrestricted	(569,524)	(218,572)	1,092,240	489,740	309,816
Total Business-type Activities	<u>8,673,844</u>	<u>8,877,012</u>	<u>10,278,903</u>	<u>9,533,370</u>	<u>8,536,293</u>
Primary Government					
Net investment in capital assets	(38,896,130)	(47,178,769)	(39,299,440)	(6,809,092)	29,279,890
Restricted	18,769,772	8,985,956	9,393,741	9,941,081	9,142,507
Unrestricted	67,875,909	82,162,885	114,909,279	95,973,451	65,343,030
Total Primary Government	<u>\$ 47,749,551</u>	<u>\$ 43,970,072</u>	<u>\$ 85,003,580</u>	<u>\$ 99,105,440</u>	<u>\$ 103,765,427</u>

Source of Information: Clear Creek Independent School District's Financial Statements.
During the fiscal year 2015, the District adopted GASB Statement No. 68.
During the fiscal year 2018, the District adopted GASB 75.
This has been reflected beginning with fiscal year 2017 in the table above

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

Table 2
Page 1 of 4

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Expenses:					
Governmental Activities:					
Instruction	\$ 286,336,442	\$ 295,564,780	\$ 278,692,019	\$ 170,805,698	\$ 243,352,974
Instructional Resources and Media Services	5,107,600	5,255,603	4,991,639	3,307,988	4,567,559
Curriculum and Instructional Staff Development	13,500,451	13,505,334	11,843,030	7,148,219	10,038,170
Instructional Leadership	4,373,561	4,417,520	4,242,165	2,743,130	3,823,992
School Leadership	26,389,730	27,557,403	25,593,728	14,956,747	23,209,072
Guidance, Counseling, and Evaluation Services	19,004,199	19,947,654	17,997,380	9,990,982	15,000,139
Social Work Services	996,622	915,467	906,574	697,672	749,447
Health Services	5,740,224	4,814,479	4,134,265	2,479,359	3,744,781
Student (Pupil) Transportation	13,851,577	13,387,118	13,123,800	9,208,535	11,768,675
Food Services	665,001	428,876	295,877	334,421	336,858
Cocurricular/Extracurricular Activities	12,445,780	14,208,918	17,233,729	14,076,357	11,632,722
General Administration	8,497,799	8,800,871	8,869,801	5,398,042	7,564,137
Plant Maintenance and Operations	38,866,112	38,277,690	36,613,106	36,380,948	31,850,689
Security and Monitoring Services	6,510,862	6,573,445	5,851,097	4,031,011	4,001,841
Data Processing Services	10,064,054	11,908,768	10,752,471	12,045,509	11,683,057
Community Services	962,723	921,921	738,609	587,060	587,617
Debt Service - Interest on Long-term Debt	29,083,812	36,217,846	37,898,600	29,192,635	31,062,376
Debt Service - Bond Issuance Costs and Fees	2,265,537	1,334,331	255,577	1,543,237	746,588
Facilities Acquisition and Construction	2,052,071	2,698,955	4,775,705	5,419,385	518,362
Payments Related to Shared Service Arrangements	728,272	764,471	716,694	753,229	640,816
Payments to Juvenile Justice Alternative Ed. Prog.	3,815	9,068	-	-	-
Payments to Tax Increment Fund	-	-	-	-	-
Intergovernmental Charges	2,400,425	2,401,435	2,231,949	2,192,126	2,059,672
Total Governmental Activities	<u>489,846,669</u>	<u>509,911,953</u>	<u>487,757,815</u>	<u>333,292,290</u>	<u>418,939,544</u>
Business-type Activities:					
Enterprise Fund - Child Nutrition	13,133,660	13,362,996	14,542,199	12,920,623	13,755,200
Enterprise Fund - Athletic Concessions	181,559	174,592	169,173	174,699	168,059
Enterprise Fund - Advertising	199,161	173,514	191,601	200,100	183,935
Total Business-type Activities	<u>13,514,380</u>	<u>13,711,102</u>	<u>14,902,973</u>	<u>13,295,422</u>	<u>14,107,194</u>
Total Expenses	<u>503,361,049</u>	<u>523,623,055</u>	<u>502,660,788</u>	<u>346,587,712</u>	<u>433,046,738</u>
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction	3,053,520	2,821,219	3,038,963	2,745,401	2,433,634
Cocurricular/Extracurricular Activities	5,365,336	6,080,087	9,347,440	9,000,089	5,388,349
Plant Maintenance and Operations	585,322	577,973	670,480	4,819,214	651,977
Other Activities	1,154,241	1,050,256	916,972	552,096	443,252
Operating Grants and Contributions	62,790,559	63,021,267	59,203,108	(33,842,458)	39,847,749
Capital Grants and Contributions	-	-	-	-	-
Total Governmental Activities	<u>\$ 72,948,978</u>	<u>\$ 73,550,802</u>	<u>\$ 73,176,963</u>	<u>\$ (16,725,658)</u>	<u>\$ 48,764,961</u>

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

Table 2
Page 2 of 4

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses:					
Governmental Activities:					
Instruction	\$ 241,689,894	\$ 219,358,923	\$ 207,857,453	\$ 194,036,546	\$ 195,460,030
Instructional Resources and Media Services	4,596,999	4,281,915	4,045,547	4,063,109	4,922,170
Curriculum and Instructional Staff Development	9,675,541	9,171,630	8,670,693	8,607,867	8,328,428
Instructional Leadership	3,650,182	3,507,928	3,489,631	3,462,335	3,336,344
School Leadership	21,744,249	20,809,542	19,436,695	18,950,915	19,771,769
Guidance, Counseling, and Evaluation Services	14,573,760	13,637,180	12,977,285	12,497,470	12,560,333
Social Work Services	748,854	675,449	640,513	587,654	640,827
Health Services	3,503,118	3,243,362	3,033,049	2,854,675	2,905,420
Student (Pupil) Transportation	11,003,020	11,096,406	10,575,119	9,815,834	9,989,315
Food Services	289,144	276,475	260,753	306,647	381,972
Cocurricular/Extracurricular Activities	10,799,700	10,801,516	10,403,784	10,638,531	10,377,123
General Administration	6,952,945	6,831,049	6,608,805	5,885,376	6,010,443
Plant Maintenance and Operations	33,038,848	22,553,907	21,870,282	21,857,803	24,328,002
Security and Monitoring Services	3,512,820	3,535,975	3,173,872	3,096,715	2,906,717
Data Processing Services	9,364,255	15,352,366	25,074,449	11,260,221	7,579,487
Community Services	575,769	552,149	560,053	456,333	470,489
Debt Service - Interest on Long-term Debt	33,799,752	34,833,046	31,739,500	24,328,638	28,935,280
Debt Service - Bond Issuance Costs and Fees	-	-	-	1,243,125	6,633
Facilities Acquisition and Construction	2,956,103	758,243	1,882,329	-	139,430
Payments Related to Shared Service Arrangements	517,191	8,542,570	8,169,155	7,888,659	8,444,977
Payments to Juvenile Justice Alternative Ed. Prog.	-	-	7,008	-	325
Payments to Tax Increment Fund	2,413,405	2,181,259	2,031,441	1,891,227	1,820,515
Intergovernmental Charges	1,966,085	1,901,158	1,660,304	1,658,690	1,629,493
Total Governmental Activities	<u>417,371,634</u>	<u>393,902,048</u>	<u>384,167,720</u>	<u>345,388,370</u>	<u>350,945,522</u>
Business-type Activities:					
Enterprise Fund - Child Nutrition	14,074,936	13,728,547	13,538,892	12,881,843	12,531,628
Enterprise Fund - Athletic Concessions	164,017	127,294	114,615	118,164	104,549
Enterprise Fund - Advertising	202,341	20,849	30,215	14,464	18,911
Total Business-type Activities	<u>14,441,294</u>	<u>13,876,690</u>	<u>13,683,722</u>	<u>13,014,471</u>	<u>12,655,088</u>
Total Expenses	<u>431,812,928</u>	<u>407,778,738</u>	<u>397,851,442</u>	<u>358,402,841</u>	<u>363,600,610</u>
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction	2,362,711	2,042,226	1,683,214	1,589,401	1,651,394
Cocurricular/Extracurricular Activities	4,211,187	4,136,235	4,001,964	4,109,996	3,941,356
Plant Maintenance and Operations	547,151	571,993	631,433	712,947	849,260
Other Activities	(276,876)	636,111	430,794	356,390	320,822
Operating Grants and Contributions	41,837,830	35,961,091	32,575,072	28,365,854	34,188,805
Capital Grants and Contributions	-	-	-	566,045	-
Total Governmental Activities	<u>\$ 48,682,003</u>	<u>\$ 43,347,656</u>	<u>\$ 39,322,477</u>	<u>\$ 35,700,633</u>	<u>\$ 40,951,637</u>

