



# CARROLL INDEPENDENT SCHOOL DISTRICT SOUTHLAKE, TEXAS



## ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR END  
AUGUST 31, 2022

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**SOUTHLAKE, TEXAS**



**ANNUAL COMPREHENSIVE**  
**FINANCIAL REPORT**

**For the Fiscal Year Ended August 31, 2022**

PREPARED BY:  
Financial Services Department

David Johnson, MBA, RTSBA, SFO  
Assistant Superintendent for Financial Services

Laurie Grissom, RTSBA  
Executive Director of Finance



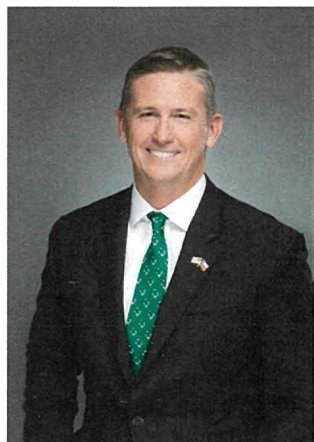


# Introduction

## Board of Trustees



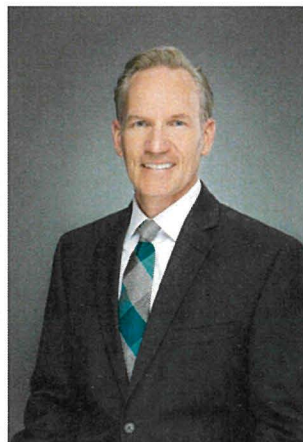
Dr. Lane Ledbetter  
Superintendent



Cameron Bryan  
President



Hannah Smith  
Vice President



Andrew Yeager  
Secretary



Michelle Moore  
Place 1



Eric Lannen  
Place 2



Sheri Mills  
Place 3



Alex Sexton  
Place 6

Carroll Independent School District  
Annual Comprehensive Financial Report  
For The Year Ended August 31, 2022

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# **INTRODUCTORY SECTION**





**CARROLL**  
Independent School District.

January 23, 2023

To the Board of Trustees and the Citizens of Carroll Independent School District:

The Texas Education Code requires that all school districts file financial statements with the Texas Education Agency (TEA) within 150 days of the close of the fiscal year. The financial statements must be presented in conformity with the generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accounts in accordance with generally accepted auditing standards. Pursuant to the requirement, we submit the Annual Comprehensive Financial Report (ACFR) of the Carroll Independent School District (the District) for the fiscal year ended August 31, 2022.

Responsibility for the accuracy, completeness, and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial operations have been included.

The ACFR is presented in four sections: (1) introductory, (2) financial, (3) statistical, and (4) federal awards. The introductory section includes this transmittal letter, the Certificate of Board, a listing of the District's principal officials and advisors, and an organizational chart of the District. The financial section includes the basic financial statements, the required supplementary information, combining statements and schedules, and other supplementary information. Also included in the financial section is the independent auditors' report on the financial statements and Management's Discussion and Analysis (MD&A). The statistical section consists of unaudited tables which reflect both financial and demographic data. This information is for the purpose of presenting social and economic information, financial trends and fiscal capacity of the District, and is generally presented on a multi-year basis. The federal awards section includes the Single Audit report which is in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget Uniform Guidance.

This report includes all funds of the District. The District is a public-school system offering a full prekindergarten through twelfth grade education for all school age residents within its geographic boundaries. The ACFR also includes any activities over which the Board has oversight responsibilities and/or the authority to make decisions. The District is not a component unit nor does it have any component units. A component unit is a legally separate organization that a primary government must include as part of its financial reporting entity for fair presentation in conformity with GAAP.



2400 N. Carroll Avenue | Southlake, TX 76092 | 817.949.8222

## **Governing Body**

The District is governed by a seven-member Board of Trustees (Board) serving staggered three-year terms with elections held in May of each year. All candidates must be qualified voters and residents within the boundaries of the District. Board officers are elected by the members of the Board.

The Board schedules Special Called meetings and Regular meetings for the first and third Monday of the month, respectively, and are held at the Carroll ISD Administration Center. Additional called meetings or workshops are scheduled as needed and announced to the public in compliance with public notice requirements.

The Board has final control over all school matters except as limited by state law, the courts, and the will of its citizens as expressed in elections. In general, the Board is responsible for adopting policy, employing and evaluating the Superintendent, adopting an annual budget and its supporting tax rate, and serving as a board of appeals in personnel and student matters.

## **General Information**

In 1919 the Carroll Common School District was formed from independent schools near Lonesome Dove and White's Church as well as Sam's School. The District was named after B. E. Carroll, Tarrant County Superintendent of Public Instruction. The first school building was known as Carroll High School and was opened in 1919, being used continuously until the opening of the new Carroll High School in 1970-1971. In 1959, the Carroll Common School District officially became an Independent School District. Originally Carroll ISD only offered grades K-8th grade, with students having to attend Grapevine High School for grades 9-12. Then in 1961-1962, the grades were expanded to serve K-12th, with the first graduating class of Carroll High School being in 1965.

The District is located in northeast Tarrant County and encompasses approximately 21 square miles. The District serves students in Southlake, Colleyville, Grapevine, Keller, Trophy Club and Westlake. The District is one of the largest in the state of Texas to earn the top rating of "Exemplary" by the Texas Education Agency.

The District finished the year with an enrollment of 8,389 students. Enrollment has increased by less than 1% over the past ten years and marginal annual growth is expected in the foreseeable future. Enrollment of 8,689 is projected by 2028-29.

	<b>21-22</b>	<b>20-21</b>	<b>19-20</b>	<b>18-19</b>	<b>17-18</b>
<b>Enrollment</b>	8,389	8,324	8,525	8,344	8,366

The District is comprised of the following eleven (11) campuses:

Carroll Senior High School	Grades 11-12
Carroll High School	Grades 9-10
Carroll Middle School	Grades 7-8
Dawson Middle School	Grades 7-8
Durham Intermediate School	Grades 5-6
Eubanks Intermediate School	Grades 5-6
Carroll Elementary School	Grades Pk-4
Johnson Elementary School	Grades K-4
Old Union Elementary School	Grades Pk-4
Rockenbaugh Elementary School	Grades Pk-4
Walnut Grove Elementary School	Grades K-4

Five schools have been named National Blue-Ribbon Schools by the U.S. Department of Education. The Blue Ribbon Schools include Rockenbaugh Elementary, Johnson Elementary, Carroll Elementary, Carroll Middle School and Carroll Senior High School.

Approximately 99 percent of Carroll's seniors go on to attend a college or university after graduation. More than 98 percent of Carroll students take a college entrance exam, with composite scores on the SAT and ACT that exceed state and national averages. Carroll offers a full array of Advanced Placement and Honors courses, a challenging curriculum for gifted and talented students and special programs for students with special needs. The District does not have a relationship with any charter schools.

Each campus shares the same district mascot the Dragon superimposed on an outline of the state of Texas, in the same colors, green, white and black. The current logo was developed in 1984 and has been in use since that time. The original inspiration of the mascot was derived by combining an outline of Texas with a United States Navy fighter squadron emblem.

### **Economic Condition and Outlook**

The Southlake area was settled in the 1840s but was not incorporated as Southlake until 1956. The area remained rural until the completion of the nearby DFW International Airport in the 1970s. Due to the close proximity to the airport, Southlake became a boom-burb throughout the 1980s, 1990s and 2000s. The current population projection for Southlake is 31,770 with a projected build-out population of 34,188. Southlake has been recognized as one of the most desirable cities in which to live and work due to a highly successful combination of business, local government, school district, and the overall quality of life. The largest employers in the Southlake area include Sabre Holdings, TD Ameritrade, the District, Keller Williams, Verizon Wireless, Gateway Church, the City of Southlake, Central Market, Hilton Southlake, and the Methodist Hospital. Income levels and property wealth levels reflect the largely affluent population in the region. Median household and per capita effective buying incomes in the district are very strong. Net taxable assessed value (AV) grew 9.5% year over year, since the time of our last rating. The tax base is very diverse with the 10 largest taxpayers accounting for approximately 10% of net taxable AV, and officials expect strong AV growth for the next two years. Carroll ISD serves an estimated population of 31,770 in northeast Tarrant County. It serves the majority of the city of Southlake; portions of the cities of Grapevine, Colleyville, Keller; Trophy Club, and Westlake. The tax base is largely residential, though there has been increased commercial development.



The District age of school district buildings as of August 2022:

<u>Capital Assets</u>	<u>Age of Asset</u>
Carroll Senior High	30
Carroll High	24
Carroll Middle	11
Dawson Middle	21
Eubanks Intermediate	21
Durham Intermediate	26
Carroll Elementary	34
Walnut Grove Elementary	11
Johnson Elementary	41
Old Union Elementary	21
Rockenbaugh Elementary	25
Administration Bldg.	53
Dragon Stadium	22
Transportation	22

The District's latest demographic study reports the following unemployment numbers as of October 2022:

United States	4.3%
Texas	4.8%
Dallas/Fort Worth	4.2%
Southlake	3.0%

The District had 556 home sales between January – December 2021. The average sale price was \$1,245,087.

Property values have increased an average of 9% over the past five years, and the District's tax base has been increasing due to new residential construction accompanied by growth in retail and commercial development. The District's total assessed property value for the year was \$11,355,061,215 with residential property accounting for almost 74% of the value. The net taxable value after exemptions was \$10,138,002,394 which was an increase of 9.5% from the prior year. The average taxable value of a home in the District was \$829,807 which was an increase of 1.9% from the prior year.

### **Long Range Planning**

In 2021, the District began the planning phase a Strategic Planning Committee. The Strategic Planning Committee efforts are still in progress.

### **Financial Information**

The District strives to provide support for all stakeholders, ensuring that all financial operations support the District's instructional goals and objectives thereby providing our students with the best education possible. The District is committed to providing fiscal management through prudent stewardship, integrity and financial transparency. In 2014, the District was awarded the Texas Comptroller Leadership Circle Platinum Award for Financial Transparency. Since that time, the Texas Comptroller has initiated a greater level of accountability and has recognized the District for going above and beyond in their transparency efforts in the areas of Traditional Finance and Debt Obligations.

In September 2016, Moody's upgraded the District's previous general obligation bond rating from Aa2 to Aa1. The rating upgrade primarily reflected the District's trend of tax base growth, affluent residential community, enrollment growth and healthy reserves. The stable outlook reflects the expectation of stable credit fundamentals supported by the District's economy which will remain strong given its location in the Dallas-Fort Worth Metroplex and management's history of maintaining healthy reserves.

On November 5, 2019, S&P affirmed its AA+ underlying rating and long-term rating on the District's existing general obligation debt. The outlook on all the ratings is stable. The underlying rating reflects their assessment of the District's creditworthiness, specifically its expanding property tax base, coupled with access to and participation in the broad and diverse Dallas-Fort Worth Metroplex, very strong income and extremely strong wealth indicators, and historically strong financial position, supporting the maintenance of very strong reserves.

### **Internal Control**

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

### **Budgetary Control**

State law requires that every local education agency prepare and file an annual budget of anticipated revenues and estimated expenditures with the Texas Education Agency. The objective of budgetary controls is to ensure compliance with the legal provisions in the annual budget approved by the Board. Activities in the General Fund and Debt Service Fund are included in the official budget. Budgetary control, the level at which expenditures cannot legally exceed appropriations, is maintained at the functional category level within each fund. These functional categories are defined by the Texas Education Agency and identify the purpose of the transaction. The budget may be amended during the year to address unanticipated or changing needs of the District. A change to functional expenditure categories, revenue objects, or other sources and uses accounts requires the approval of the Board.