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

Table 2
Page 3 of 4

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Program Revenues (continued):					
Business-type Activities:					
Charges for Services:					
Enterprise Fund - Child Nutrition	\$ 5,215,984	\$ 7,807,098	\$ 10,810,400	\$ 9,432,423	\$ 10,251,760
Enterprise Fund - Athletic Concessions	115,692	159,785	168,860	201,480	232,072
Enterprise Fund - Advertising	158,310	176,560	505,684	622,497	376,528
Operating Grants and Contributions:					
Enterprise Fund - Child Nutrition	<u>7,861,377</u>	<u>3,978,469</u>	<u>3,907,819</u>	<u>4,232,504</u>	<u>3,830,782</u>
Total Business-type Activities	<u>13,351,363</u>	<u>12,121,912</u>	<u>15,392,763</u>	<u>14,488,904</u>	<u>14,691,142</u>
Total Program Revenues	<u>86,300,341</u>	<u>85,672,714</u>	<u>88,569,726</u>	<u>(2,236,754)</u>	<u>63,456,103</u>
Net (Expense) / Revenue:					
Governmental Activities	(416,897,691)	(436,361,151)	(414,580,852)	(350,017,948)	(370,174,583)
Business-type Activities	<u>(163,017)</u>	<u>(1,589,190)</u>	<u>489,790</u>	<u>1,193,482</u>	<u>583,948</u>
Total Net (Expense) / Revenue	<u>(417,060,708)</u>	<u>(437,950,341)</u>	<u>(414,091,062)</u>	<u>(348,824,466)</u>	<u>(369,590,635)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	323,963,717	312,718,324	309,144,582	298,869,625	278,673,480
State Aid - Formula Grants	90,000,102	96,640,142	98,893,665	97,638,864	99,422,814
Investment Earnings	1,592,856	6,207,932	7,889,395	5,110,200	2,379,210
Miscellaneous Income	2,925,103	9,352,063	2,068,451	1,166,081	1,417,907
Gain (Loss) on Asset Disposition	-	-	-	-	-
Transfers	<u>-</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>
Total Governmental Activities	<u>418,481,778</u>	<u>425,143,461</u>	<u>418,221,093</u>	<u>403,009,770</u>	<u>382,118,411</u>
Business-type Activities:					
Unrestricted Grants and Contributions	-	-	-	-	-
Investment Earnings	8,919	106,161	188,401	105,987	60,015
Miscellaneous Income	-	-	250	10,531	-
Transfers	<u>-</u>	<u>(225,000)</u>	<u>(225,000)</u>	<u>(225,000)</u>	<u>(225,000)</u>
Total Business-type Activities:	<u>8,919</u>	<u>(118,839)</u>	<u>(36,349)</u>	<u>(108,482)</u>	<u>(164,985)</u>
Total General Revenues and Other Changes in Net Position	<u>418,490,697</u>	<u>425,024,622</u>	<u>418,184,744</u>	<u>402,901,288</u>	<u>381,953,426</u>
Primary Government Change in Net Position					
Governmental Activities	1,584,087	(11,217,690)	3,640,241	52,991,822	11,943,828
Business-type Activities	<u>(154,098)</u>	<u>(1,708,029)</u>	<u>453,441</u>	<u>1,085,000</u>	<u>418,963</u>
Total Primary Government Change in Net Position	<u>\$ 1,429,989</u>	<u>\$ (12,925,719)</u>	<u>\$ 4,093,682</u>	<u>\$ 54,076,822</u>	<u>\$ 12,362,791</u>

Source of Information: Clear Creek Independent School District's Financial Statements.
During the fiscal year 2015, the District adopted GASB Statement No. 68.
During the fiscal year 2018, the District adopted GASB 75.

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

Table 2
Page 4 of 4

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Program Revenues (continued):					
Business-type Activities:					
Charges for Services:					
Enterprise Fund - Child Nutrition	\$ 10,198,031	\$ 8,953,152	\$ 9,041,056	\$ 8,796,827	\$ 8,473,512
Enterprise Fund - Athletic Concessions	144,006	154,277	152,168	161,459	129,646
Enterprise Fund - Advertising	444,028	277,437	307,180	248,117	141,137
Operating Grants and Contributions:					
Enterprise Fund - Child Nutrition	3,636,503	4,447,343	5,095,842	4,944,889	4,791,390
Total Business-type Activities	<u>14,422,568</u>	<u>13,832,209</u>	<u>14,596,246</u>	<u>14,151,292</u>	<u>13,535,685</u>
Total Program Revenues	<u>63,104,571</u>	<u>57,179,865</u>	<u>53,918,723</u>	<u>49,851,925</u>	<u>54,487,322</u>
Net (Expense) / Revenue:					
Governmental Activities	(368,689,631)	(350,554,392)	(344,845,243)	(309,687,737)	(309,993,885)
Business-type Activities	<u>(18,726)</u>	<u>(44,481)</u>	<u>912,524</u>	<u>1,136,821</u>	<u>880,597</u>
Total Net (Expense) / Revenue	<u>(368,708,357)</u>	<u>(350,598,873)</u>	<u>(343,932,719)</u>	<u>(308,550,916)</u>	<u>(309,113,288)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	256,991,704	242,286,549	228,178,600	211,212,316	208,693,686
State Aid - Formula Grants	111,028,640	103,588,901	99,619,510	95,203,590	97,707,017
Investment Earnings	1,366,136	973,885	625,954	388,297	490,211
Miscellaneous Income	3,060,798	1,573,500	1,398,786	1,587,739	901,881
Gain (Loss) on Asset Disposition	-	-	-	(22,880)	-
Transfers	225,000	200,000	175,000	150,000	-
Total Governmental Activities	<u>372,672,278</u>	<u>348,622,835</u>	<u>329,997,850</u>	<u>308,519,062</u>	<u>307,792,795</u>
Business-type Activities:					
Unrestricted Grants and Contributions	-	-	-	-	-
Investment Earnings	23,558	8,575	8,009	10,256	12,836
Miscellaneous Income	17,000	-	-	-	-
Transfers	<u>(225,000)</u>	<u>(200,000)</u>	<u>(175,000)</u>	<u>(150,000)</u>	<u>-</u>
Total Business-type Activities:	<u>(184,442)</u>	<u>(191,425)</u>	<u>(166,991)</u>	<u>(139,744)</u>	<u>12,836</u>
Total General Revenues and Other Changes in Net Position	<u>372,487,836</u>	<u>348,431,410</u>	<u>329,830,859</u>	<u>308,379,318</u>	<u>307,805,631</u>
Primary Government Change in Net Position					
Governmental Activities	3,982,647	(1,931,557)	(14,847,393)	(1,168,675)	(2,201,090)
Business-type Activities	<u>(203,168)</u>	<u>(235,906)</u>	<u>745,533</u>	<u>997,077</u>	<u>893,433</u>
Total Primary Government Change in Net Position	<u>\$ 3,779,479</u>	<u>\$ (2,167,463)</u>	<u>\$ (14,101,860)</u>	<u>\$ (171,598)</u>	<u>\$ (1,307,657)</u>

Source of Information: Clear Creek Independent School District's Financial Statements.
 During the fiscal year 2015, the District adopted GASB Statement No. 68.
 During the fiscal year 2018, the District adopted GASB 75.

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

Table 3
Page 1 of 2

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
General Fund					
Non-Spendable	\$ 4,649,283	\$ 4,387,694	\$ 4,081,752	\$ 3,960,122	\$ 3,873,956
Committed:	-	-	-	-	-
Assigned:	-	-	-	-	-
Unassigned	<u>70,490,100</u>	<u>70,538,532</u>	<u>70,627,809</u>	<u>64,950,142</u>	<u>58,312,511</u>
Total General Fund	<u>\$ 75,139,383</u>	<u>\$ 74,926,226</u>	<u>\$ 74,709,561</u>	<u>\$ 68,910,264</u>	<u>\$ 62,186,467</u>
All Other Governmental Funds					
Restricted:	\$ 112,152,060	\$ 70,551,219	\$ 41,231,855	\$ 145,594,430	\$ 33,613,691
Committed:	<u>75,578,463</u>	<u>78,097,390</u>	<u>71,299,193</u>	<u>54,337,551</u>	<u>47,513,966</u>
Total All Other Governmental Funds	<u>\$ 187,730,523</u>	<u>\$ 148,648,609</u>	<u>\$ 112,531,048</u>	<u>\$ 199,931,981</u>	<u>\$ 81,127,657</u>

Source of Information: Clear Creek Independent School District's Financial Statements.

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

Table 3
Page 2 of 2

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund					
Non-Spendable	\$ 4,042,677	\$ 4,031,534	\$ 3,669,373	\$ 3,859,146	\$ 3,728,805
Committed:	-	-	3,250,000	3,250,000	3,250,000
Assigned:	-	-	5,047	3,812	10,788
Unassigned	<u>54,938,429</u>	<u>53,560,245</u>	<u>50,584,294</u>	<u>49,823,535</u>	<u>49,660,563</u>
Total General Fund	<u>\$ 58,981,106</u>	<u>\$ 57,591,779</u>	<u>\$ 57,508,714</u>	<u>\$ 56,936,493</u>	<u>\$ 56,650,156</u>
All Other Governmental Funds					
Restricted:	\$ 91,183,768	\$ 192,081,573	\$ 239,674,730	\$ 11,272,237	\$ 13,348,246
Committed:	<u>46,711,972</u>	<u>50,244,471</u>	<u>46,155,951</u>	<u>33,839,906</u>	<u>35,781,700</u>
Total All Other Governmental Funds	<u>\$ 137,895,740</u>	<u>\$ 242,326,044</u>	<u>\$ 285,830,681</u>	<u>\$ 45,112,143</u>	<u>\$ 49,129,946</u>

Source of Information: Clear Creek Independent School District's Financial Statements.

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

Table 4
Page 1 of 2

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Revenues					
Local and Intermediate Sources	\$ 337,559,913	\$ 338,833,835	\$ 331,146,667	\$ 322,169,038	\$ 290,540,590
State Program Revenues	113,567,533	121,419,085	120,288,636	116,046,154	119,566,800
Federal Program Revenues	<u>36,891,051</u>	<u>24,476,889</u>	<u>25,573,826</u>	<u>21,056,102</u>	<u>16,610,457</u>
Total Revenues	<u>488,018,497</u>	<u>484,729,809</u>	<u>477,009,129</u>	<u>459,271,294</u>	<u>426,717,847</u>
Expenditures					
Instruction	251,899,770	245,779,483	232,219,643	227,668,874	215,372,002
Instructional Resources and Media Services	4,474,389	4,370,943	4,162,999	4,142,280	4,034,607
Curriculum and Instructional Staff Development	11,999,037	11,379,703	10,155,147	9,568,070	9,038,486
Instructional Leadership	3,866,791	3,713,410	3,610,915	3,540,754	3,417,620
School Leadership	22,882,313	22,545,720	21,016,120	20,651,700	20,379,312
Guidance, Counseling, and Evaluation Services	16,743,124	16,518,371	15,109,621	13,496,461	13,361,865
Social Work Services	876,451	815,251	806,414	726,386	675,124
Health Services	5,153,228	4,034,659	3,410,669	3,355,527	3,299,853
Student (Pupil) Transportation	15,276,928	14,322,715	11,022,248	13,054,760	13,533,367
Food Services	651,770	428,246	295,540	341,022	341,154
Cocurricular/Extracurricular Activities	11,543,272	12,993,315	16,140,014	15,344,107	11,094,213
General Administration	7,455,383	7,486,237	7,528,364	6,768,808	6,724,390
Facilities Maintenance and Operations	35,081,753	34,011,067	32,004,967	36,477,697	28,578,364
Security and Monitoring Services	9,107,607	25,681,565	11,551,594	3,809,001	3,609,291
Data Processing Services	10,181,922	18,347,850	10,741,245	15,595,662	12,782,018
Community Services	897,476	887,998	704,102	586,283	580,785
Debt Service - Principal on Long-term Debt	42,140,000	39,140,000	32,890,000	30,735,000	29,905,000
Debt Service - Interest on Long-term Debt	36,210,242	40,901,630	41,867,155	32,568,608	34,389,830
Debt Service - Bond Issue Costs and Fees	2,265,537	1,334,331	255,577	1,543,237	746,588
Facilities Acquisition and Construction	84,303,793	66,799,005	100,455,579	67,455,883	55,576,197
Payments to Fiscal Agent/Member Districts of SSA	728,272	764,471	716,694	753,229	640,816
Payments to Juvenile Justice Alternative Ed. Prog.	3,815	9,068	-	-	-
Payments to Tax Increment Fund	-	-	-	-	-
Other Intergovernmental Charges	<u>2,400,425</u>	<u>2,401,435</u>	<u>2,231,949</u>	<u>2,192,126</u>	<u>2,059,672</u>
Total Expenditures	<u>576,143,298</u>	<u>574,666,473</u>	<u>558,896,556</u>	<u>510,375,475</u>	<u>470,140,554</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(88,124,801)	(89,936,664)	(81,887,427)	(51,104,181)	(43,422,707)
Other Financing Sources (Uses)					
Transfers in	13,589,216	9,848,451	18,825,000	13,825,000	8,625,000
Transfers (Out)	(13,589,216)	(9,623,451)	(18,600,000)	(13,600,000)	(8,400,000)
Bonds Issued	107,490,000	108,970,000	-	154,970,000	-
Refunding Bonds Issued	209,270,000	63,525,000	47,820,000	49,250,000	92,570,000
Premium or Discount on Issuance of Bonds	46,425,602	17,051,211	-	21,332,989	4,948,997
Payments to Refunded Bonds Escrow Agent	(236,163,820)	(63,525,000)	(47,820,000)	(49,250,000)	(108,597,368)
Sale of Real and Personal Property	398,090	24,679	60,791	104,313	713,356
Total Other Financing Sources (Uses)	<u>127,419,872</u>	<u>126,270,890</u>	<u>285,791</u>	<u>176,632,302</u>	<u>(10,140,015)</u>
Net Change in Fund Balances	<u>\$ 39,295,071</u>	<u>\$ 36,334,226</u>	<u>\$ (81,601,636)</u>	<u>\$ 125,528,121</u>	<u>\$ (53,562,722)</u>
Debt Service as a Percentage of Noncapital Expenditures	16.1%	16.7%	16.4%	14.3%	15.5%

Source of Information: Clear Creek Independent School District's Financial Statements.

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

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

Table 4
Page 2 of 2

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues					
Local and Intermediate Sources	\$ 266,789,611	\$ 252,375,615	\$ 236,619,791	\$ 220,454,858	\$ 217,690,947
State Program Revenues	129,317,489	124,538,297	116,763,468	108,803,467	111,217,802
Federal Program Revenues	<u>15,185,414</u>	<u>14,893,002</u>	<u>15,206,832</u>	<u>15,132,415</u>	<u>20,525,621</u>
Total Revenues	<u>411,292,514</u>	<u>391,806,914</u>	<u>368,590,091</u>	<u>344,390,740</u>	<u>349,434,370</u>
Expenditures					
Instruction	208,890,673	203,086,234	188,985,928	174,740,916	176,276,653
Instructional Resources and Media Services	4,060,897	3,909,855	3,658,003	3,640,159	4,399,600
Curriculum and Instructional Staff Development	8,747,141	8,576,475	8,049,385	7,998,932	7,753,621
Instructional Leadership	3,252,625	3,212,378	3,191,653	3,142,960	3,014,040
School Leadership	19,605,420	18,815,923	17,543,379	16,968,753	17,649,210
Guidance, Counseling, and Evaluation Services	12,946,637	12,522,342	11,896,195	11,385,089	11,392,602
Social Work Services	673,663	631,573	578,189	526,411	571,639
Health Services	3,072,344	2,947,477	2,742,330	2,559,318	2,596,960
Student (Pupil) Transportation	9,931,367	11,408,139	11,520,980	8,961,989	9,003,109
Food Services	290,481	283,577	270,252	316,684	416,672
Cocurricular/Extracurricular Activities	10,165,081	10,215,927	9,999,129	10,089,726	9,695,924
General Administration	6,145,161	6,118,576	5,998,432	5,286,850	5,363,321
Facilities Maintenance and Operations	29,290,162	20,372,089	19,960,774	20,475,465	25,347,693
Security and Monitoring Services	3,176,595	3,268,450	2,869,904	2,821,652	2,649,709
Data Processing Services	10,015,713	16,238,768	26,584,379	14,628,363	7,662,825
Community Services	563,917	547,820	551,793	448,110	461,890
Debt Service - Principal on Long-term Debt	26,455,000	24,430,000	22,600,000	22,305,000	20,020,000
Debt Service - Interest on Long-term Debt	36,838,683	36,456,531	30,531,741	27,227,845	29,243,073
Debt Service - Bond Issue Costs and Fees	34,602	1,974,913	2,342,007	1,243,125	1,105,334
Facilities Acquisition and Construction	117,340,950	109,252,963	47,869,674	2,235,957	1,560,041
Payments to Fiscal Agent/Member Districts of SSA	517,191	8,542,570	8,169,155	7,888,659	8,444,977
Payments to Juvenile Justice Alternative Ed. Prog.	-	-	7,008	-	325
Payments to Tax Increment Fund	2,413,405	2,181,259	2,031,441	1,891,227	1,820,515
Other Intergovernmental Charges	<u>1,966,085</u>	<u>1,901,158</u>	<u>1,660,304</u>	<u>1,658,690</u>	<u>1,629,493</u>
Total Expenditures	<u>516,393,793</u>	<u>506,894,997</u>	<u>429,612,035</u>	<u>348,441,880</u>	<u>348,079,226</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(105,101,279)	(115,088,083)	(61,021,944)	(4,051,140)	1,355,144
Other Financing Sources (Uses)					
Transfers in	11,916,155	9,239,901	5,575,000	8,000,000	14,350,000
Transfers (Out)	(11,691,155)	(6,350,000)	(5,400,000)	(7,850,000)	(12,350,000)
Bonds Issued	-	60,240,000	278,760,000	-	-
Refunding Bonds Issued	-	169,440,000	11,650,000	134,760,000	114,670,000
Premium or Discount on Issuance of Bonds	-	25,089,394	25,614,019	12,507,774	18,576,644
Payments to Refunded Bonds Escrow Agent	-	(186,034,677)	(13,921,656)	(147,120,980)	(133,572,942)
Sale of Real and Personal Property	<u>1,835,302</u>	<u>41,893</u>	<u>35,340</u>	<u>22,880</u>	<u>17,960</u>
Total Other Financing Sources (Uses)	<u>2,060,302</u>	<u>71,666,511</u>	<u>302,312,703</u>	<u>319,674</u>	<u>1,691,662</u>
Net Change in Fund Balances	<u>\$ (103,040,977)</u>	<u>\$ (43,421,572)</u>	<u>\$ 241,290,759</u>	<u>\$ (3,731,466)</u>	<u>\$ 3,046,806</u>
Debt Service as a Percentage of Noncapital Expenditures	15.9%	15.3%	13.9%	14.3%	14.2%

Source of Information: Clear Creek Independent School District's Financial Statements.

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

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
REVENUES BY SOURCE FOR GOVERNMENTAL FUNDS *
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

Table 5
Page 1 of 2

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Revenues from Local and Intermediate Sources:					
Ad Valorem Penalties, Interest and Other Related Income	\$ 1,689,523	\$ 1,469,749	\$ 1,514,940	\$ 1,557,861	\$ 1,367,447
Ad Valorem Taxes	321,544,585	311,264,247	305,713,030	297,085,360	276,975,636
Cocurricular / Student Activities	5,304,891	6,062,062	9,262,658	8,702,678	5,307,431
Donations	418,764	331,018	481,847	271,412	198,338
Facility Rental	539,768	520,732	632,557	624,994	615,496
Investment Income	1,592,321	6,201,471	7,877,724	3,550,174	2,375,046
SSA - Member Districts	2,175,404	2,169,568	1,954,157	2,015,391	1,856,746
Tuition	753,383	495,345	666,075	603,827	610,321
Other Revenues from Local and Intermediate Sources **	3,541,274	10,319,643	3,043,679	7,757,341	1,234,129
Total Revenue from Local and Intermediate Sources	337,559,913	338,833,835	331,146,667	322,169,038	290,540,590
State Program Revenues:					
Available School Fund (Per Capita)	19,118,798	13,129,494	18,800,096	8,675,915	14,732,851
Debt Allotment	1,397,837	1,378,917	3,022,824	729,046	1,302,232
Foundation School Formula	68,177,168	81,151,780	59,715,660	87,298,097	82,315,632
SSA - Regional Day School for the Deaf	966,277	979,951	949,209	935,806	904,836
Instructional Materials Allotment	3,225,825	3,555,598	4,310,771	1,148,595	2,306,414
Harvey Reappraisal Adjustment	-	-	15,755,776	-	-
School Safety and Security Grant	-	401,025	-	-	-
Pandemic Response	-	358,277	-	-	-
TRS On-behalf Revenue	19,710,911	20,227,616	17,008,720	17,118,508	15,799,993
Other State Program Revenues **	970,717	236,427	725,580	140,187	2,204,842
Total State Program Revenues	113,567,533	121,419,085	120,288,636	116,046,154	119,566,800
Federal Program Revenues:					
ESEA Title I A, Improving Basic Education	4,468,626	4,422,195	4,298,386	3,887,151	3,621,893
ESEA Title II A, Training and Recruiting	957,762	1,090,535	998,392	757,204	599,481
ESEA Title III A, English Language Acquisition	530,338	464,897	526,025	557,466	585,765
Substance Abuse Prevention and Treatment Block	385,492	368,254	-	-	-
ESEA, Title XIV - SFSF (ARRA)	-	-	-	-	-
IDEA Part B, Formula	6,702,634	6,142,896	5,902,803	5,604,413	5,805,529
IDEA Part B, High Cost Risk Pool	-	-	366,922	-	-
Education Jobs Fund	-	-	-	-	-
Federal Emergency Management Agency (FEMA)	469,579	320,558	1,629,578	-	-
Teaching American History	-	-	-	-	-
CARES Act - ESSERF	3,594,223	3,529,667	-	-	-
ROTC	392,523	362,635	331,540	-	-
Hurricane Harvey: Immediate Aid to Restart School Operations	629,211	629,211	900,375	4,047,188	-
Vocational Education - Carl D. Perkins	357,166	340,876	343,195	-	-
Medicaid MAC and SHARS	5,471,068	5,803,769	8,473,766	3,570,578	3,775,087
E-Rate	1,814,283	-	-	-	-
Congestion Mitigation and Air Quality Improvement Program	-	-	-	-	-
Other Federal Program Revenue **	11,118,146	1,001,396	1,802,844	2,632,102	2,222,702
Total Federal Program Revenues	36,891,051	24,476,889	25,573,826	21,056,102	16,610,457
Total Revenues for Governmental Funds	\$ 488,018,497	\$ 484,729,809	\$ 477,009,129	\$ 459,271,294	\$ 426,717,847

* This schedule is prepared in lieu of a Schedule of Tax Revenues by Source, as all tax revenues received by the District are Ad Valorem Taxes.