The annual budget is the foundation for the District's financial planning and control. The budget process begins in January of each year. All budget managers of the District are required to submit their requests to the Financial Services Department. The requests are compiled and summarized into a preliminary budget which is presented and discussed with the Board at one or more public budget workshops. Prior to the end of August, a board meeting is called for the purpose of discussing and adopting the budget and the proposed tax rate. The budget must be adopted prior to the beginning of the fiscal year on September 1<sup>st</sup>.

It is the intent of the District that the budgetary process provides the financial resources that are needed to meet the educational goals and objectives of the District. The ultimate decision of the level of funding and the programs to be funded rests with the Board. After considering all factors, the Board sets an ad valorem tax rate that will generate sufficient revenues to support the expenditure budget of the District. The tax rates per \$100 of assessed value for the past five years are shown on the following table.

	<b>21-22</b>	<b>20-21</b>	<b>19-20</b>	<b>18-19</b>	<b>17-18</b>
<b>M&amp;O</b>	\$0.9386	\$0.9564	\$0.9700	\$1.0400	\$1.0400
<b>I&amp;S</b>	<u>\$0.3300</u>	<u>\$0.3300</u>	<u>\$0.3300</u>	<u>\$0.3400</u>	<u>\$0.3450</u>
	<b>\$1.2686</b>	<b>\$1.2864</b>	<b>\$1.3000</b>	<b>\$1.3800</b>	<b>\$1.3850</b>

The District also utilizes an encumbrance accounting system to maintain budgetary control. Outstanding encumbrances at the end of a fiscal year lapse at year-end and are treated as expenditures in the subsequent year upon receipt of goods.

The cost of operating schools and the revenues to cover these costs are accounted for through the General Fund. Special programs, primarily funded by the state or federal government and designed to accomplish a defined objective, are accounted for in the Special Revenue Funds. The District allocates a portion of its tax rate for the payment of bond principal and interest and accounts for these transactions in the Debt Service Fund. The District accounts for school construction that is financed through the sale of bonds in the Capital Projects Fund. The District also maintains Custodial Funds for student activity funds and other resources held in a purely custodial capacity.

### **Fund Balance**

The total General Fund balance is an integral part of the subsequent year's budget adoption and tax rate setting process. The Board has been proactive in building the District's fund balances over time striving to maintain at least three months operating expenditures in the unassigned General Fund balance. The anticipated General Fund balance at the end of August 31, 2022 is \$38,971,933 which is a \$5,092,467 decrease from the prior year.

### **Cash Management**

In accordance with the District's investment strategy, it is the District's practice to maintain a cash management program that invests financial resources in a manner that provides primarily for the safety of principal and secondarily to achieve favorable rates of return. The program is sustained by providing a sufficient level of liquidity to support the daily cash flow needs of the District without subjecting the District to material, unfavorable market conditions and interest rate risk.

The District invests in U.S. Treasury and Agency securities as well as Certificates of Deposit and Municipal Bonds. The District also participates in local government investment pools including Lone Star, Texas Class, and Texas Term. Government pools provide for safety, liquidity, competitive markets return, and additional diversification of the investment portfolio.

### **Independent Audit**

State law and District policy requires an annual audit of the District's financial statements by independent certified public accountants. The annual audit was performed by Snow Garrett Williams for the year ended August 31, 2022. In addition to meeting the requirements set forth in state statutes, the audit is designed to also meet the requirements of the Government Auditing Standards issued by the Comptroller General of the United States and the Uniform Guidance. The independent auditors' report on the basic financial statements and the combining fund statements and other supplemental schedules are included in the financial section of this report.



## **2021-2022 Achievements**

As reflected in the District's mission statement, activities of the District focus on a creative learning environment that inspires students to realize their full potential as they positively impact the world around them. The following reflects the degree of success that both the District and its students have accomplished in academics, extra and co-curricular activities for the 2021-2022 fiscal year:

- Carroll ISD earned an overall A+ grade and named the 3rd best school district in Texas and the #1 school district in the Dallas-Fort Worth area by Niche.com.
- Carroll ISD sets record number with 41 Dragons named National Merit Semifinalists (5.6%).
- Carroll ISD once again exceeds performance metrics in the newest Districtwide report card (98 out of 100).
- Carroll ISD wins its 8<sup>th</sup> UIL Lone Star Cup.
- Carroll ISD students scored an average of 27.2 on the ACT exam. The national average is 20.3. Students also scored an average of 1265 on the SAT. The national average is 1060.
- Carroll ISD students booked more than 54,680 hours of community service.
- Carroll ISD student athletes won 6 State Championships, which were baseball, boys' cross country, girls' soccer, girls' doubles tennis, and both boy's and girl's swimming and diving.
- 99% of Carroll ISD's students have gone on to either 2- or 4-year colleges/universities.
- Carroll ISD students received more than \$32,325,159 in scholarships.
- More than 10,318 college hours were earned by AP and/or Dual Credit courses.
- Business Professionals of America had 11 National Qualifiers and one Championship Team of 4 students.
- Carroll ISD had 5 Health Occupations Students of America qualify for the National Competition.
- Nine CISD Robotics teams qualified for the World Championships.

## **Awards**

Carroll Independent School District received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for its ACFR for the fiscal year ended August 31, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. A Certificate of Achievement is valid for a period of one year only. We believe that this current report will conform to the Certificate of Achievement Program requirements and is being submitted to the GFOA for review.

The District also received the Association of School Business Officials' (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended August 31, 2021. This award certifies that the ACFR substantially confirms to the principles and standards of reporting as recommended and adopted by ASBO. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. We believe that our current report will also meet the Certificate of Excellence Program requirements and will be submitted to ASBO for review.

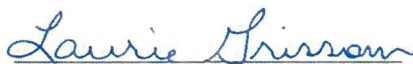
The District scored the highest possible rating of "Superior" for the School FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas school districts. The primary goal of the FIRST rating is to ensure quality performance in the management of a school district's financial resources, a goal made more significant due to the complexity of accounting associated with the Texas

school finance system. Since the inception of the rating system in 2002-2003, the District has maintained the highest level of rating.

### **Acknowledgments**

The preparation of this report could not have been accomplished without the dedication of the Financial Services Department staff and the staff of Snow Garrett Williams. We would like to extend sincere appreciation for their time and efforts. We would also like to thank the Board of Trustees for their support in ensuring fiscal transparency to the citizens of the District and for its leadership of one of the highest ranked school districts in Texas. We also want to thank the teachers, principals, administrators, and support staff who have worked so hard to foster a safe, caring, and creative learning environment that inspires students to realize their full potential as they positively impact the world around them.

Respectfully submitted,



Laurie Grissom, RTSBA  
Executive Director of Finance



David Johnson, CPA  
Assistant Superintendent for Financial Services



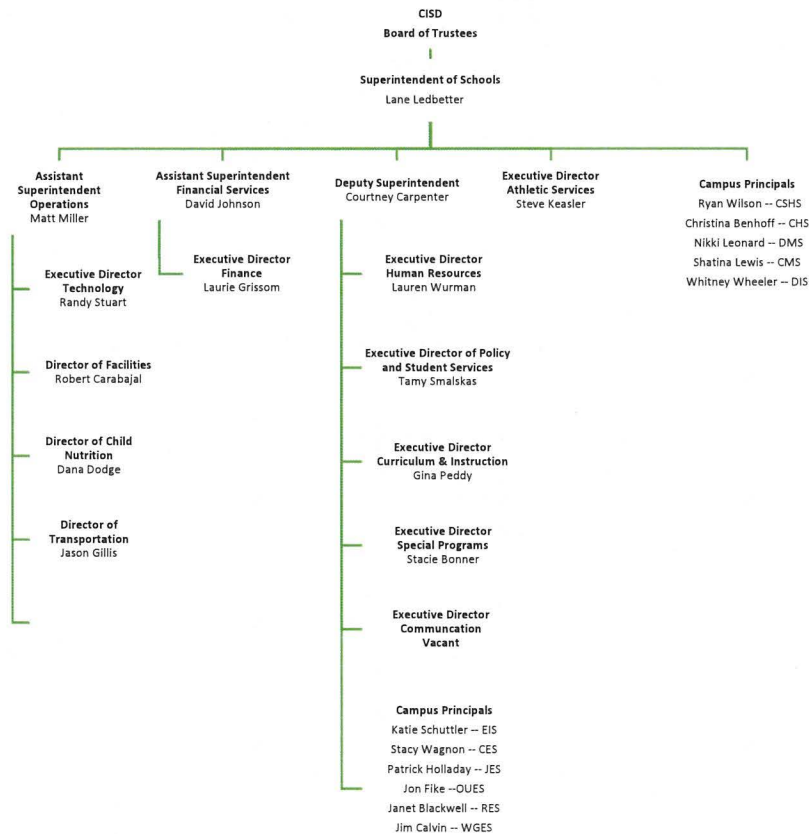
Lane Ledbetter, Ed.D.  
Superintendent



The District's organizational hierarchy begins with the seven Board of Trustee members and Superintendent. The Superintendent is responsible for the day to day operations of the District. The Superintendent's Cabinet consists of one Deputy Superintendent two Assistant Superintendents, Executive Directors of Curriculum and Instruction, Technology, Student Services, Special Programs, Athletics and Human Resources.

The purpose of this structure is to support student instruction as it occurs on each campus. Campus leadership reports directly to the Deputy Superintendent.

## CARROLL ISD ORGANIZATIONAL STRUCTURE







## CARROLL INDEPENDENT SCHOOL DISTRICT

### PRINCIPAL OFFICIALS

#### Elected Officials:

Cameron Bryan	Board President
Hannah Smith	Board Vice President
Andrew Yeager	Board Secretary
Michelle Moore	Board Member
Eric Lannen	Board Member
Sheri Mills	Board Member
Alex Sexton	Board Member

#### Appointed Officials:

Lane Ledbetter, Ed.D	Superintendent
Courtney Carpenter, Ed.D	Deputy Superintendent
David Johnson, MBA	Assistant Superintendent for Financial Services
SFO Matt Miller	Assistant Superintendent for Operations
Laurie Grissom, RTSBA	Executive Director of Finance
Dr. Tamy Smalskas	Executive Director of Policy & Student Services
Steve Keasler	Executive Director of Athletics
Gina Peddy	Executive Director for Curriculum & Instruction
Randy Stuart	Executive Director of Technology
Lauren Wurman	Executive Director of Human Resources
Dana Dodge	Director of Child Nutrition
Bob Carabajal	Director of Facilities
Jason Gillis	Director of Transportation
Ryan Wilson	Carroll Senior High School Principal
PJ Giamanco	Carroll High School Principal
Shatina Lewis	Carroll Middle School Principal
Stephen Langford	Dawson Middle School Principal
Mike Wyrick	Durham Intermediate School Principal
Mary Stockton	Eubanks Intermediate School Principal
Rene Moses, Ed. D	Johnson Elementary School Principal
Stacy Wagnon	Carroll Elementary School Principal
Jim Calvin	Walnut Grove Elementary School Principal
Janet Blackwell	Rockenbaugh Elementary School Principal
Jon Fike	Old Union Elementary School Principal



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Carroll Independent School District  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

August 31, 2021

*Christopher P. Morrell*

Executive Director/CEO



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

## **Carroll Independent School District**

**for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended August 31, 2021.**

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



A handwritten signature in black ink, reading 'William A. Sutter'.

**William A. Sutter**  
**President**

A handwritten signature in black ink, reading 'David J. Lewis'.

**David J. Lewis**  
**Executive Director**

CERTIFICATE OF BOARD

Carroll Independent School District  
Name of School District

Tarrant  
County

220-919  
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and (check one) ✓ approved \_\_\_\_\_disapproved for the year ended August 31, 2022, at a meeting of the board of trustees of such school district on the 23 day of January, 2023.