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

*** This schedule includes all Governmental Fund Types and excludes all Enterprise, Internal Service and Fiduciary fund types.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
REVENUES BY SOURCE FOR GOVERNMENTAL FUNDS *
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

Table 5
Page 2 of 2

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues from Local and Intermediate Sources:					
Ad Valorem Penalties, Interest and Other Related Income	\$ 1,211,414	\$ 1,184,883	\$ 1,209,521	\$ 1,242,055	\$ 1,375,944
Ad Valorem Taxes	255,209,196	241,239,816	226,272,416	210,250,175	207,881,275
Cocurricular / Student Activities	4,136,194	4,043,107	3,914,561	3,982,989	3,806,017
Donations	271,927	349,310	15,250	90,558	66,260
Facility Rental	465,050	534,678	601,934	608,610	768,436
Investment Income	1,364,094	970,160	622,850	381,170	478,408
SSA - Member Districts	1,649,554	1,647,585	1,400,144	1,377,817	1,456,474
Tuition	629,370	549,594	565,583	522,313	502,171
Other Revenues from Local and Intermediate Sources **	<u>1,852,812</u>	<u>1,856,482</u>	<u>2,017,532</u>	<u>1,999,171</u>	<u>1,355,962</u>
Total Revenue from Local and Intermediate Sources	<u>266,789,611</u>	<u>252,375,615</u>	<u>236,619,791</u>	<u>220,454,858</u>	<u>217,690,947</u>
State Program Revenues:					
Available School Fund (Per Capita)	7,231,041	9,729,371	9,593,065	17,040,159	9,045,071
Debt Allotment	1,830,009	-	-	-	-
Foundation School Formula	100,844,592	92,811,034	88,988,596	77,224,296	87,825,000
SSA - Regional Day School for the Deaf	925,791	847,097	849,200	842,725	730,579
Instructional Materials Allotment	2,511,707	5,969,178	2,706,195	1,241,295	287,310
Telecommunications Infrastructure Program	-	-	-	-	-
Texas Reading Initiative	-	-	-	-	-
Disaster Aid Grant	-	-	-	-	-
TRS On-behalf Revenue	15,653,737	15,178,736	14,369,827	12,245,526	13,142,730
Other State Program Revenues **	<u>320,612</u>	<u>2,881</u>	<u>256,585</u>	<u>209,466</u>	<u>187,112</u>
Total State Program Revenues	<u>129,317,489</u>	<u>124,538,297</u>	<u>116,763,468</u>	<u>108,803,467</u>	<u>111,217,802</u>
Federal Program Revenues:					
ESEA Title I A, Improving Basic Education	3,340,617	3,247,945	3,633,080	2,797,537	3,341,660
ESEA Title II A, Training and Recruiting	569,080	539,170	549,658	550,673	582,363
ESEA Title III A, English Language Acquisition	651,909	603,877	612,134	388,341	424,512
ESEA, Title VI, Class Size Reduction	-	-	-	-	-
ESEA, Title XIV - SFSF (ARRA)	-	-	-	-	-
IDEA Part B, Formula	5,918,452	5,723,165	5,387,494	5,898,749	5,555,459
IDEA Part B, High Cost Risk Pool	-	-	-	-	-
Education Jobs Fund	-	-	-	-	6,087,492
Federal Emergency Management Agency (FEMA)	-	-	-	-	-
Teaching American History	-	-	-	369,546	340,337
Public Charter School Grant	-	-	-	-	-
ROTC	-	-	-	-	-
Temporary Emergency Impact Aid	-	-	-	-	-
Vocational Education - Carl D. Perkins	-	-	-	-	-
Medicaid MAC and SHARS	2,699,940	2,772,329	2,399,611	2,540,381	1,938,102
E-Rate	-	-	-	-	-
Congestion Mitigation and Air Quality Improvement Program	-	-	631,701	-	-
Other Federal Program Revenue **	<u>2,005,416</u>	<u>2,006,416</u>	<u>1,993,154</u>	<u>2,587,188</u>	<u>2,255,696</u>
Total Federal Program Revenues	<u>15,185,414</u>	<u>14,892,902</u>	<u>15,206,832</u>	<u>15,132,415</u>	<u>20,525,621</u>
Total Revenues for Governmental Funds	<u>\$ 411,292,514</u>	<u>\$ 391,806,814</u>	<u>\$ 368,590,091</u>	<u>\$ 344,390,740</u>	<u>\$ 349,434,370</u>

* This schedule is prepared in lieu of a Schedule of Tax Revenues by Source, as all tax revenues received by the District are Ad Valorem Taxes.

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

*** This schedule includes all Governmental Fund Types and excludes all Enterprise, Internal Service and Fiduciary fund types.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Table 6
Page 1 of 2

Fiscal Year Ended August 31,	Real Property		Personal Property	Less:
	Land	Improvements		Value of Frozen Accounts
2012	\$ 4,543,381,790	\$ 12,666,322,371	\$ 1,791,341,089	\$ (322,181,250)
2013	4,617,103,451	12,851,102,211	1,821,060,152	(300,488,162)
2014	4,873,738,136	13,334,048,485	1,948,319,489	(325,765,143)
2015	5,022,957,445	14,306,438,794	2,049,133,096	(389,539,643)
2016	5,240,259,536	16,132,808,728	2,146,287,577	(530,534,571)
2017	5,577,031,277	17,487,940,200	2,130,528,645	(661,390,485)
2018	6,074,524,812	18,775,232,827	2,187,059,957	(822,742,947)
2019	6,337,841,473	19,323,649,709	2,167,095,229	(853,295,391)
2020	6,863,937,184	21,205,536,008	2,219,950,009	(908,032,232)
2021	7,516,088,684	22,748,982,131	2,259,205,018	(969,991,405)

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

Source: Galveston Central Appraisal District and Harris County Appraisal District.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Table 6
Page 2 of 2

Fiscal Year Ended August 31,	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Total Direct Tax Rate (1)	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2012	\$ (3,365,981,223)	\$ 15,312,882,777	\$ 1.3600	\$ 19,001,045,250	81%
2013	(3,506,542,965)	15,482,234,687	1.36000	19,289,265,814	80%
2014	(3,613,594,248)	16,216,746,719	1.40000	20,161,878,326	80%
2015	(3,681,516,859)	17,307,472,833	1.40000	21,378,529,335	81%
2016	(4,635,055,947)	18,353,765,323	1.40000	23,519,355,841	78%
2017	(4,650,726,053)	19,883,383,584	1.40000	25,195,500,122	79%
2018	(4,841,446,216)	21,372,628,433	1.40000	27,036,817,596	79%
2019	(4,894,663,202)	22,080,627,818	1.40000	27,828,586,411	79%
2020	(5,503,119,507)	23,878,271,462	1.31000	30,289,423,201	79%
2021	(5,948,210,990)	25,606,073,438	1.26590	32,524,275,833	79%

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

Source: Galveston Central Appraisal District and Harris County Appraisal District.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING* GOVERNMENTS
LAST TEN FISCAL YEARS

Table 7
Page 1 of 2

Taxing Authority	2021	2020	2019	2018	2017
Overlapping Rates:					
Baybrook MUD #1	\$ 1.11000	\$ 1.11000	\$ 1.11000	\$ 1.11000	\$ 1.11000
Bayview MUD	0.38470	0.45000	0.15000	0.15000	0.15000
Brazoria County MUD #18	0.27000	0.29000	0.31000	0.31000	0.35000
Clear Brook City MUD	0.59000	0.60000	0.67000	0.67000	0.67000
Clear Lake City Water Authority	0.26000	0.27000	0.27000	0.27000	0.27000
Clear Lake City Water Authority (HCWCID 75)	-	-	-	-	-
El Lago, City of	0.48542	0.51713	0.51703	0.52807	0.57589
Friendswood, City of	0.48731	0.52144	0.53239	0.52735	0.54600
Galveston County	0.46513	0.50440	0.52983	0.55190	0.54625
Galveston County Management District #1	0.95000	0.95000	0.95000	0.90000	N/A
Galveston County MUD #2	Dissolved	Dissolved	Dissolved	Dissolved	Dissolved
Galveston County MUD #3	Dissolved	Dissolved	Dissolved	Dissolved	Dissolved
Galveston County MUD #6	0.21000	0.23000	0.25000	0.42000	0.46000
Galveston County MUD #13	-	-	-	-	-
Galveston County MUD #39	0.53000	0.57000	0.61000	0.62000	0.68000
Galveston County MUD #43	0.65000	0.73000	0.73000	0.77000	0.94000
Galveston County MUD #45	0.85000	0.90000	0.93000	0.95000	1.00000
Galveston County MUD #46	0.79000	0.85000	0.87000	0.93000	0.97000
Galveston WC&ID #12	0.24938	0.26000	0.26000	0.26000	0.26000
Harris County	0.39116	0.40713	0.41858	0.41801	0.41656
Harris County Dept of Educaion	0.00499	0.00500	0.00519	0.00520	0.00520
Harris County Flood Control District	0.03142	0.02792	0.02877	0.02831	0.02829
Harris County Hospital District	0.16671	0.16591	0.17108	0.17110	0.17179
Harris County MUD #55	0.40000	0.40000	0.40000	0.40000	0.40000
Harris County MUD #373	0.20500	0.23000	0.24500	0.25000	0.32500
Harris County MUD #481	1.08000	1.16000	1.16000	1.16000	1.19000
Harris County Road Improvement District #1	0.28770	0.29350	0.30000	0.30000	0.30000
Harris County WC&ID #50	0.44000	0.32770	0.32200	0.32200	0.32500
Harris County WC&ID #156	0.30000	0.32000	0.34000	0.34000	0.34500
Harris County WC&ID #161	0.85000	0.85000	0.85000	0.85000	0.85000
Houston, City of	0.56184	0.56792	0.58831	0.58421	0.58642
Kemah, City of	0.17930	0.20284	0.20284	0.19300	0.21921
League City, City of	0.51500	0.54858	0.56380	0.56500	0.57000
Nassau Bay, City of	0.72212	0.73212	0.74212	0.74212	0.74120
Pasadena, City of	0.53368	0.57034	0.61545	0.57539	0.57539
Port of Houston Authority	0.00991	0.01074	0.01155	0.12560	0.01334
Seabrook, City of	0.54361	0.55198	0.55198	0.57491	0.56518
South Shore Harbour MUD #6	Dissolved	Dissolved	Dissolved	Dissolved	Dissolved
South Shore Harbour MUD #7	0.38300	0.38000	0.39000	0.39000	0.45000
Tara Glen MUD	0.24000	0.43000	0.49000	0.55000	0.56000
Taylor Lake Village, City of	0.25990	0.25490	0.26260	0.26960	0.28400
Webster, City of	0.37357	0.36200	0.34794	0.31725	0.28450
Total	\$ 16.76085	\$ 17.55155	\$ 17.69646	\$ 18.09901	\$ 17.73422
District Direct Rates:					
Maintenance and Operations	\$ 0.93590	\$ 0.97000	\$ 1.06000	\$ 1.04000	\$ 1.04000
Debt Service	0.33000	0.34000	0.34000	0.36000	0.36000
Total District Direct Rates	\$ 1.26590	\$ 1.31000	\$ 1.40000	\$ 1.40000	\$ 1.40000

Source: Galveston Central Appraisal District and Harris County Appraisal District.

The percentage of overlapping debt is estimated using taxable assessed property values. Percentages were estimated by determining portion of the overlapping tax authority's taxable assessed value that is within the District boundaries and dividing it by the overlapping taxing authority's total taxable assessed value.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING* GOVERNMENTS
LAST TEN FISCAL YEARS

Table 7
Page 2 of 2

Taxing Authority	2016	2015	2014	2013	2012
Overlapping Rates:					
Baybrook MUD #1	\$ 1.11000	\$ 1.11000	\$ 1.11000	\$ 1.11000	\$ 1.11000
Bayview MUD	0.23470	0.23060	0.22760	0.23260	0.23334
Brazoria County MUD #18	0.39000	0.47000	0.51000	0.53000	0.54500
Clear Brook City MUD	0.67000	0.67000	0.67000	0.67000	0.67000
Clear Lake City Water Authority	0.27000	0.28000	0.28000	0.28000	0.28000
Clear Lake City Water Authority (HCWCID 75)	0.38000	0.45500	0.51000	0.52000	0.55000
El Lago, City of	0.58029	0.61420	0.61420	0.61330	0.58635
Friendswood, City of	0.56870	0.59140	0.59140	0.59700	0.59020
Galveston County	0.56125	0.58480	0.58370	0.59992	0.61295
Galveston County Management District #1	0.80000	0.80000	0.80000	0.80000	0.80000
Galveston County MUD #2	Dissolved	Dissolved	0.30000	0.27000	0.26000
Galveston County MUD #3	Dissolved	0.03000	0.12000	0.12000	0.12000
Galveston County MUD #6	0.46000	0.47000	0.43900	0.43900	0.42200
Galveston County MUD #13	0.36000	0.46000	0.50000	0.54000	0.54000
Galveston County MUD #39	0.80000	0.88000	0.88000	0.88000	0.90000
Galveston County MUD #43	1.00000	1.00000	1.00000	1.00000	1.00000
Galveston County MUD #45	1.00000	1.00000	1.00000	1.00000	1.00000
Galveston County MUD #46	0.98000	1.00000	1.00000	1.00000	1.00000
Galveston WC&ID #12	0.28000	0.30000	0.30000	0.30000	0.30000
Harris County	0.41923	0.41731	0.41455	0.40021	0.39117
Harris County Dept of Eductaion	0.00542	0.00600	0.00636	0.00662	0.00658
Harris County Flood Control District	0.02733	0.02736	0.02827	0.02809	0.02809
Harris County Hospital District	0.17000	0.17000	0.17000	0.18216	0.19216
Harris County MUD #55	0.40000	0.40000	0.40000	0.40000	0.40000
Harris County MUD #373	0.33500	0.34000	0.34500	0.35000	0.35550
Harris County MUD #481	1.20000	1.20000	1.20000	1.20000	1.21000
Harris County Road Improvement District #1	0.30000	0.30000	0.30000	0.30000	0.30000
Harris County WC&ID #50	0.33500	0.21290	0.19740	0.18288	0.18288
Harris County WC&ID #156	0.36000	0.38000	0.40000	0.40000	0.39500
Harris County WC&ID #161	0.85000	0.85000	-	-	-
Houston, City of	0.60112	0.63108	0.63875	0.63875	0.63875
Kemah, City of	0.25401	0.26555	0.24649	0.24999	0.25000
League City, City of	0.57350	0.59700	0.59700	0.59670	0.61000
Nassau Bay, City of	0.74120	0.74212	0.73212	0.73212	0.69212
Pasadena, City of	0.57539	0.57690	0.59159	0.59159	0.59159
Port of Houston Authority	0.01342	0.01531	0.01716	0.01952	0.01856
Seabrook, City of	0.61261	0.64003	0.65123	0.66523	0.64998
South Shore Harbour MUD #6	Dissolved	0.12000	0.21500	0.29000	0.29000
South Shore Harbour MUD #7	0.49000	0.53000	0.53000	0.55000	0.60000
Tara Glen MUD	0.57000	0.63000	0.66000	0.66000	0.67000
Taylor Lake Village, City of	0.30740	0.33060	0.34860	0.34860	0.34860
Webster, City of	0.23447	0.24874	0.26960	0.28528	0.28528
Total	\$ 19.82004	\$ 20.57690	\$ 20.39502	\$ 20.57956	\$ 20.62610
District Direct Rates:					
Maintenance and Operations	\$ 1.04000	\$ 1.04000	\$ 1.04000	\$ 1.04000	\$ 1.04000
Debt Service	0.36000	0.36000	0.36000	0.32000	0.32000
Total District Direct Rates	\$ 1.40000	\$ 1.40000	\$ 1.40000	\$ 1.36000	\$ 1.36000

Source: Galveston Central Appraisal District and Harris County Appraisal District.

The percentage of overlapping debt is estimated using taxable assessed property values. Percentages were estimated by determining portion of the overlapping tax authority's taxable assessed value that is within the District boundaries and dividing it by the overlapping taxing authority's total taxable assessed value.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Table 8

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
LBC Houston, L.P.	\$ 247,368,778	1	0.97%	\$ 56,662,025	7	0.37%
Baybrook Mall, L.P.	221,841,864	2	0.87%	129,760,971	1	0.85%
Clear Lake Regional Medical Center	138,250,000	3	0.54%	81,195,547	3	0.53%
Seabrook Logistics, LLC	124,667,422	4	0.49%			-
Baytank Houston, Inc.	115,895,757	5	0.45%			-
Baybrook LPC, LLC	105,741,155	6	0.41%			-
Turbine Maintenance Group (Calpine)	96,591,700	7	0.38%			-
HC 200 Blossom Street LLC	88,000,000	8	0.34%	111,449,400	2	0.73%
Centerpoint Energy Houston	80,422,349	9	0.31%	60,086,308	6	0.39%
Kinder Morgan Tejas Pipeline	76,867,948	10	0.30%			-
Total Petrochemicals USA, Inc.	72,447,503		0.28%	78,784,863	4	0.51%
American Acryl, L.P.	60,614,968		0.24%	62,372,045	5	0.41%
G&E Healthcare Reit Mountain	32,405,223		0.13%	54,013,655	8	0.35%
Shell Energy North America	14,054,709		0.05%	51,013,620	9	0.33%
Ineos Nova	Not Available		-	50,443,130	10	0.33%
	<u>\$ 1,475,169,376</u>		<u>5.76%</u>	<u>\$ 735,781,564</u>		<u>4.80%</u>

Source: Galveston Central Appraisal District and Harris County Appraisal District

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Table 9

Fiscal Year Ended August 31,	Total Tax Levy for Fiscal Year (1)	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date (2)	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 207,565,261	\$ 206,780,968	99.62%	\$ (252,499)	\$ 206,528,469	99.50%
2013	210,413,446	209,260,446	99.45%	946,338	210,206,784	99.90%
2014	225,865,438	225,443,883	99.81%	176,388	225,620,271	99.89%
2015	241,151,976	241,300,644	100.06%	(439,383)	240,861,261	99.88%
2016	256,055,839	255,511,283	99.79%	204,995	255,716,278	99.87%
2017	276,373,318	276,726,402	100.13%	(791,843)	275,934,559	99.84%
2018	297,899,769	297,511,097	99.87%	(113,960)	297,397,137	99.83%
2019	306,836,307	307,069,615	100.08%	(1,211,935)	305,857,680	99.68%
2020	311,590,762	310,528,858	99.66%	96,720	310,625,578	99.69%
2021	324,147,295	321,661,120	99.23%	-	321,651,694	99.23%

(1) Appraised value less exemptions equal taxable assessed value. The beginning taxable value net of adjustments times the tax rate set by the District's Board of Trustees each fall equals the total net tax levy. The net tax levy for prior years reflects ongoing adjustments applied to that year's tax levy.