  
Signature of Board Secretary

  
Signature of Board President

If the board of trustees disapproved of the auditor's report, the reason(s) for disapproving it is (are):  
(attach list as necessary)





# Financial Section





**SNOW GARRETT WILLIAMS**  
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditor's Report**

To the Board of Trustees  
Carroll Independent School District  
2400 North Carroll Avenue  
Southlake, Texas 76092

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Carroll Independent School District ("the District"), as of and for the year ended August 31, 2022, and the related notes to the financial statements, which collectively comprise the Carroll Independent School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Carroll Independent School District as of August 31, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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

***Emphasis of Matter***

As described in Note A to the financial statements, in Fiscal Year 2022, Carroll Independent School District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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

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



## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the District's proportionate share of the net pension liability, schedule of the District's pension contributions, schedule of the District's proportionate share of the net OPEB liability, and schedule of the District's OPEB contributions identified as Required Supplementary Information 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 to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Carroll Independent School District's basic financial statements. The combining financial statements, and financial information listed as supplementary information in the table of contents, are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements, other supplementary information, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, Exhibit J-3, and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2023 on our consideration of Carroll Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Carroll Independent School District's internal control over financial reporting and compliance.



Snow Garrett Williams  
January 19, 2023

## **Management's Discussion and Analysis** (Unaudited)

As management of the District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended August 31, 2022. We encourage readers to consider the information presented here in conjunction with the District's financial statements, which follow this section.

### **Financial Highlights**

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the most recent period by \$15,883,260 (net position). Of this amount, negative \$11,557,815 is *unrestricted net position*.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balance of \$66,298,624. Approximately 43% of this total amount, \$28,705,497 is *available for spending* at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$28,705,497, or 23% of the total general fund expenditures.

### **Overview of the Financial Statements**

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

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the 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, liabilities, and deferred outflows and inflows of resources. *Net position* is equal to assets plus deferred outflows of resources less liabilities and deferred inflows of resources. 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 for all of the current year's revenues and expenses regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the District's government-wide financial statements distinguish the functions of the District as being principally supported by taxes and intergovernmental revenues (*governmental activities*) as opposed to *business-type activities* that are intended to recover all or a significant portion of their costs through user fees and charges. The District has no component units for which it is financially accountable. The government-wide financial statements can be found on pages 12-13 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. The fund financial statements provide more detailed information about the District's most significant funds-not the District as a whole.

- Some funds are required by State law and/or bond covenants.
- Other funds may be established by the Board to control and manage money for particular purposes or to show that it is properly using certain taxes or grants.

All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

- **Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the governments near-term 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 adopts an annual appropriated budget for its general fund and debt service fund. A budgetary comparison schedule has been provided to demonstrate compliance with these budgets. The basic governmental fund financial statements can be found on pages 14-19 of this report.
- **Fiduciary funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs. The District is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position that can be found on pages 20-21.

**Notes to the financial statements.** The notes provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22-48 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this ACFR also reports certain *required supplementary information* that further explains and supports the information in the financial statements. Required supplementary information can be found on pages 49-55 of this report.



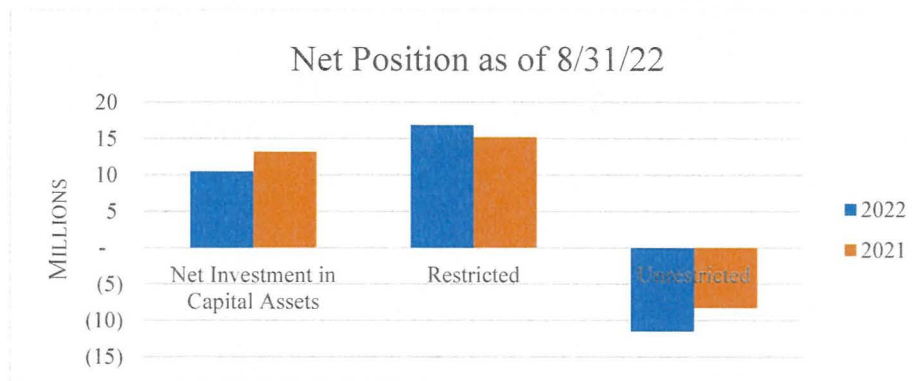
## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, governmental type assets and deferred outflows of resources exceeded liabilities deferred inflows of resources by

### The District's Net Position-Governmental Activities

	August 31, 2022	August 31, 2021
Current Assets	\$ 72,205,211	\$ 82,164,904
Capital Assets	324,518,596	338,733,922
Long-term investments	6,965,000	6,420,000
Total assets	403,688,807	427,318,826
Deferred outflows of resources:		
Deferred outflows related to pensions	6,850,545	9,710,880
Deferred outflows related to OPEB	5,718,265	5,073,408
Total deferred outflows	12,568,810	14,784,288
Current liabilities	12,985,151	11,153,689
Long-term liabilities outstanding	356,242,134	387,491,460
Total liabilities	369,227,285	398,645,149
Deferred inflows of resources:		
Deferred gain on refunding	637,199	716,849
Deferred inflows related to pensions	13,433,288	4,817,267
Deferred inflows related to OPEB	17,076,585	17,735,854
Total deferred inflows	31,147,072	23,269,970
Net position		
Net investment in capital assets	10,524,360	13,296,161
Restricted	16,916,715	15,270,191
Unrestricted	(11,557,815)	(8,378,357)
Total net position	\$ 15,883,260	\$ 20,187,995





Net investment in capital assets (e.g., land, buildings, furniture and equipment, and construction in progress) is \$10,524,360. 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. An additional portion of the District's net position \$16,916,715, represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, negative \$11,557,815, may be used to meet the District's ongoing obligations. This deficit is not an indication that the District has insignificant resources available to meet financial obligations next year, but rather the result of having long-term commitments that are in excess of currently available resources.

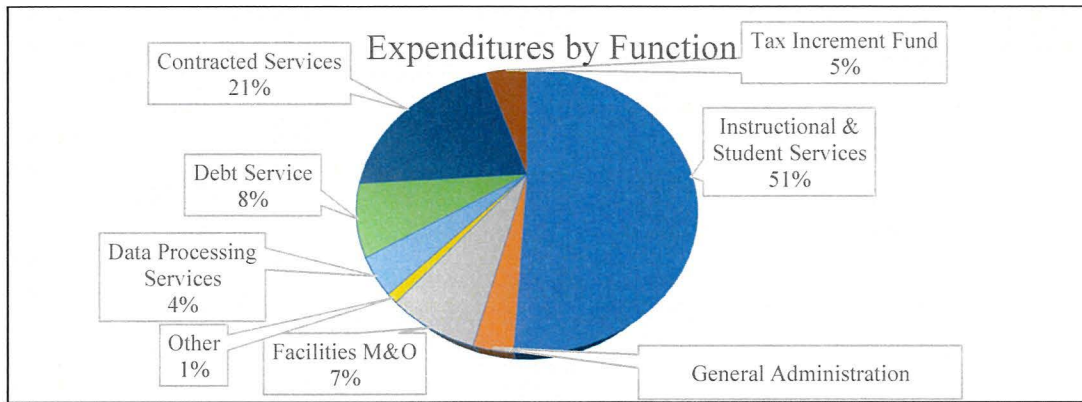




**Governmental activities.** The District's total net position decreased \$4,304,735. This decrease is due to an excess of expenditures over revenue. The total cost of all *governmental activities* this year was \$160,322,190. The amount that our taxpayers paid for these activities through property taxes was \$128,643,369 or 80%.

**Changes in the District's Net Position**

	<b>Fiscal Year August 31, 2022</b>	<b>Fiscal Year August 31, 2021</b>
Revenues:		
Program revenues		
Charges for services	\$ 7,536,454	\$ 4,422,999
Operating grants and contributions	4,980,722	9,731,246
General revenues		
Property taxes	128,643,369	123,275,207
State grants	7,345,036	12,078,672
Other	8,711,195	8,758,167
Special and extraordinary items:		
Special item outflow	(1,199,321)	-
Total revenues	156,017,455	158,266,291
Expenses:		
Instruction	56,193,921	59,485,789
Instruction resources and media services	1,271,442	1,430,502
Curriculum and staff development	1,230,483	1,423,840
Instructional leadership	1,016,782	918,561
School leadership	4,897,135	5,303,065
Guidance, counseling & evaluation services	4,761,591	5,063,918
Health services	1,048,788	1,171,076
Student transportation	2,859,418	2,710,619
Food service	3,707,233	3,060,375
Cocurricular/extracurricular activities	4,566,247	4,366,127
General administration	4,580,253	5,211,093
Facilities maintenance and operations	10,914,357	11,411,799
Security and monitoring services	387,293	290,122
Data processing services	7,061,800	5,206,012
Community services	50,709	20,214
Interest on long-term debt	12,866,703	13,611,187
Bond issuance costs and fees	14,600	14,800
Facilities repairs	376,763	925,829
Contracted instructional services	34,456,686	29,424,127
Payments related to shared service agreements	87,335	75,812
Payments related to Juvenile Justice Alternative Ed.	-	4,257
Payments to tax increment fund	7,361,858	7,730,260
Other intergovernmental charges	610,793	584,427
Total expenses	160,322,190	159,443,811
Increase (decrease) in net position	(4,304,735)	(1,177,520)
Beginning net position	20,187,995	24,088,832
Prior period adjustment	-	(2,723,317)
Net position - beginning, as restated	20,187,995	21,365,515
Ending net position	\$ 15,883,260	\$ 20,187,995



### 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, bond covenants, and segregation for particular purposes.

**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 the District's net resources available for spending at the end of a fiscal year. As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$66,298,624, a decrease of \$10,998,263. Approximately 43% of this total amount, \$28,705,497, constitutes *unassigned fund balance*. The remainder of fund balance is *restricted*, *committed*, or *unassigned* to indicate that it is not available for new spending because it is (1) considered non-spendable for inventory and prepaids (\$217,871) and has already been restricted to pay (2) debt service (\$9,777,308), (3) capital acquisitions (\$8,700,052), (4) other restrictions for sinking fund deposits (\$6,968,643); and committed for (5) other committed balances (\$11,929,253).

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$28,705,497, out of a total fund balance of \$38,971,933. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total fund expenditures. Unassigned fund balance represents 30% of the total general fund expenditures. Total fund balance represents 31% of the total general fund expenditures.

The fund balance of the District's general fund decreased by \$5,092,467. Key factors in this decrease include:

- A financial settlement to Northwest ISD on a boundary dispute of \$1.2 million;
- A retention stipend paid to District employees of \$1.1 million;
- A compensation increase for special education paraprofessionals of \$350,000;
- Lower formula funding due to lower Average Daily Attendance (ADA) than budgeted; and
- Higher recapture due increased tax collections and lower ADA.

The debt service fund has a total fund balance of \$16,742,308, of which \$9,777,308 is restricted for debt service payments and \$6,965,000 is restricted for sinking fund deposits. The net increase in fund balance during the period in the debt service was \$1,690,221. The key factor in the increase was the excess of revenues over expenditures.

The District's bonds are rated "AAA" by virtue of the guarantee of the Permanent School Fund of the State of Texas. The district's underlying rating on outstanding bonds is "AA+" by Standard and Poor's and "Aa1" by Moody's.

The capital projects fund has a total fund balance of \$8,700,052 all of which is restricted for capital acquisitions. The net decrease in fund balance during the period in the capital projects fund was \$7,689,634, which was caused by the use of bond proceeds previously issued to fund various capital project expenditures.

### **General Fund Budgetary Highlights**

Over the course of the year, the District recommended and the Board approved several revisions to budgeted revenue and appropriations. These amendments were due to allow for unexpected occurrences and to better reflect the activities of the District. The revised budget was primarily due to:

- An increase in compensation for paraprofessionals and auxiliary;
- A one-time supplemental pay for retention and recruitment;
- Security system software;
- An increase in legal fees due to the finalization of the boundary dispute; and
- An increased recapture payment.

The following are significant variations between the final budget and actual amounts for the general fund:

- Actual revenues were higher than budgeted by \$141,793 primarily related to increases in state revenues, and
- Actual expenditures were lower than budgeted by \$680,842, primarily due to budgeting variances in nonstudent-based support services, administrative support services, student support services, and instruction.

### **Capital Asset and Debt Administration**

**Capital Assets.** The District's investment in capital assets for its governmental activities as of August 31, 2022, amounts to \$324,514,953 (net of accumulated depreciation / amortization). This investment in capital assets includes land, buildings and improvements, furniture and equipment, vehicles, and construction in progress.

Major capital asset events during the year include boiler replacements, building renovations, stadium improvements, technology refreshes, and bus and vehicle purchases.

**Districts Capital Assets (net of depreciation / amortization)**

	August 31, 2022	August 31, 2021
Land	\$ 14,487,894	\$ 14,489,203
Buildings and improvements	258,669,863	246,434,379
Furniture and equipment	6,201,747	7,880,333
Vehicles	5,033,196	5,285,823
Construction in progress	40,122,253	64,639,049
Total at historical cost	<u>\$ 324,514,953</u>	<u>\$ 338,728,787</u>

Additional information on the District's capital assets can be found in Note C on page 31-32 of this report.

**Long-term debt.** As of August 31, 2022, the District had total general obligation debt outstanding of \$311,395,002, a decrease of \$18,485,000 over the prior year.

The unamortized premium balance at August 31, 2022 was \$10,553,004, a decrease from the prior year of \$672,457. The net pension liability for fiscal year 2022 had an ending balance of \$11,117,986, a decrease of \$12,436,691. The net OPEB liability for fiscal year 2022 had an ending balance of \$23,070,702, an increase of \$239,382 from the prior year. The lease liability for fiscal year 2022 has an ending balance of \$105,440 due to the implementation of GASB 87, *Leases*.

The "AAA" long-term rating on the District's Texas' bonds reflects the Texas Permanent School Fund guarantee. The "AA+" Standard & Poor's underlying rating on the District's: (1) participation in the strong and growing Dallas/Fort Worth area economy, (2) strong administrative management, and (3) continued satisfactory financial performance.

Additional information on the District's long-term debt can be found on Note F on pages 33-34 of this report.

**Economic Factors and Next Year's Budgets and Rates**

- The student attendance rate remains relatively stable at the 95 percent level.
- The District's enrollment increased by approximately 65 students.
- The District's taxable valuation has increased by 9.4%.
- The District has appropriated revenues and expenditures in the 2022-2023 budget of \$132,139,429 and \$132,139,429 respectively in its general fund.

**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 as well as demonstrate accountability for funds the District receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Carroll ISD Financial Services, 2400 North Carroll Avenue, Southlake, TX 76092.

## Basic Financial Statements

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**AUGUST 31, 2022**

Data Control Codes		1	Governmental Activities
<b>ASSETS:</b>			
1110	Cash and Cash Equivalents	\$	5,752,627
1120	Current Investments		63,722,062
1225	Property Taxes Receivable (Net)		664,336
1240	Due from Other Governments		1,848,315
1300	Inventories		205,087
1410	Unrealized Expenses		12,784
Capital Assets:			
1510	Land		14,487,894
1520	Buildings and Improvements (Net)		258,669,863
1530	Furniture and Equipment (Net)		11,130,542
1550	Right to Use Assets (Net)		104,401
1580	Construction in Progress		40,122,253
1800	Restricted Assets		3,643
1910	Long-Term Investments - Sinking Fund		6,965,000
1000	Total Assets		<u>403,688,807</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
	Deferred Outflow Related to Pensions		6,850,545
	Deferred Outflow Related to OPEB		5,718,265
1700	Total Deferred Outflows of Resources		<u>12,568,810</u>
<b>LIABILITIES:</b>			
2110	Accounts Payable		4,915,383
2140	Interest Payable		774,257
2165	Accrued Liabilities		4,001,918
2180	Due to Other Governments		103,672
2300	Unearned Revenue		3,189,921
Noncurrent Liabilities:			
2501	Due Within One Year		14,470,780
2502	Due in More Than One Year		307,582,666
2540	Net Pension Liability		11,117,986
2545	Net OPEB Liability		23,070,702
2000	Total Liabilities		<u>369,227,285</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
	Deferred Gain on Refunding		637,199
	Deferred Inflow Related to Pensions		13,433,288
	Deferred Inflow Related to OPEB		17,076,585
2600	Total Deferred Inflows of Resources		<u>31,147,072</u>
<b>NET POSITION:</b>			
3200	Net Investment in Capital Assets		10,524,360
Restricted For:			
3820	Other Purposes - Sinking Fund		6,965,000
3850	Debt Service		9,948,072
3880	Scholarships		3,643
3900	Unrestricted		(11,557,815)
3000	Total Net Position	\$	<u>15,883,260</u>

The accompanying notes are an integral part of this statement.



**CARROLL INDEPENDENT SCHOOL DISTRICT**

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes	Functions/Programs	1	3	4	Net (Expense) Revenue and Changes in Net Position
		Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
	Governmental Activities:				
11	Instruction	\$ 56,193,921	\$ 1,412,373	\$ 1,574,483	\$ (53,207,065)
12	Instructional Resources and Media Services	1,271,442	73,788	6,214	(1,191,440)
13	Curriculum and Staff Development	1,230,483	49,433	15,386	(1,165,664)
21	Instructional Leadership	1,016,782	15,381	39,761	(961,640)
23	School Leadership	4,897,135	226,557	63,470	(4,607,108)
31	Guidance, Counseling, and Evaluation Services	4,761,591	344,489	166,787	(4,250,315)
33	Health Services	1,048,788	18,032	(1,868)	(1,032,624)
34	Student Transportation	2,859,418	43,776	33,633	(2,782,009)
35	Food Service	3,707,233	3,403,413	23,242	(280,578)
36	Cocurricular/Extracurricular Activities	4,566,247	1,038,019	(3,362)	(3,531,590)
41	General Administration	4,580,253	71,186	41,846	(4,467,221)
51	Facilities Maintenance and Operations	10,914,357	159,734	638,210	(10,116,413)
52	Security and Monitoring Services	387,293	43,767	151,066	(192,460)
53	Data Processing Services	7,061,800	29,776	66,300	(6,965,724)
61	Community Services	50,709	1,552	1,513	(47,644)
72	Interest on Long-term Debt	12,866,703	--	126,048	(12,740,655)
73	Bond Issuance Costs and Fees	14,600	--	--	(14,600)
81	Facilities Repair	376,763	--	(10,444)	(387,207)
91	Contracted Instructional Services between Schools	34,456,686	605,178	1,961,100	(31,890,408)
93	Payments Related to Shared Services Arrangements	87,335	--	87,337	2
97	Payments to Tax Increment Fund	7,361,858	--	--	(7,361,858)
99	Other Intergovernmental Charges	610,793	--	--	(610,793)
TG	Total Governmental Activities	160,322,190	7,536,454	4,980,722	(147,805,014)
TP	Total Primary Government	\$ 160,322,190	\$ 7,536,454	\$ 4,980,722	(147,805,014)
	General Revenues:				
MT	Property Taxes, Levied for General Purposes				95,170,056
DT	Property Taxes, Levied for Debt Service				33,473,313
IE	Investment Earnings				222,885
GC	Grants and Contributions Not Restricted to Specific Programs				7,345,036
MI	Miscellaneous				8,488,310
	Special and Extraordinary Items:				
S2	Special Item Outflow				(1,199,321)
TR	Total General Revenues				143,500,279
CN	Change in Net Position				(4,304,735)
NB	Net Position - Beginning				20,187,995
NE	Net Position - Ending				\$ 15,883,260

The accompanying notes are an integral part of this statement.

# CARROLL INDEPENDENT SCHOOL DISTRICT

## BALANCE SHEET - GOVERNMENTAL FUNDS

AUGUST 31, 2022

Data Control Codes	10 General Fund	50 Debt Service Fund
<b>ASSETS:</b>		
1110 Cash and Cash Equivalents	\$ 2,981,642	\$ --
1120 Current Investments	40,934,952	9,729,368
1225 Taxes Receivable	989,020	341,715
1230 Allowance for Uncollectible Taxes (Credit)	(495,448)	(170,951)
1240 Due from Other Governments	746,286	--
1260 Due from Other Funds	1,520,030	56,214
1300 Inventories	205,087	--
1410 Unrealized Expenditures	12,784	--
1800 Restricted Assets	--	--
1900 Long-Term Investments - Sinking Fund	--	6,965,000
1000 Total Assets	<u>\$ 46,894,353</u>	<u>\$ 16,921,346</u>
<b>LIABILITIES:</b>		
Current Liabilities:		
2110 Accounts Payable	\$ 957,249	\$ --
2120 Short-Term Debt Payable	2,600	--
2150 Payroll Deductions and Withholdings	306,299	--
2160 Accrued Wages Payable	3,693,019	--
2170 Due to Other Funds	56,214	--
2180 Due to Other Governments	--	--
2300 Unearned Revenue	2,413,467	8,274
2000 Total Liabilities	<u>7,428,848</u>	<u>8,274</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
Property Taxes	493,572	170,764
2600 Total Deferred Inflows of Resources	<u>493,572</u>	<u>170,764</u>
<b>FUND BALANCES:</b>		
Nonspendable Fund Balances:		
3410 Inventories	205,087	--
3430 Prepaid Items	12,784	--
Restricted Fund Balances:		
3470 Capital Acquisitions and Contractual Obligations	--	--
3480 Retirement of Long-Term Debt	--	9,777,308
3490 Other Restrictions of Fund Balance	--	6,965,000
Committed Fund Balances:		
3545 Other Committed Fund Balance	10,048,565	--
3600 Unassigned	28,705,497	--
3000 Total Fund Balances	<u>38,971,933</u>	<u>16,742,308</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 46,894,353</u>	<u>\$ 16,921,346</u>

The accompanying notes are an integral part of this statement.

EXHIBIT C-1

60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ --	\$ 2,770,985	\$ 5,752,627
13,057,742	--	63,722,062
--	--	1,330,735
--	--	(666,399)
--	1,102,029	1,848,315
--	--	1,576,244
--	--	205,087
--	--	12,784
--	3,643	3,643
--	--	6,965,000
<u>\$ 13,057,742</u>	<u>\$ 3,876,657</u>	<u>\$ 80,750,098</u>
\$ 3,939,689	\$ 18,445	\$ 4,915,383
--	--	2,600
--	--	306,299
--	--	3,693,019
418,001	1,102,029	1,576,244
--	103,672	103,672
--	768,180	3,189,921
<u>4,357,690</u>	<u>1,992,326</u>	<u>13,787,138</u>
--	--	664,336
<u>--</u>	<u>--</u>	<u>664,336</u>
--	--	205,087
--	--	12,784
8,700,052	--	8,700,052
--	--	9,777,308
--	3,643	6,968,643
--	1,880,688	11,929,253
--	--	28,705,497
<u>8,700,052</u>	<u>1,884,331</u>	<u>66,298,624</u>
<u>\$ 13,057,742</u>	<u>\$ 3,876,657</u>	<u>\$ 80,750,098</u>