(2) Excludes the subsequent 60 days tax collections recorded as revenue in the fund financial statements in accordance with the Modified Accrual Basis of Accounting.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Table 10

Fiscal Year	Governmental Activities			Total Primary Government	Ratio of Debt to Assessed Value (1)	Debt per Student (2)
	Schoolhouse and Refunding Bonds	Accretion on Capital Appreciation Bonds	Bond Issuance Premium			
2012	\$ 630,915,000	\$ 598,131	\$ 11,758,881	\$ 643,272,012	4.20%	\$ 16,479
2013	602,665,000	-	37,823,061	640,488,061	4.14%	16,223
2014	857,880,000	-	59,151,602	917,031,602	5.65%	23,036
2015	887,800,000	-	77,108,004	964,908,004	5.58%	23,743
2016	861,345,000	-	71,590,839	932,935,839	5.08%	22,721
2017	818,715,000	-	70,160,935	888,875,935	4.47%	21,327
2018	942,950,000	-	84,961,655	1,027,911,655	4.81%	24,469
2019	910,060,000	-	78,429,386	988,489,386	4.48%	23,512
2020	979,890,000	-	87,669,573	1,067,559,573	4.47%	25,277
2021	1,032,420,000	-	112,207,346	1,144,627,346	4.47%	27,102

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

- (1) See Table 6 for assessed value information.
- (2) See Table 17 for student enrollment information.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Table 11

Fiscal Year	Schoolhouse and Refunding Bonds Outstanding	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Net Bonded Debt per Student (2)
2012	\$ 643,272,012	\$ 7,006,196	\$ 636,265,816	3.35%	\$ 16,299
2013	640,488,061	4,705,876	635,782,185	3.30%	16,104
2014	917,031,602	9,772,150	907,259,452	4.50%	22,791
2015	964,908,004	10,972,122	953,935,882	4.46%	23,473
2016	932,935,839	15,489,500	917,446,339	3.90%	22,343
2017	888,875,935	12,458,573	876,417,362	3.48%	21,028
2018	1,027,911,655	26,967,327	1,000,944,328	3.70%	23,827
2019	988,489,386	30,599,900	957,889,486	3.44%	22,784
2020	1,067,559,573	33,447,241	1,034,112,332	3.41%	24,485
2021	1,144,627,346	40,632,308	1,103,995,038	3.39%	27,242

- (1) See Table 16 for assessed value information.
- (2) See Table 17 for student enrollment information.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT
For the Year Ended August 31, 2021

Table 12
Page 1 of 2

Governmental Unit	Net Debt		Percentage Overlapping (1)	Amount of Overlapping Debt
	Amount	As Of		
Cities:				
El Lago	\$ 735,000	8/31/2021	100.00%	\$ 735,000
Friendswood	45,461,982	8/31/2021	17.95%	8,160,426
Houston	3,165,026,010	8/31/2021	2.22%	70,263,577
League City	133,099,219	8/31/2021	83.88%	111,643,625
Nassau Bay	1,652,263	8/31/2021	100.00%	1,652,263
Pasadena	141,000,000	8/31/2021	13.51%	19,049,100
Seabrook	30,183,334	8/31/2021	100.00%	30,183,334
Texas City	18,313,384	8/31/2021	0.18%	32,964
Webster	12,080,000	8/31/2021	100.00%	12,080,000
Counties:				
Galveston	\$ 210,083,482	8/31/2021	25.19%	\$ 52,920,029
Harris	1,443,576,841	8/31/2021	3.18%	45,905,744
Municipal Utility Districts				
Baybrook MUD 1	\$ 23,835,000	8/31/2021	100.00%	\$ 23,835,000
Bayview MUD	2,070,000	8/31/2021	100.00%	2,070,000
Brazoria Co. MUD 18	18,015,000	8/31/2021	47.73%	8,598,560
Clear Brook City MUD	86,170,792	8/31/2021	57.59%	49,625,759
Galveston County MUD 6	7,618,663	8/31/2021	100.00%	7,618,663
Galveston County MUD 39	16,739,535	8/31/2021	100.00%	16,739,535
Galveston County MUD 43	25,622,019	8/31/2021	74.18%	19,006,414
Galveston County MUD 45	46,179,079	8/31/2021	99.23%	45,823,500
Galveston County MUD 46	37,178,813	8/31/2021	100.00%	37,178,813
Harris County MUD 55	5,912,691	8/31/2021	100.00%	5,912,691
Harris County MUD 373	1,320,000	8/31/2021	100.00%	1,320,000
Harris County MUD 481	12,929,467	8/31/2021	100.00%	12,929,467
South Shore MUD 7	14,104,153	8/31/2021	100.00%	14,104,153
Westwood Management District	10,315,000	8/31/2021	100.00%	10,315,000
Water Control and Improvement Districts				
Clear Lake Water Authority	\$ 108,375,000	8/31/2021	84.29%	\$ 91,349,288
Galveston County WCID 12	18,579,999	8/31/2021	100.00%	18,579,999
Harris County Road ID 1	4,655,000	8/31/2021	100.00%	4,655,000
Harris County WCID 50	11,095,000	8/31/2021	100.00%	11,095,000
Harris County WCID 161	35,640,162	8/31/2021	100.00%	35,640,162
Port of Houston Authority	446,699,397	8/31/2021	3.18%	14,205,041

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT
For the Year Ended August 31, 2021

Table 12
Page 2 of 2

Other Governmental Entities	Net Debt		Percentage	Amount of Overlapping Debt
Galveston County Management	\$ 3,220,000	8/31/2021	100.00%	\$ 3,220,000
Harris County Department of Education	20,185,000	8/31/2021	3.18%	641,883
Harris County Flood Control District	327,927,168	8/31/2021	3.18%	10,428,084
Harris County Hospital District	81,540,000	8/31/2021	3.18%	2,592,972
				Subtotal, overlapping debt
				800,111,046
				Clear Creek Independent School District Direct Debt
				<u>1,144,627,346</u>
				Total Direct and Overlapping Debt
				<u><u>\$ 1,944,738,392</u></u>

Sources: Galveston Central Appraisal District and Harris County Appraisal District assessed value data was used to determine overlapping percentages. Each individual governmental unit provided debt information.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Clear Creek Independent School District. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for paying the debt, of each overlapping government.

(1) The percentage of overlapping debt is estimated using taxable assessed property values. Percentages were estimated by determining portion of the overlapping tax authority's taxable assessed value that is within the District's boundaries and dividing it by the overlapping taxing authority's total taxable assessed value.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Table 13
Page 1 of 2

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Debt Limit	\$ 3,155,428,443	\$ 2,938,139,097	\$ 2,697,529,102	\$ 2,621,407,465	\$ 2,453,410,964
Total Net Debt Applicable to Limit	<u>991,787,692</u>	<u>946,442,759</u>	<u>879,460,100</u>	<u>915,982,673</u>	<u>806,256,427</u>
Legal Debt Margin	<u>\$ 2,163,640,751</u>	<u>\$ 1,991,696,338</u>	<u>\$ 1,818,069,002</u>	<u>\$ 1,705,424,792</u>	<u>\$ 1,647,154,537</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	31.43%	32.21%	32.60%	34.94%	32.86%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed Taxable Value	\$ 25,606,073,438
Add back:	
Exempt Real Property	<u>5,948,210,990</u>
Total Assessed Value	31,554,284,428
Debt Limit (10% of total assessed value)	3,155,428,443
Debt Applicable to Limit:	
Schoolhouse and Refunding Bonds	1,032,420,000
Less: Amount set aside for repayment of bonds	<u>40,632,308</u>
Total Net Debt Applicable to Limit	<u>991,787,692</u>
Legal Debt Margin	<u>\$ 2,163,640,751</u>

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

Source: Galveston Central Appraisal District and Harris County Appraisal District.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Table 13
Page 2 of 2

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 2,298,882,127	\$ 2,098,898,969	\$ 1,983,034,097	\$ 1,898,877,765	\$ 1,867,886,400
Total Net Debt Applicable to Limit	<u>845,855,500</u>	<u>953,935,882</u>	<u>907,259,452</u>	<u>635,782,185</u>	<u>637,711,791</u>
Legal Debt Margin	<u>\$ 1,453,026,627</u>	<u>\$ 1,144,963,087</u>	<u>\$ 1,075,774,645</u>	<u>\$ 1,263,095,580</u>	<u>\$ 1,230,174,609</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	36.79%	45.45%	45.75%	33.48%	34.14%

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

Source: Galveston Central Appraisal District and Harris County Appraisal District.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 14
Page 1 of 2

Fiscal Year	Residential Units (1)	Total Assessed Value of Residential Annual Units (1)	Average Assessed Value per Residential Unit	Population (2)	Enrollment (3)
2012	65,129	\$ 11,557,753,158	\$ 177,459	244,234	39,037
2013	65,216	11,477,564,838	175,993	244,560	39,480
2014	67,007	11,738,388,444	175,182	251,276	39,808
2015	67,314	12,582,719,607	186,926	252,428	40,640
2016	68,190	14,182,216,795	207,981	255,713	41,061
2017	69,364	15,163,196,210	218,603	260,115	41,679
2018	70,280	16,647,556,406	236,875	263,550	42,008
2019	71,297	16,868,636,637	236,597	267,364	42,042
2020	71,371	18,364,773,078	257,314	267,641	42,234
2021	71,805	19,514,007,445	271,764	269,269	40,526

(1) Source: Galveston Central Appraisal District and Harris County Appraisal District Single-family Residential Units.

(2) Estimated - Since the District encompasses parts of two counties and all or part of twelve municipalities, no source is available.

(3) Source: District Records

(4) Source: Texas Workforce Commission

Since the District encompasses parts of two counties and all or part of twelve municipalities, total personal income data for the geographic area is not available for the ten-year period presented.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 14
Page 2 of 2

Fiscal Year	Average Daily Attendance (3)	Unemployment Rate (4)			
		Galveston County	Harris County	Texas	United States
2012	36,823	7.6%	6.6%	6.7%	8.1%
2013	37,198	6.9%	6.1%	6.3%	7.4%
2014	37,539	5.6%	5.0%	5.1%	6.2%
2015	38,228	5.0%	4.6%	4.4%	5.3%
2016	38,670	5.3%	5.3%	4.6%	4.9%
2017	39,189	5.3%	5.1%	4.3%	4.4%
2018	39,679	4.6%	4.4%	3.8%	3.9%
2019	39,428	4.0%	3.8%	3.5%	3.7%
2020	39,753	8.9%	8.9%	7.8%	8.1%
2021	38,499	6.3%	6.1%	5.3%	5.4%

- (1) Source: Galveston Central Appraisal District and Harris County Appraisal District Single-family Residential Units.
- (2) Estimated - Since the District encompasses parts of two counties and all or part of twelve municipalities, no source is available.
- (3) Source: District Records
- (4) Source: Texas Workforce Commission

Since the District encompasses parts of two counties and all or part of twelve municipalities, total personal income data for the geographic area is not available for the ten-year period presented.



CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Table 15

Taxpayer	2021			2012		
	Employees	Rank*	Percentage of Principal Employers	Employees	Rank*	Percentage of Principal Employers
Harris County						
Memorial Hermann Health System	35,360	1	1.11%			
Walmart Stores, Inc.	29,797	2	0.93%			
HEB	29,657	3	0.93%			
Houston Methodist	26,098	4	0.82%			
The University of Texas MD Anderson Cancer Center	21,573	5	0.68%			
HCA Houston Healthcare	15,000	6	0.47%			
Kroger Company	14,868	7	0.47%			
ExxonMobil Corp.	13,000	8	0.41%	11,000	1	0.41%
Texas Children's Hospital	13,000	9	0.41%			
University of Houston	12,696	10	0.40%			
Shell Oil Company				10,750	2	0.40%
National Oilwell Varco				8,000	3	0.30%
Chevron Companies				7,000	4	0.26%
JP Morgan Chase				6,750	5	0.25%
Jacobs Technology				6,500	6	0.24%
Halliburton				6,200	7	0.23%
CenterPoint Energy				4,776	8	0.18%
KBR Inc.				4,557	9	0.17%
Conoco Phillips				3,750	10	0.14%
Walgreens				3,750	10	0.14%
Total Employees	211,049			73,033		
Total Harris County Employment	3,192,200			2,665,000		
Galveston County						
University of Texas Medical Branch	13,813	1	9.01%	11,568	1	8.30%
Clear Creek Independent School District	5,713	2	3.73%	5,218	2	3.75%
Landry's Seafood, Inc. / Fertitta Hospitality, LLC	2,788	3	1.82%			
Marathon Petroleum Corp.	1,950	4	1.27%			
Dickinson Independent School District	1,626	5	1.06%			
American National Insurance Company	1,552	6	1.01%	850	9	0.61%
Galveston County	1,408	7	0.92%	1,318	5	0.95%
Walmart	1,308	8	0.85%	1,450	4	1.04%
Texas City Independent School District	1,281	9	0.84%	879	8	0.63%
Galveston Independent School District	1,044	10	0.68%	1,044	7	0.75%
BP-Amoco Oil Company				2,300	3	1.65%
Ineos Nova, LLC				1,150	6	0.83%
Moody Gardens				783	10	0.56%
Total Employees	32,483			26,560		
Total Galveston County Employment	153,253			139,301		

Note Clear Creek ISD encompasses parts of two counties and twelve cities. No source for employer ranking within district boundaries is available.

* Ranking is optional

Source: Harris County - Harris County Annual Comprehensive Financial Report

Galveston County - Galveston County Annual Comprehensive Financial Report

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
FULL TIME EQUIVALENT AND DISTRICT EMPLOYEES
LAST TEN FISCAL YEARS

Table 16
Page 1 of 2

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Professional Staff					
Teachers	2,543	2,517	2,532	2,498	2,466
Professional Support	809	783	725	728	619
Campus Administration	119	119	126	123	127
Central Administration	34	43	44	41	36
Education Aides	428	399	405	405	364
Auxiliary Staff	<u>1,423</u>	<u>1,354</u>	<u>1,317</u>	<u>1,254</u>	<u>1,285</u>
Total	<u><u>5,356</u></u>	<u><u>5,215</u></u>	<u><u>5,149</u></u>	<u><u>5,049</u></u>	<u><u>4,897</u></u>

Source: Texas Education Agency AEIS or TAPR

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
FULL TIME EQUIVALENT AND DISTRICT EMPLOYEES
LAST TEN FISCAL YEARS

Table 16
Page 2 of 2

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Professional Staff					
Teachers	2,444	2,504	2,504	2,453	2,451
Professional Support	683	604	584	576	842
Campus Administration	126	132	129	141	138
Central Administration	40	38	39	45	45
Education Aides	325	310	354	349	218
Auxiliary Staff	<u>1,283</u>	<u>1,234</u>	<u>1,237</u>	<u>1,245</u>	<u>1,136</u>
Total	<u><u>4,901</u></u>	<u><u>4,822</u></u>	<u><u>4,847</u></u>	<u><u>4,809</u></u>	<u><u>4,830</u></u>

Source: Texas Education Agency AEIS or TAPR

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Table 17
Page 1 of 3

Fiscal Year August 31,	Average Daily Attendance	Governmental Fund Expenditures		Government-wide Expenses	
		Operating Expenditures (1)	Cost per Student	Governmental Activities Expenses	Cost per Student
2012	36,823	\$ 297,256,112	\$ 8,073	\$ 365,483,139	\$ 9,925
2013	37,198	296,673,078	7,976	351,049,336	9,437
2014	37,539	328,610,620	8,754	345,393,299	9,201
2015	38,228	336,755,503	8,809	397,851,442	10,407
2016	38,670	335,759,160	8,683	412,311,351	10,662
2017	39,189	350,269,527	8,938	418,939,544	10,690
2018	39,679	378,075,395	9,528	333,294,938	8,400
2019	39,428	383,428,245	9,725	487,757,815	12,371
2020	39,753	426,491,507	10,729	509,977,651	12,829
2021	38,499	407,766,049	10,592	489,846,669	12,724

Source: District Records

- (1) Operating expenditures include governmental fund expenditures less debt service and capital outlay expenditures.
- (2) Growth is higher than normal in FY 2017 due to Hurricane Harvey.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Table 17
Page 2 of 3

Fiscal Year August 31,	District Employees			Total	Final Enrollment
	Teachers	Professionals	Other		
2012	2,451	1,025	1,354	4,830	39,037
2013	2,453	762	1,594	4,809	39,480
2014	2,504	752	1,591	4,847	39,808
2015	2,504	774	1,544	4,822	40,640
2016	2,444	849	1,608	4,901	41,061
2017	2,466	782	1,649	4,897	41,679
2018	2,498	892	1,659	5,049	42,008
2019	2,532	895	1,722	5,149	42,042
2020	2,517	945	1,753	5,215	42,234
2021	2,543	962	1,851	5,356	40,526

Source: District Records

- (1) Operating expenditures include governmental fund expenditures less debt service and capital outlay expenditures.
- (2) Growth is higher than normal in FY 2017 due to Hurricane Harvey.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Table 17
Page 3 of 3

Fiscal Year August 31,	Percentage Increase in Enrollment	Student / Teacher Ratio	Students Participating in Free/Reduced Lunch Program
2012	2.06%	16	11,543
2013	1.13%	16	11,980
2014	0.83%	16	11,907
2015	2.09%	16	11,703
2016	1.04%	17	12,125
2017	1.51%	17	17,539 (2)
2018	0.79%	17	13,874
2019	0.08%	17	12,905
2020	0.46%	17	12,385
2021	-4.04%	16	12,349

Source: District Records

- (1) Operating expenditures include governmental fund expenditures less debt service and capital outlay expenditures.
- (2) Growth is higher than normal in FY 2017 due to Hurricane Harvey.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS

Table 18

Fiscal Year	Minimum Salary (1)	Maximum Salary (1)	CCISD Average (2)	Region IV Average (2)	Statewide Average (2)
2012	\$ 44,600	\$ 68,735	\$ 49,455	\$ 50,383	\$ 48,375
2013	44,600	68,735	49,209	50,968	48,821
2014	47,000	71,135	51,782	52,222	49,692
2015	48,500	72,863	54,880	54,157	50,715
2016	50,000	75,055	55,538	55,580	51,891
2017	51,500	76,951	60,698	55,992	52,525
2018	52,550	78,752	58,414	57,076	53,334
2019	53,600	80,287	59,740	57,707	54,122
2020	55,750	83,293	62,128	60,292	57,091
2021	56,308	82,816	62,800	60,798	57,641

(1) Source: District Records

(2) Source: Texas Education Agency AEIS or TAPR

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

Table 19

SCHOOL BUILDING INFORMATION

For the Year Ended August 31, 2021

School	Year Constructed	Building Age (Years)	Student Capacity			2020/2021 Ending Enrollment	Percentage of Capacity Used	
			Building Capacity	Portables	Portable Capacity			Total Capacity
High Schools								
Clear Brook High School	1988	33	2,500	-	-	2,500	2,429	97%
Clear Creek High School	2006	15	2,500	-	-	2,500	2,346	94%
Clear Falls High School	2010	11	2,500	-	-	2,500	2,507	100%
Clear Horizons Early College High School (1)	N/A	N/A	500	-	-	500	419	84%
Clear Lake High School	2017	4	2,500	-	-	2,500	2,490	100%
Clear Path High School	2007	14	150	-	-	150	118	79%
Clear Springs High School	2007	14	2,500	-	-	2,500	2,777	111%
Clear View High School	1939	82	350	-	-	350	144	41%
Total High School			13,500	-	-	13,500	13,230	
Intermediate Schools								
Bayside Intermediate	2010	11	1,200	-	-	1,200	986	82%
Brookside Intermediate	1995	26	1,200	-	-	1,200	949	79%
Clear Creek Intermediate	1982	39	1,200	-	-	1,200	769	64%
Clear Lake Intermediate	1972	49	1,200	-	-	1,200	842	70%
Creekside Intermediate	1991	30	1,050	-	-	1,050	888	85%
League City Intermediate	1999	22	1,200	6	150	1,350	1,108	82%
Seabrook Intermediate	1966	55	1,200	-	-	1,200	945	79%
Space Center Intermediate	1999	22	1,200	8	200	1,400	888	63%
Victory Lakes Intermediate	2002	19	1,200	-	-	1,200	959	80%
Westbrook Intermediate	2005	16	1,200	10	250	1,450	1,163	80%
Total Intermediate			11,850	24	600	12,450	9,497	
Elementary Schools								
Armand Bayou Elementary	1974	47	620	-	-	620	527	85%
Bauerschlag Elementary	2002	19	950	2	44	994	827	83%
Bay Elementary	1994	27	850	1	22	872	636	73%
Brookwood Elementary	1991	30	830	-	-	830	786	95%
Campbell Elementary	2019	2	1,050	-	-	1,050	701	67%
Clear Lake City Elementary	1965	56	680	-	-	680	523	77%
Falcon Pass Elementary	2002	19	950	-	-	950	544	57%
Ferguson Elementary	1990	31	830	-	-	830	687	83%
Gilmore Elementary	2005	16	950	4	88	1,038	737	71%
Goforth Elementary	2002	19	950	-	-	950	821	86%
Greene Elementary	1976	45	860	6	132	992	624	63%
Hall Elementary	1979	42	740	-	-	740	505	68%
Hyde Elementary	1995	26	850	-	-	850	681	80%
Landolt Elementary	1979	42	900	-	-	900	739	82%
League City Elementary	2019	2	950	-	-	950	722	76%
McWhirter Elementary	2015	6	1,050	-	-	1,050	793	76%
Mossman Elementary	2009	12	950	3	66	1,016	792	78%
North Pointe Elementary	1995	26	850	-	-	850	686	81%
Parr Elementary	2009	12	900	-	-	900	734	82%
Robinson Elementary	2006	15	700	-	-	700	549	78%
Ross Elementary	1965	56	730	2	44	774	566	73%
Stewart Elementary	1996	25	950	-	-	950	704	74%
Ward Elementary	1990	31	830	-	-	830	593	71%
Weber Elementary	2002	19	950	6	132	1,082	792	73%
Wedgewood Elementary	1992	29	830	-	-	830	646	78%
Whitcomb Elementary	1967	54	830	2	44	874	587	67%
White Elementary	1965	56	660	-	-	660	623	94%
Total Elementary			23,190	26	572	23,762	18,125	

(1) Students attend classes on the San Jacinto College campus.