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**AUGUST 31, 2022**

Total fund balances - governmental funds balance sheet	\$ 66,298,624
Amounts reported for governmental activities in the Statement of Net Position ("SNP") are different because:	
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	664,336
Capital assets used in governmental activities are not reported in the funds.	324,514,953
Deferred Resource Outflows related to the pension plan are not reported in the funds.	6,850,545
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.	5,718,265
Recognition of the District's proportionate share of the net pension liability is not reported in the funds.	(11,117,986)
Recognition of the District's proportionate share of the net OPEB liability is not reported in the funds.	(23,070,702)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(13,433,288)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.	(17,076,585)
Payables for bond principal which are not due in the current period are not reported in the funds.	(311,395,002)
Payables for right-to-use lease which are not due in the current period are not reported in the funds.	(105,440)
Payables for bond interest which are not due in the current period are not reported in the funds.	(774,257)
Premiums on bonds which are not due and payable in the current period are not reported in the funds.	(10,553,004)
Deferred gain on refunding bonds is not reported in the funds.	(637,199)
Net position of governmental activities - Statement of Net Position	\$ <u>15,883,260</u>

The accompanying notes are an integral part of this statement.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

Data Control Codes	10 General Fund	50 Debt Service Fund
<b>REVENUES:</b>		
5700 Local and Intermediate Sources	\$ 108,950,858	\$ 33,605,552
5800 State Program Revenues	11,710,349	126,048
5900 Federal Program Revenues	2,232,146	--
5020 Total Revenues	<u>122,893,353</u>	<u>33,731,600</u>
<b>EXPENDITURES:</b>		
Current:		
0011 Instruction	48,398,803	--
0012 Instructional Resources and Media Services	1,061,611	--
0013 Curriculum and Staff Development	1,051,042	--
0021 Instructional Leadership	872,269	--
0023 School Leadership	4,149,298	--
0031 Guidance, Counseling, and Evaluation Services	3,715,312	--
0033 Health Services	951,414	--
0034 Student Transportation	2,492,385	--
0035 Food Service	3,174,636	--
0036 Cocurricular/Extracurricular Activities	3,433,147	--
0041 General Administration	4,052,502	--
0051 Facilities Maintenance and Operations	8,985,478	--
0052 Security and Monitoring Services	287,528	--
0053 Data Processing Services	1,700,725	--
0061 Community Services	42,866	--
Debt Service:		
0071 Principal on Long-term Debt	132,396	18,485,000
0072 Interest on Long-term Debt	3,547	13,541,779
0073 Bond Issuance Costs and Fees	--	14,600
Capital Outlay:		
0081 Facilities Acquisition and Construction	--	--
Intergovernmental		
0091 Contracted Instructional Services		
0091 Between Public Schools	34,456,686	--
0093 Payments to Shared Service Arrangements	--	--
0097 Payments to Tax Increment Fund	7,361,858	--
0099 Other Intergovernmental Charges	610,793	--
6030 Total Expenditures	<u>126,934,296</u>	<u>32,041,379</u>
1100 Excess (Deficiency) of Revenues Over (Under)		
1100 Expenditures	<u>(4,040,943)</u>	<u>1,690,221</u>
Other Financing Sources and (Uses):		
7912 Sale of Real or Personal Property	125,200	--
7913 Issuance of Right to Use Leased Assets	22,597	--
7080 Total Other Financing Sources and (Uses)	<u>147,797</u>	<u>--</u>
<b>SPECIAL ITEM:</b>		
8912 Special Item (Use)	(1,199,321)	--
1200 Net Change in Fund Balances	<u>(5,092,467)</u>	<u>1,690,221</u>
0100 Fund Balances - Beginning	44,064,400	15,052,087
3000 Fund Balances - Ending	<u>\$ 38,971,933</u>	<u>\$ 16,742,308</u>

The accompanying notes are an integral part of this statement.

EXHIBIT C-2

60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ 84,825	\$ 2,301,819	\$ 144,943,054
--	253,835	12,090,232
--	3,225,199	5,457,345
<u>84,825</u>	<u>5,780,853</u>	<u>162,490,631</u>
15,551	2,885,400	51,299,754
--	86,437	1,148,048
--	57,112	1,108,154
--	37,447	909,716
--	344,624	4,493,922
--	616,640	4,331,952
--	13,034	964,448
329,345	30,369	2,852,099
29,709	35,634	3,239,979
415,421	519,065	4,367,633
--	45,963	4,098,465
1,113,265	486,310	10,585,053
--	154,910	442,438
4,125,329	285,811	6,111,865
--	1,118	43,984
--	--	18,617,396
--	--	13,545,326
--	--	14,600
1,745,839	--	1,745,839
--	--	34,456,686
--	87,335	87,335
--	--	7,361,858
--	--	610,793
<u>7,774,459</u>	<u>5,687,209</u>	<u>172,437,343</u>
<u>(7,689,634)</u>	<u>93,644</u>	<u>(9,946,712)</u>
--	--	125,200
--	--	22,597
--	--	<u>147,797</u>
--	--	(1,199,321)
<u>(7,689,634)</u>	<u>93,644</u>	<u>(10,998,236)</u>
16,389,686	1,790,687	77,296,860
<u>\$ 8,700,052</u>	<u>\$ 1,884,331</u>	<u>\$ 66,298,624</u>



**CARROLL INDEPENDENT SCHOOL DISTRICT**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED AUGUST 31, 2022

Net change in fund balances - total governmental funds \$ (10,998,236)

Amounts reported for governmental activities in the Statement of Activities  
("SOA") are different because:

Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(175,927)
Capital outlays are not reported as expenses in the SOA.	3,364,501
The depreciation / amortization of capital assets used in governmental activities is not reported in the funds.	(17,792,265)
The gain or loss on the sale of capital assets is not reported in the funds.	123,891
All proceeds from the sale of capital assets are reported in the funds but not in the SOA.	(125,200)
GASB 68 required that certain plan expenditures be de-expended and recorded as deferred resource outflows.	
These pension contributions made after the measurement date of the plan increased ending net position.	2,033,701
Pension contributions made before the measurement date and during the previous fiscal year were expended and recorded as a reduction to NPL.	(1,863,070)
Changes in the net pension liability and related deferred inflows and outflows are recognized in the government wide financials but are not reported in the fund financial statements. The net effect of the change is a decrease in net position.	789,704
GASB 75 required that certain plan expenditures be de-expended and recorded as deferred resource outflows.	
These OPEB contributions made after the measurement date of the plan increased net position.	468,161
OPEB contributions made before the measurement date and during the previous fiscal year were expended and recorded as a reduction in the net OPEB liability.	(467,239)
Changes in the net OPEB liability and related deferred inflows and outflows are recognized in the government wide financials but are not reported in the fund financial statements. The effect of the change is position.	
an increase in net position.	1,063,822
Proceeds of right-to-use asset leases do not provide revenue in the SOA, but are reported as other financing sources in the funds.	(22,597)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	18,485,000
Repayment of right-to-use lease principal is an expenditure in the funds but is not an expense in the SOA.	132,396
(Increase) decrease in accrued interest on bonds from beginning of period to end of period.	(73,484)
Deferred loss on refunding bonds is amortized in the SOA but not in the funds.	79,650
Premiums on bonds are amortized in the SOA but not in the funds.	672,457

Change in net position of governmental activities - Statement of Activities \$ (4,304,735)

The accompanying notes are an integral part of this statement.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**AUGUST 31, 2022**

Data Control Codes		Custodial Funds
<b>ASSETS:</b>		
1110	Cash and Cash Equivalents	\$ 140,130
1800	Restricted Assets	37,226
1000	Total Assets	<u>177,356</u>
<b>LIABILITIES:</b>		
Current Liabilities:		
2400	Payable from Restricted Assets	37,226
2000	Total Liabilities	<u>37,226</u>
<b>NET POSITION:</b>		
3800	Restricted for Student Activities	140,130
3000	Total Net Position	<u>\$ 140,130</u>

The accompanying notes are an integral part of this statement.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

	Custodial Funds
<b>ADDITIONS:</b>	
Revenues from Student Activities	\$ 220,796
Total Additions	<u>220,796</u>
<b>DEDUCTIONS:</b>	
Payments for Student Activities	<u>202,748</u>
Total Deductions	<u>202,748</u>
Change in Net Position	18,048
Net Position-Beginning of the Year	122,082
Net Position-End of the Year	<u><u>\$ 140,130</u></u>

The accompanying notes are an integral part of this statement.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

**A. Summary of Significant Accounting Policies**

The basic financial statements of Carroll Independent School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide ("Resource Guide"). The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**1. Reporting Entity**

The Board of School Trustees ("Board"), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is elected by the public and has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or to the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District receives funding from local, state and federal government sources and must comply with the requirements of those funding entities. However, the District is not included in any other governmental reporting entity and there are no component units included within the District's reporting entity.

**2. Basis of Presentation, Basis of Accounting**

**a. Basis of Presentation**

Government-wide Financial Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

Debt Service Fund: This fund is used to account for and report financial resources restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Fund: This fund is used to account for all financial resources restricted, committed, or assigned to expenditures for the acquisition or construction of capital assets.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

In addition, the District reports the following fund types:

**Custodial Funds:** These funds are used to account for the receipts and disbursements of monies from student activity and other organizations. The student activity and other granting organizations exist with the explicit approval of and are subject to revocation by the District's Board. In fiscal year 2021, the District implemented GASB 84 and reported Custodial Funds. Per GASB 84, the District's fiduciary activity is reported in a separate Statement of Fiduciary Net Position and Changes in Fiduciary Net Position.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or custodial capacity, and are therefore not available to support District programs, these funds are not included in the government-wide statements.

b. **Measurement Focus, Basis of Accounting**

**Government-wide and Fiduciary Fund Financial Statements:** These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

**Governmental Fund Financial Statements:** Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

3. **Financial Statement Amounts**

a. **Property Taxes**

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

Allowances for uncollectible tax receivables within the General and Debt Service Funds are based upon 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.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

b. Inventories and Prepaid Items

Supplies and materials are recorded as expenditures when requisitioned. Inventories of supplies on the balance sheet are stated at weighted average cost.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

The consumption method is used to account for prepayments. Under this method, items are carried in a prepaid account at the respective fund at cost and are subsequently charged to expenditures when used. Prepaid balances are for payments made by the District in the current year to provide services occurring in the subsequent fiscal year. Prepaid items have been recognized as non-spendable to signify that a portion of fund balance is not available for other subsequent expenditures.

c. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. Right to use lease assets are reported at present value of the future lease payments (lease liability), plus any ancillary cost to place the asset in service, plus any additional payments made at or beginning of the lease term, less any lease incentives received from the lessor prior to the commencement of the lease term. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are being depreciated / amortized using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings & Improvements	10 - 50 years
Vehicles	7 - 10 years
Equipment	3 - 15 years
Right to Use Lease Equipment	13 months-48 months

d. Deferred Outflows and Inflows of Resources

In addition to assets, the statements of financial position (the government-wide Statement of Net Position and governmental funds balance sheet) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents an acquisition of net assets that applies to one or more future periods.

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents a consumption of net position that applies to one or more future periods.

e. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.



**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

f. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

g. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

h. Data Control Codes

Data Control Codes appear in the rows and above the columns of certain financial statements. The TEA requires the display of these codes in the financial statements filed with TEA in order to ensure accuracy in building a statewide database for policy development and funding plans.

i. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

**Nonspendable Fund Balance** - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

**Restricted Fund Balance** - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

**Committed Fund Balance** - represents amounts that can only be used for a specific purpose because of a formal action by the District's Board of Trustees. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of formal action. Committed fund balance is reported pursuant to a resolution by the Board of Trustees.

**Assigned Fund Balance** - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself. The District authorizes the Superintendent or the Superintendent's designee to assign fund balance.

**Unassigned Fund Balance** - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

The District established a minimum fund balance policy requiring at least 45 days of operating expenditures in fund balance at all times. In the event the fund balance should fall below an amount equal to 45 days of operating expenses in any year, the Board shall determine and implement measures that will increase the fund balance, if appropriate, to ensure the standard of 45 days of operating expenditures for the next school year. The District was in compliance with this policy at August 31, 2022.

j. Net Position Flow Assumption

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

k. Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

4. Pensions

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to / deductions from TRS 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.

5. Other Post-Employment Benefits

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.

6. Implementation of New Standards

In the current fiscal year, the District implemented the following new standard. The applicable provisions of the new standards are summarized below. Implementation is reflected in the financial statements and the notes to the financial statements. There was no effect on beginning net position or fund balances due to the implementation of this standard.

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**GASB Statement No. 87, *Leases***

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain leases assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

**B. Deposits and Investments**

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the District's agent bank approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

**1. Cash Deposits:**

At August 31, 2022, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$29,915,377 and the bank balance was \$31,305,637. The District's cash deposits at August 31, 2022 were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

**2. Investments:**

The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That 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.

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, (1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) securities lending program, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) commercial paper.

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The District's investments at August 31, 2022 consisted of long-term certificates of deposit, money market savings, ICS savings, local government investment pools, municipal bonds, U.S. Treasury Notes, and cash equivalents. Certificates of deposits, money market savings, ICS savings, and cash equivalents are covered by FDIC and pledged collateral by the bank and are included in the balance in Note B-1.

<u>Investment or Investment Type</u>	<u>Maturity</u>	<u>Value</u>
Texas CLASS - LGIP	Wtd Avg= 54 days	\$ 26,946,140
Texas Term (TexasDAILY) - LGIP	Daily	1,334,902
NexBank - ICS Savings	N/A	5,052,157
LoneStar - LGIP	N/A	1,933,166
Origin Bank		
Money Market Savings Account	N/A	15,076,305
First Financial Equity		
Certificates of Deposit	< years	3,617,388
Cash Equivalent (FFE)	N/A	256,748
TD Ameritrade		
Municipal Bonds	<2 years	6,501,202
US Treasury Notes	<2 years	2,984,032
Cash Equivalents	N/A	20,022
Total Investments		<u>\$ 63,722,062</u>

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

At August 31, 2022, the District's investments, other than those which are obligations of or guaranteed by the U. S. Government, are rated as to credit quality as follows:

Lonestar - LGIP	AAAm
Texas CLASS - LGIP	AAAm
Texas Term (TexasDAILY) - LGIP	AAAm
TD Ameritrade	
Standard and Poor's - Municipal Bonds	AA-
Moody - Municipal Bonds	Aa2

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

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c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was exposed to interest rate risk for the investments in municipal bonds and U.S. Treasury Notes described in Note B-2. The District's investment advisors used the simulation model to calculate the interest rate risk for the bonds and notes noting that due to the short maturity (less than 2 years) the interest rate risk would be minimal and the affect on the investment values would be insignificant.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

Investment Accounting Policy

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

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, the pools do not have any limitations or restrictions on withdrawals such as notice periods or maximum transaction amounts. The pools do not impose any liquidity fees or redemption gates.

Public Funds Investment Pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

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**TexasTERM - LGIP**

The Texas Term Local Government Investment Pool (TexasTERM) is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexasTERM is administered by PFM Asset Management LLC, which also serves as the investment advisor. The reported value of the pool is the same as the fair value of the pool shares. Investment options include TexasDAILY, a money market portfolio, is rated AAAM by Standard & Poor's, and TexasTERM CD Purchase Program, a fixed rate, fixed-term investment option enabling investors to invest in FDIC insured CD's from banks throughout the United States. Texas Daily is operated in accordance with GASB 79 and uses amortized cost in the calculation of the net asset value at the conclusion of each business day. There are no limitations or restrictions on withdrawals.

**Texas CLASS - LGIP**

Texas CLASS is administered by a board of pool members. The fair value of the District's position in Texas Class is the same as the value of the pool shares. Texas CLASS is operated in a manner consistent with the SEC's Rule 2A Texas 7 of the Investment Company Act of 1970.

**LoneStar - LGIP**

The Lone Star Investment Pool (Lone Star) is a public funds investment pool created pursuant to the Interlocal Cooperation Act, Texas Government Code, Chapter 791, and the Public Funds Investment Act, Texas Government Code, Chapter 2256. Lone Star is administered by First Public, a subsidiary of the Texas Association of School Boards (TASS), with Standish and American Beacon Advisors managing the investment and reinvestment of Lone Star's assets. State Street Bank provides custody and valuation services to Lone Star. All of the board of trustees' eleven members are Lone Star participants by either being employees or elected officials of a participant. Lone Star has established an advisory board composed of both pool members and non-members. Lone Star has 3 different funds: Government Overnight, Corporate Overnight, and Corporate Overnight Plus. Lone Star is rated AAAM by Standard and Poor's. The District is invested in the Government Overnight Fund, Corporate Overnight Fund, and Corporate Overnight Plus Fund of Lone Star Government and Corporate Overnight maintain a net asset value of one dollar and the Corporate Overnight Plus maintains a net asset value of 50 cents. Lonestar is marked to market daily to maintain an accurate net asset value. The District's fair value in Lonestar is the same as the value of the pool shares.

**TD Ameritrade**

The District's investments with TD Ameritrade consists of municipal bonds, cash equivalents, and U.S Treasury notes. The municipal bonds and U.S. Treasury notes are categorized as Level 2 for the fair value hierarchy. The fair value is obtained via a pricing method used by Bloomberg Professional Services whereby bonds with similar credit qualities, coupons, maturities, state locations, etc are used to obtain a value for the portfolio bonds, as many of the bonds do not trade on a regular basis.

**Fair Value Measurements**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure the assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs- other than quoted prices included within Level 1- that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an assets or liability.



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The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Investments' fair value measurements are as follows at August 31, 2022:

Investments	Fair Value	Fair Value Measurement Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
TD Ameritrade				
Municipal Bonds	\$ 6,501,202	\$ --	\$ 6,501,202	\$ --
U.S. Treasury Notes	2,984,032	--	2,984,032	--
Total Investments	<u>\$ 9,485,234</u>	<u>\$ --</u>	<u>\$ 9,485,234</u>	<u>\$ --</u>

**C. Capital Assets**

Capital asset activity for the year ended August 31, 2022, was as follows:

	Restated* Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental activities:</b>				
Capital assets not being depreciated / amortized:				
Land	\$ 14,489,203	\$ --	\$ 1,309	\$ 14,487,894
Construction in progress	64,639,049	40,122,253	64,639,049	40,122,253
Total capital assets not being depreciated / amortized	<u>79,128,252</u>	<u>40,122,253</u>	<u>64,640,358</u>	<u>54,610,147</u>
Capital assets being depreciated / amortized:				
Buildings and improvements	394,381,892	27,167,083	--	421,548,975
Equipment	41,142,221	165,647	156,268	41,151,600
Vehicles	9,718,840	525,970	391,814	9,852,996
Leased equipment (right to use intangible asset)	215,239	22,597	--	237,836
Total capital assets being depreciated / amortized	<u>445,458,192</u>	<u>27,881,297</u>	<u>548,082</u>	<u>472,791,407</u>
Less accumulated depreciation / amortization for:				
Buildings and improvements	(147,947,513)	(14,931,599)	--	(162,879,112)
Equipment	(33,261,888)	(1,948,634)	(156,268)	(35,054,254)
Vehicles	(4,433,017)	(778,597)	(391,814)	(4,819,800)
Leased equipment (right to use intangible asset)	--	(133,435)	--	(133,435)
Total accumulated depreciation / amortization	<u>(185,642,418)</u>	<u>(17,792,265)</u>	<u>(548,082)</u>	<u>(202,886,601)</u>
Total capital assets being depreciated / amortized	<u>259,815,774</u>	<u>10,089,031</u>	<u>--</u>	<u>269,904,806</u>
Governmental activities capital assets, net	<u>\$ 338,944,026</u>	<u>\$ 50,211,285</u>	<u>\$ 64,640,358</u>	<u>\$ 324,514,953</u>

\*Restated due to the implementation of GASB 87, *Leases*.

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Depreciation / Amortization was charged to functions as follows:

Instruction	\$ 9,575,699
Instructional Resources and Media Services	212,078
Curriculum and Staff Development	204,708
Instructional Leadership	168,051
School Leadership	830,158
Guidance, Counseling, & Evaluation Services	803,125
Health Services	178,162
Student Transportation	528,076
Food Services	598,518
Extracurricular Activities	814,128
General Administration	772,597
Plant Maintenance and Operations	1,888,070
Security and Monitoring Services	81,731
Data Processing Services	1,129,039
Community Services	8,125
	<u>\$ 17,792,265</u>

**D. Interfund Balances and Activities**

**1. Due To and From Other Funds**

Balances due to and due from other funds at August 31, 2022, consisted of the following:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 1,102,029
General Fund	Capital Projects Fund	418,001
Debt Service Fund	General Fund	56,214
	Total	<u>\$ 1,576,244</u>

The outstanding balances between funds result mainly from the time lag between the dates that reimbursable expenditures occur or deposits of revenue are received, the dates the transactions are recorded in the accounting system, and the date the interfund payments are actually settled. All interfund receivables will be liquidated within the next fiscal year. In the government-wide financial statements, all interfund transactions for receivables and payables have been eliminated.

**E. Other Restricted and Committed Fund Balances**

The District's Other Restricted and Committed Fund Balance at August 31, 2022 consists of the following:

**Other Committed Fund Balances:**

<u>Fund</u>		
General Fund	\$ 10,048,565	State Funding Decreases
Special Revenue Fund	1,550,109	Campus Activity
Special Revenue Fund	330,579	Summer School, Scholarships, etc
	<u>\$ 11,929,253</u>	

**Other Restricted Fund Balances:**

<u>Fund</u>		
Debt Service Fund	\$ 6,965,000	Sinking Fund
Special Revenue Fund	3,643	Scholarships
	<u>\$ 6,968,643</u>	

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**F. Long-Term Obligations**

The District has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas, which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the District.

**1. Long-Term Obligation Activity**

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended August 31, 2022, are as follows:

	Restated** Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Governmental activities:</b>					
General Obligation Bonds	\$ 329,880,002	\$ --	\$ (18,485,000)	\$ 311,395,002	\$ 14,415,000
Premium on Bond Issuance	11,225,461	--	(672,457)	10,553,004	--
Net Pension Liability*	23,554,677	--	(12,436,691)	11,117,986	--
Net OPEB Liability*	22,831,320	706,620	(467,238)	23,070,702	--
Lease Liability*	215,239	22,597	(132,396)	105,440	55,780
<b>Total governmental activities</b>	<b>\$ 387,706,699</b>	<b>\$ 729,217</b>	<b>\$ (32,193,782)</b>	<b>\$ 356,242,134</b>	<b>\$ 14,470,780</b>

\* Other long-term liabilities

The funds typically used to liquidate other long-term liabilities in the past are as follows:

Liability	Activity Type	Fund
Net Pension Liability*	Governmental	General
Net OPEB Liability*	Governmental	General
Lease Liability*	Governmental	General

\*\* Restated due to the implementation of GASB 87, *Leases*.