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 GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees
Clear Creek Independent School District
League City, 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 Clear Creek Independent School District (the “District”), as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise District’s basic financial statements, and have issued our report thereon dated January 24, 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.

To the Board of Trustees
Clear Creek Independent School District

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 with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive style with "Whitley" in a larger, more decorative script and "Penn LLP" in a smaller, simpler script.

Houston, Texas
January 24, 2022

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

To the Board of Trustees
Clear Creek Independent School District
League City, Texas

Report on Compliance for Each Major Federal Program

We have audited Clear Creek 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 August 31, 2021. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2021.

To the Board of Trustees
Clear Creek Independent School District

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

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

Houston, Texas
January 24, 2022

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended August 31, 2021

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 section 2 CFR 200.516(a)	No

Identification of Major Programs

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

U.S. Department of Agriculture

Child Nutrition Cluster	
National School Lunch Program – USDA Commodities	10.555
National School Lunch Program	10.555
National School Breakfast Program	10.553
COVID 19 – Emergency Operational Cost Reimbursement	10.555

U. S. Department of Education

Title IV, Part A Subpart 1	84.424A
COVID-19 – ESSER Prior Period Reimbursement Program	84.425D
COVID-19 – ESSER I Grant – CARES Act	84.425D
COVID-19 – ESSER II Grant – CRRSA Act	84.425D

Dollar Threshold Considered Between Type A and Type B Federal Programs	\$1,122,855
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Auditee qualified as low risk auditee?	Yes
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CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
For the Year Ended August 31, 2021

II. Financial Statement Findings

None Reported

III. Federal Awards Findings and Questioned Costs

None Reported

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2021

Exhibit K-1
Page 1 of 2

Fund Code	(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Assistance Listing Number*	(2A) Pass-Through Entity Identifying Number	(3) Federal Expenditures
U. S. Department of Education				
Passed Through State Department of Education:				
211	ESEA Title I Part A - Improving Basic Programs	84.010A	21610101084910	\$ 4,626,681
224	IDEA, Part B - Formula	84.027A	216600010849106600	6,702,634
225	IDEA, Part B - Preschool	84.173A	216610010849106610	159,104
226	IDEA, Part B - High Cost Risk Pool	84.027A	66002106	244,369
315	IDEA-B Discretionary (Deaf) Total Special Education Cluster (ALN 84.027, 84.173)	84.027A	216600110849106673	<u>159,129</u> <u>7,265,236</u>
244	Vocational Education - Carl D. Perkins	84.048A	21420006084910	357,166
255	ESEA, Title II, Part A - TPTR	84.367A	20694501084910	101,887
255	ESEA, Title II, Part A - TPTR Total ALN 84.367	84.367A	21694501084910	<u>886,147</u> <u>988,034</u>
263	ESEA, Title III, Part A - ELA	84.365A	21671001084910	12,307
263	ESEA, Title III, Part A - ELA	84.365A	20671001084910	374,840
263	ESEA, Title III, Part A - Immigrant Total ALN 84.365	84.365A	21671003084910	<u>161,514</u> <u>548,661</u>
266	COVID 19 - ESSER Prior Period Reimbursement Program	84.425D	52102035	3,593,700
266	COVID 19 - ESSER I Grant - CARES Act	84.425D	20521001084910	523
281	COVID 19 - ESSER II Grant - CRRSA Act Total ALN 84.425	84.425D	21521001084910	<u>9,285,244</u> <u>12,879,467</u>
276	Instructional Continuity	84.377A	17610740084910	42,000
289	Title IV, Part A Subpart 1	84.424A	21680101084910	321,020
289	Hurricane Harvey: Immediate Aid to Restart School Operations	84.938A	18511701084910	32,509
340	IDEA-C ECI	84.181A	213911010849103911	3,608
Passed Through Harris County Department of Education:				
265	21st Century Community Learning Centers/Texas ACE	84.287C	186950247110015	<u>153,334</u>
Total U. S. Department of Education				<u>27,217,716</u>
U. S. Department of Agriculture				
Passed Through the Texas Department of Agriculture:				
<i>National School Lunch Program - USDA Commodities -</i>				
701	Non-Cash Assistance	10.555	None	411,900
701	COVID-19 - Emergency Operational Cost Reimbursement	10.555	None	366,248
Passed Through State Department of Education:				
<i>Cash Assistance:</i>				
701	National School Lunch Program	10.555	71302101	6,460,869
701	National School Breakfast Program Total Child Nutrition Cluster (ALN 10.553, 10.555)	10.553	71402101	<u>1,279,484</u> <u>8,518,501</u>
701	State Administrative Expense for Child Nutrition Programs	10.560	None	<u>4,283</u>
Total U. S. Department of Agriculture				<u>8,522,784</u>

* ALN formerly known as CFDA.

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2021

Exhibit K-1
Page 2 of 2

Fund Code	(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal ALN Number	(2A) Pass-Through Entity Identifying Number	(3) Federal Expenditures
U. S. Department of Health and Human Services				
Direct Program:				
272	Medicaid Administrative Claims (MAC)	93.778	N/A	27,512
	Total Medicaid Cluster (ALN 93.778)			<u>27,512</u>
289	COVID-19 - Provider Relief Fund and American Rescue Plan (ARP)	93.498	CR-32094881600	119,224
239	Youth Prevention Services Grant	93.959	HHS000077600029	147,021
239	Community Coalition Partnership Grant - CCISD	93.959	HHS000539700151	125,000
239	Community Coalition Partnership Grant - FISD	93.959	HHS000539700152	125,000
	Total ALN 93.959			<u>397,021</u>
Total U. S. Department of Health and Human Services				<u>543,757</u>
U.S. Department of Homeland Security				
Passed Through the Texas Department of Public Safety:				
624	Federal Emergency Management Agency (FEMA)	97.036	4332DRTXP0000001	469,579
Total U.S. Department of Homeland Security				<u>469,579</u>
U.S. Department of Justice				
Direct Program:				
289	STOP School Violence	16.839	2018-YS-BX-0152	52,325
Total U.S. Department of Justice				<u>52,325</u>
U.S. Department of Defense				
Direct Program:				
	ROTC	12.000	None	392,523
Total U.S. Department of Defense				<u>392,523</u>
U.S. Department of Housing and Urban Development				
Direct Program:				
289	CDBG	14.228	B-20-MC-48-0045	4,500
Total U.S. Department of Housing and Urban Development				<u>4,500</u>
U.S. Department of Treasury				
Passed Through the Texas Department of Public Safety				
Division of Emergency Management				
277	COVID-19 Coronavirus Relief Fund - TDEM	21.019	2020-CF-21019	16,301
Passed Through the Texas Education Agency				
277	COVID-19 Coronavirus Relief Fund - (HCTY)	21.019	39312101	52,250
277	COVID-19 Coronavirus Relief Fund - (MTCH)	21.019	52202002	52,250
277	COVID-19 Coronavirus Relief Fund - (MTCH) Non-Cash Assistance	21.019	52202002	104,500
	Total ALN 21.019			<u>225,301</u>
Total Expenditures of Federal Awards				<u>\$ 37,428,485</u>

* ALN formerly known as CFDA.

Note 1 - Summary of Significant Accounting Policies

The District accounts for all awards under federal programs in the General and 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.

Expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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.

All federal grants are subject to review by the grantor agencies. Any expenditures identified by the grantor agencies as disallowed could require reimbursement to the grantor agency from the District's general fund.

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 August 31, 2021. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) 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 of Basic Financial Statements

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

Total shown on Schedule of Expenditures of Federal Awards	\$ 37,428,485
Federal revenue accounted for in the governmental funds:	
SHARS	5,471,068
E-RATE	1,814,282
Less: Federal revenue accounted for in the enterprise funds	<u>(7,822,784)</u>
Total federal revenue - Exhibit C-3	<u>\$ 36,891,051</u>

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

Exhibit K-2

Note 4 - General Fund Federal Program Revenues

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

Program or Source	Assistance Listing Number	Amount
SHARS	N/A	\$ 5,471,068
ROTC	12.000	392,523
Indirect Costs:		
National School Breakfast Program	10.553	110,483.00
National School Lunch Program	10.555	589,517.00
COVID 19 - ESSER II Grant - CRRSA Act	84.425D	1,183,997
ESEA Title I Part A - Improving Basic Programs	84.010A	158,055
ESEA, Title II, Part A - TPTR	84.367A	30,272
ESEA, Title III, Part A - ELA	84.365A	18,323
Title IV, Part A Subpart 1	84.424A	10,897
Hurricane Harvey: Immediate Aid to Restart School Operations	84.938A	15,769
Youth Prevention Services Grant	93.959	5,033
Community Coalition Partnership Grant - CCISD	93.959	3,310
Community Coalition Partnership Grant - FISD	93.959	3,185
STOP School Violence	16.839	1,790
		\$ 7,994,222

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended August 31, 2021

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

None Noted

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

CORRECTIVE ACTION PLAN

For the Year Ended August 31, 2021

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