**2. Debt Service Requirements**

Debt service requirements on long-term debt at August 31, 2022, are as follows:

	Governmental Activities		
	Bonds		
Year Ending August 31	Principal	Interest	Total
2023	\$ 14,415,000	12,697,994	\$ 27,112,994
2024	14,495,000	12,009,500	26,504,500
2025	15,160,000	11,308,512	26,468,512
2026	24,975,000	10,544,937	35,519,937
2027	17,120,000	9,732,792	26,852,792
2028-2032	91,345,000	35,517,965	126,862,965
2033-2037	70,670,000	15,572,414	86,242,414
2038-2042	51,265,000	6,138,192	57,403,192
2043-2047	11,950,002	393,955	12,343,957
<b>Totals</b>	<b>\$ 311,395,002</b>	<b>\$ 113,916,261</b>	<b>\$ 425,311,263</b>

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General Obligation Bonds - Description	Beginning Balance	Issued	Retired	Ending Balance
Tax School Building Bonds, Series 1997	\$ 850,000	\$ --	\$ 850,000	\$ --
Tax School Building Bonds, Series 2009A (BAB)	44,060,002	--	2,215,000	41,845,002
Tax School Building Bonds, Series 2009 QSCB	9,155,000	--	--	9,155,000
Tax School Building Bonds, Series 2010A (BAB)	39,390,000	--	2,290,000	37,100,000
Tax School Building Bonds, Series 2010C (BAB)	13,830,000	--	--	13,830,000
Tax School Refunding Bonds, Series 2014	17,350,000	--	1,385,000	15,965,000
Tax School Refunding Bonds, Series 2015A	1,460,000	--	185,000	1,275,000
Tax School Refunding Bonds, Series 2015B	3,760,000	--	180,000	3,580,000
Tax School Refunding Bonds, Series 2016A	13,190,000	--	745,000	12,445,000
Tax School Refunding Bonds, Series 2016C	2,500,000	--	170,000	2,330,000
Tax School Building Bonds, Series 2017	68,185,000	--	1,475,000	66,710,000
Tax School Building Bonds, Series 2018	52,265,000	--	1,450,000	50,815,000
Tax School Refunding Bonds, Series 2019	9,010,000	--	1,380,000	7,630,000
Tax School Building & Refunding Bonds, Series 2019A	54,875,000	--	6,160,000	48,715,000
	<u>\$ 329,880,002</u>	<u>\$ --</u>	<u>\$ 18,485,000</u>	<u>\$ 311,395,002</u>

General Obligation Bonds - at August 31, 2022	Original Issue Amount	Interest Rate	Maturity
Tax School Building Bonds, Series 2009A (BAB)	58,190,000	5.409 to 6.875%	2/15/2034
Tax School Building Bonds, Series 2009 QSCB	9,155,000	0.300%	8/15/2026
Tax School Building Bonds, Series 2010A (BAB)	43,235,000	3.859 to 5.140%	2/15/2035
Tax School Building Bonds, Series 2010C (BAB)	13,830,000	6.800 to 6.950%	2/15/2035
Tax School Refunding Bonds, Series 2014	19,165,000	3.000 to 5.000%	2/15/2035
Tax School Refunding Bonds, Series 2015A	2,794,997	2.500 to 3.000%	2/15/2028
Tax School Refunding Bonds, Series 2015B	6,515,000	3.000%	2/15/2033
Tax School Refunding Bonds, Series 2016A	18,415,000	2.000 to 4.000%	2/15/2033
Tax School Refunding Bonds, Series 2016C	5,125,000	3.000 to 5.000%	2/15/2035
Tax School Building Bonds, Series 2017	77,545,000	3.000 to 5.000%	2/15/2040
Tax School Building Bonds, Series 2018	12,245,000	3.000 to 5.000%	8/31/2044
Tax School Refunding Bonds, Series 2019	68,265,000	3.000 to 5.000%	2/15/2030
Tax School Building & Refunding Bonds, Series 2019A	58,120,000	2.375 to 5.000%	2/15/2044

The District has covenanted to make mandatory deposits into the Cumulative Sinking Fund Deposit Account held by the Paying Agent/Registrar for the Qualified School Construction Bonds, Series 2009. The Sinking Fund of the Qualified School Construction Bonds, Series 2009 calls for annual payments ranging from \$525,000 to \$550,000 from 2010 through 2026. The 2022 deposits were made by the District and are accounted for in Long-Term Investments and Other Restricted Fund Balance as required by the TEA Financial Accountability System of Resource Guide (FASRG).

For the year ended August 31, 2022, the District did not have any direct borrowings or direct placements as defined by GASB No. 88. Additionally, the District did not have any lines of credit, assets or which are pledged as collateral for debt, or debt with terms specified in debt agreements related to significant events of default with finance-related consequences, termination events with finance-related consequences, or subjective acceleration clauses as of August 31, 2022.

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**G. Leases**

The District recognized leases in the current year due to the implementation of GASB Statement No. 87, *Leases*.

The lease with Canon matures on October 1, 2022 and is for copier equipment totalling \$91,465 payable in monthly installments of \$7,118 at an interest rate of 2%.

The lease with Canon matures on June 5, 2023 and is for copier equipment totalling \$2,285 payable in monthly installments of \$111 at an interest rate of 2%.

The lease with Canon matures on December 1, 2023 and is for copier equipment totalling \$39,417 payable in monthly installments of \$1,494 at an interest rate of 2%.

The lease with Canon matures on January 1, 2025 and is for copier equipment totalling \$75,823 payable in monthly installments of \$1,961 at an interest rate of 2%.

The lease with Canon matures on March 1, 2025 and is for copier equipment totalling \$6,249 payable in monthly installments of \$154 at an interest rate of 2%.

The lease with Canon matures on September 1, 2025 and is for copier equipment totalling \$22,597 payable in monthly installments of \$490 at an interest rate of 2%.

There were no variable payments or residual value guarantees or penalties not included in the measurement of the leases. The District did not have any commitments under leases not yet commenced at year-end, components of losses associated with asset impairments, or sublease transactions for Fiscal Year 2022.

Future lease payment maturity schedule is as follows:

Year ended August 31	Principal	Interest	Total
2023	\$ 55,780	\$ 1,532	\$ 57,312
2024	35,109	639	35,748
2025	14,551	102	14,653
	<u>\$ 105,440</u>	<u>\$ 2,273</u>	<u>\$ 107,713</u>

**H. Risk Management**

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During the year ended August 31, 2022, the District carried insurance through various plans described below. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

**Property Casualty Program**

During the year ended August 31, 2022, the District participated in the Texas Association of School Boards Risk Management Fund (the Fund) with coverage in Auto Liability, Auto Physical Damage, School Liability, and Privacy and Information Security. The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund purchases stop-loss coverage for protection against catastrophic and larger than anticipated claims for its Auto, Liability and Property programs. The terms and limits of the stop-loss program vary by line coverage. The Fund uses the services of an independent actuary to determine the adequacy of reserves and fully funds those reserves. For the year ended August 31, 2022, the Fund anticipates Carroll ISD has no additional liability beyond the contractual obligations for payment of contributions.

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The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2021 are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

During the year ended August 31, 2022, Carroll ISD met its statutory property casualty obligations through participation in the Property Casualty Alliance of Texas (the Fund). The Fund was created pursuant to the provisions of the Interlocal Cooperation Act, Chapter 791, Title I of the Texas Government Code. All districts participating in the Fund execute Interlocal Agreement that define the responsibilities of the parties. The Fund provides property and casualty coverage and services to its members.

The Fund and its members are protected against higher than expected claims costs through reinsurance contracts for claims in excess of the Fund's self-insured retentions. The Fund uses the services of an independent actuary to help determine the reserve adequacy. As of August 31, 2021, the Fund carries a total of \$9,793,578 in current loss reserves, including \$2,611,438 for claims incurred but not yet reported. Losses and reserves are based on estimates, and could be more or less than originally estimated.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on the last day of February. The Fund's audited financial statements are available for inspection at the Fund's administrative offices.

**Workers' Compensation**

During the year ended August 31, 2022, Carroll ISD met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Workers Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members' injured employees.

Carroll ISD participates in the Fund's reimbursable aggregate deductible program. As such, the member is responsible for a certain amount of claims liability as outlined on the member's Contribution and Coverage Summary document. After the member's deductible has been met, the Fund is responsible for additional claims liability.

The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of \$2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2021, the Fund carries a discounted reserve of \$44,985,187 for future development on reported claims and claims that have been incurred but not yet reported. For the year ended August 31, 2022, the Fund anticipates no additional liability to its members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2021, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.



**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**I. Pension Plan**

**1. 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). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67, and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

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

**2. Pension Plan Fiduciary Net Position**

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

**3. 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% (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic cost of living adjustments (COLAs). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description in (1) 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.

**4. Contributions**

Contribution requirements are established or amended pursuant to the following state laws:

- Article 16, Section 67 of the Texas Constitution requires the legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the System during the fiscal year.
- Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 through 2025.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
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	<u>Contribution Rates</u>	
	<u>2021</u>	<u>2022</u>
Member	7.70%	8.00%
Non-Employer Contributing Entity (State)	7.50%	7.75%
Employers	7.50%	7.75%
District's 2022 Employer Contributions		\$ 2,033,701
District's 2022 Member Contributions		\$ 4,824,201
2021 NECE On-Behalf Contributions (State)		\$ 3,416,952

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 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 1.6% of the member's salary beginning in fiscal year 2021, gradually increasing to 2% in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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5. Actuarial Assumptions

The total pension liability in the August 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.25%
Long-term expected Investment Rate of Return	7.25%
Municipal Bond Rate as of August 2020	1.95% *
Last year ending August 31 in Projection Period	2120
Inflation	2.30%
Salary Increases including inflation	3.05% to 9.05%
Ad hoc post-employment benefit changes	None

\* The source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index"

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

6. Discount Rate

A single discount rate of 7.25% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.25%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2020 gradually increasing to 9.55% 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 future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
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The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2021 are summarized below:

<b>Asset Class *</b>	<b>Target Allocation **</b>	<b>Long-Term Expected Arithmetic Real Rate of Return ***</b>	<b>Expected Contribution to Long-Term Portfolio Returns</b>
<b>Global Equity</b>			
USA	18.0%	3.6%	0.94%
Non-U.S. Developed	13.0%	4.4%	0.83%
Emerging Markets	9.0%	4.6%	0.74%
Private Equity	14.0%	6.3%	1.36%
<b>Stable Value</b>			
Government Bonds	16.0%	(0.2)%	0.01%
Absolute Return	0.0%	1.1%	0.00%
Stable Value Hedge Funds	5.0%	2.2%	0.12%
<b>Real Return</b>			
Real Estate	15.0%	4.5%	1.00%
Energy, Natural Resources and Infrastructure	6.0%	4.7%	0.35%
Commodities	0.0%	1.7%	0.00%
<b>Risk Parity</b>	8.0%	2.8%	0.28%
<b>Asset Allocation Leverage</b>			
Cash	2.0%	(0.7)%	(0.01)%
Asset Allocation Leverage	(6.0%)	(0.5)%	0.03%
<b>Inflation Expectation</b>			2.20%
<b>Volatility Drag ****</b>	-		(0.95)%
<b>Expected Return</b>	<b>100.0%</b>		<b>6.90%</b>

\* Absolute Return includes Credit Sensitive Investments.  
\*\* Target allocations are based on the FY2021 policy model.  
\*\*\* Capital Market Assumptions come from Aon Hewitt (as of 08/31/2021).  
\*\*\*\* The volatility drag results from the conversion between arithmetic and geometric mean returns.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
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7. Discount Rate Sensitivity Analysis

The following table presents the Net Pension Liability of the plan using a discount rate of 7.25%, and what the net position liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
District's proportionate share of the net pension liability:	\$ 24,294,563	\$ 11,117,986	\$ 427,782

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

At August 31, 2022, the District reported a liability of \$11,117,986 for its proportionate share of the TRS 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	\$ 11,117,986
State's proportionate share that is associated with District	<u>20,390,907</u>
Total	<u>\$ 31,508,893</u>

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

At August 31, 2021 the employer's proportion of the collective net pension liability was .043657% which was a decrease of .000322% from its proportion measured as of August 31, 2020.

9. Changes Since the Prior Actuarial Valuation

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

For the year ended August 31, 2022, the District recognized pension expense of \$1,154,886, which includes revenue of \$81,520 representing pension expense incurred by the State on behalf of the District.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
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At August 31, 2022, the District reported its proportionate share of the TRS deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Actuarial Experience	\$ 18,606	\$ 782,715
Changes in Actuarial Assumptions	3,929,991	1,713,139
Difference Between Projected and Actual Investment Earnings	--	9,322,286
Changes in Proportion and Difference between District's Contributions and the Proportionate Share of Contributions	868,247	1,615,148
Contributions paid to TRS subsequent to the measurement date of the Net Pension Liability (to be calculated by employer)	2,033,701	--
<b>Total</b>	<b>\$ 6,850,545</b>	<b>\$ 13,433,288</b>

The \$2,033,701 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2023.

The net amounts of the District's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended August 31	Pension Expense Amount
2023	\$ (1,369,533)
2024	\$ (1,496,634)
2025	\$ (2,389,058)
2026	\$ (3,130,840)
2027	\$ (201,655)
Thereafter	\$ (28,724)

**J. Defined Other Post-Employment Benefit Plans**

**1. 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 with a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

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

**2. 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>; by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698; or by calling (512) 542-6592.



**CARROLL INDEPENDENT SCHOOL DISTRICT**  
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**3. Benefits Provided**

TRS-Care provides health insurance coverage to retirees from public and 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 cost of living adjustments (COLAs).

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

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

**4. 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% of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the 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		
	<u>2021</u>	<u>2022</u>
Active Employee	.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	.75%	0.75%
Federal/Private Funding remitted by Employers	1.25%	1.25%

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District's 2022 Employer Contributions	\$	468,161
District's 2022 Member Contributions	\$	391,966
2021 NECE On-Behalf Contributions (State)	\$	625,995

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to *(regardless of whether they participate in the TRS-Care OPEB Program)*. When hiring a TRS retiree, employers are required to pay TRS-Care a monthly surcharge of \$535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$5,520,343 in fiscal year 2021 for consumer protections against medical and health care billing by certain out-of-network providers.

**5. Actuarial Assumptions**

The actuarial valuation was performed as of August 31, 2020. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2021. The actuarial valuation was determined using the following actuarial assumptions:

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were 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, 2020 TRS pension actuarial valuation that was rolled forward to August 31, 2021:

Rates of Mortality	Rates of Disability
Rates of Retirement	General Inflation
Rates of Termination	Wage Inflation

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

**Additional Actuarial Methods and Assumptions:**

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry-Age Normal
Inflation	2.30%
Single Discount Rate	1.95% as of August 31, 2021
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the the age-adjusted claims costs.
Projected Salary Increases	3.05% to 9.05%, including inflation
Election Rates	Normal Retirement: 65% participation prior to age 65 and 45% participation after age 65. *
Ad hoc post-employment benefit changes	None

\*25% of pre-65 retirees are assumed to discontinue coverage at age 65.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
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The initial medical trend rates were 8.50% for Medicare retirees and 7.10% for non-Medicare retirees. There was an initial prescription drug trend rate of 8.50% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 12 years.

**6. Discount Rate**

A single discount rate of 1.95% was used to measure the Total OPEB Liability. This was a decrease of 0.38% 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 non-employer 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, 2021 using the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

**7. Discount Rate Sensitivity Analysis**

The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% point lower than and 1% point higher than the discount rate that was used (1.95%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (0.95%)	Current Single Discount Rate (1.95%)	1% Increase in Discount Rate (2.95%)
District's proportionate share of the Net OPEB Liability:	\$ 27,828,582	\$ 23,070,702	\$ 19,326,095

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

At August 31, 2022, the District reported a liability of \$23,070,702 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	\$ 23,070,702
State's proportionate share that is associated with the District	<u>30,909,599</u>
<b>Total</b>	<b><u>\$ 53,980,301</u></b>

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

At August 31, 2021 the District's proportion of the collective net OPEB liability was .059808% which was a decrease of .000251% from its proportion measured as of August 31, 2020.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
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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.

	1% Decrease in Healthcare Trend Rate	Current Single Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
District's proportionate share of Net OPEB Liability:	\$ 18,686,504	\$ 23,070,702	\$ 28,953,206

9. 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 was changed from 2.33% as of August 31, 2020 to 1.95% as of August 31, 2021. This change increased 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.

The amount of OPEB expense recognized by the District in the reporting period was (\$1,737,383), which includes revenue of (\$1,140,800) representing OPEB expense incurred by the State on behalf of the District.

At August 31, 2022, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 993,303	\$ 11,167,834
Changes in actuarial assumptions	2,555,351	4,879,026
Difference between projected and actual investment earnings	25,048	--
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	1,676,402	1,029,725
Contributions paid to TRS subsequent to the measurement date	468,161	
Total	\$ 5,718,265	\$ 17,076,585

The \$468,161 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 ended August 31, 2023.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
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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
2023	\$ (2,257,036)
2024	\$ (2,257,601)
2025	\$ (2,257,447)
2026	\$ (1,650,171)
2027	\$ (828,011)
Thereafter	\$ (2,576,215)

10. Medicare Part D Subsidies

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was 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 year ended August 31, 2022, the subsidy payment received by TRS-Care on behalf of the District was \$249,766.

K. Employee Health Care Coverage

During the year ended August 31, 2022, employees of the District were covered by a health insurance plan (the Plan). The District paid premiums of \$300 per month per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a third party administrator, acting on behalf of the licensed insurer. The Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreement.

The contract between the District and the third party administrator is renewable annually, and terms of coverage and premium costs are included in the contractual provisions.

Latest financial statements for the Plan are available for their year end and have been filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

L. Commitments and Contingencies

1. Contingencies

The District participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

## CARROLL INDEPENDENT SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2022

#### 2. Commitments

As of August 31, 2022, the District had multiple construction commitments across various projects with remaining costs to complete totaling \$4,796,670, which will be funded from the Capital Projects Fund. The District was not obligated at August 31, 2022 for the construction commitments.

Vendor	Amount	Vendor	Amount
Allen Sports Floors	\$ 13,000	Huckabee & Assoc	\$ 63,782
Caldwell Automotive	295,956	LPA, Inc	30,344
CDW Government	102,998	Muckleroy & Falls	708,936
Contractors Access Equip	1,000	Natex Architects	20,687
Daktronics, Inc	799,948	Nationwide Network Technologies	2,524
Digital Resources	42,106	Netsync Network Solutions	187,166
Enviromatic Systems	8,622	Priority Signs & Graphics	22,954
Flynn BEC	4,600	Reeder Construction	1,180,592
Glenn Partners	31,398	Terracon Consultants	197,937
Grainger	7,061	Trane U.S.	256,324
GTS Technology Solutions	\$ 701,736	Total	\$ 4,796,670

#### 3. Litigation

No reportable litigation was pending against the District at August 31, 2022

#### M. Shared Services Arrangements

##### Shared Services Arrangement - Membership

The District participates in a shared services arrangement ("SSA") for deaf education with the following school districts:

##### Member Districts

Birdville ISD  
Carroll ISD  
Eagle Mountain-Saginaw ISD  
Grapevine-Colleyville ISD  
Hurst-Euless-Bedford ISD  
International Leadership Texas Charter  
Keller ISD  
Westlake Academy

The District does not account for revenues or expenditures in this program and does not disclose them in these financial statements. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent, Birdville ISD, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal exigencies that would give rise to a future additional benefit or burden to the District. The fiscal agent manager is responsible for all financial activities of the SSA.

#### N. Subsequent Events

The District evaluated subsequent events through January 19, 2023, the date the financial statements were available to be issued and no subsequent events were noted.

## Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.



# CARROLL INDEPENDENT SCHOOL DISTRICT

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED AUGUST 31, 2022

EXHIBIT G-1

Page 1 of 2

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES:					
5700	Local and Intermediate Sources	\$ 106,938,767	\$ 109,414,897	\$ 108,950,858	\$ (464,039)
5800	State Program Revenues	9,542,471	11,108,946	11,710,349	601,403
5900	Federal Program Revenues	2,622,717	2,227,717	2,232,146	4,429
5020	Total Revenues	119,103,955	122,751,560	122,893,353	141,793
EXPENDITURES:					
Current:					
Instruction and Instructional Related Services:					
0011	Instruction	47,078,489	48,419,924	48,398,803	21,121
0012	Instructional Resources and Media Services	1,132,100	1,107,245	1,061,611	45,634
0013	Curriculum and Staff Development	1,040,877	1,078,384	1,051,042	27,342
	Total Instruction and Instr. Related Services	49,251,466	50,605,553	50,511,456	94,097
Instructional and School Leadership:					
0021	Instructional Leadership	950,616	916,652	872,269	44,383
0023	School Leadership	4,156,673	4,184,065	4,149,298	34,767
	Total Instructional and School Leadership	5,107,289	5,100,717	5,021,567	79,150
Support Services - Student (Pupil):					
0031	Guidance, Counseling and Evaluation Services	3,728,872	3,722,496	3,715,312	7,184
0033	Health Services	934,358	972,547	951,414	21,133
0034	Student (Pupil) Transportation	2,410,731	2,550,216	2,492,385	57,831
0035	Food Services	3,198,818	3,123,547	3,174,636	(51,089)
0036	Cocurricular/Extracurricular Activities	3,743,870	3,518,392	3,433,147	85,245
	Total Support Services - Student (Pupil)	14,016,649	13,887,198	13,766,894	120,304
Administrative Support Services:					
0041	General Administration	3,763,982	4,188,727	4,052,502	136,225
	Total Administrative Support Services	3,763,982	4,188,727	4,052,502	136,225
Support Services - Nonstudent Based:					
0051	Plant Maintenance and Operations	8,153,202	9,157,879	8,985,478	172,401
0052	Security and Monitoring Services	228,536	336,711	287,528	49,183
0053	Data Processing Services	1,109,573	2,193,393	1,700,725	492,668
	Total Support Services - Nonstudent Based	9,491,311	11,687,983	10,973,731	714,252
Ancillary Services:					
0061	Community Services	69,884	69,884	42,866	27,018
	Total Ancillary Services	69,884	69,884	42,866	27,018
Debt Service:					
0071	Principal on Long-Term Debt	--	200,000	132,396	67,604
0072	Interest on Long-Term Debt	--	--	3,547	(3,547)
	Total Debt Service	--	200,000	135,943	64,057
Intergovernmental Charges:					
0091	Contracted Instr. Services Between Public Schools	28,622,501	35,133,306	34,456,686	676,620
0095	Payments to Juvenile Justice Alternative				
0095	Education Programs	5,000	--	--	--
0097	Payments to Tax Increment Fund	8,145,873	7,361,873	7,361,858	15
0099	Other Intergovernmental Charges	630,000	615,000	610,793	4,207
	Total Intergovernmental Charges	37,403,374	43,110,179	42,429,337	680,842

# CARROLL INDEPENDENT SCHOOL DISTRICT

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED AUGUST 31, 2022

EXHIBIT G-1

Page 2 of 2

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
6030	Total Expenditures	<u>119,103,955</u>	<u>128,850,241</u>	<u>126,934,296</u>	<u>1,915,945</u>
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	<u>--</u>	<u>(6,098,681)</u>	<u>(4,040,943)</u>	<u>2,057,738</u>
	Other Financing Sources (Uses):				
7912	Sale of Real or Personal Property	<u>--</u>	<u>--</u>	<u>125,200</u>	<u>125,200</u>
7913	Issuance of Right to Use Leased Assets	<u>--</u>	<u>325,200</u>	<u>22,597</u>	<u>(302,603)</u>
7080	Total Other Financing Sources and (Uses)	<u>--</u>	<u>325,200</u>	<u>147,797</u>	<u>(177,403)</u>
	SPECIAL ITEM:				
8912	Special Item (Use)	<u>--</u>	<u>(1,199,400)</u>	<u>(1,199,321)</u>	<u>(79)</u>
1200	Net Change in Fund Balance	<u>--</u>	<u>(6,972,881)</u>	<u>(5,092,467)</u>	<u>1,880,414</u>
0100	Fund Balance - Beginning	<u>44,064,400</u>	<u>44,064,400</u>	<u>44,064,400</u>	<u>--</u>
3000	Fund Balance - Ending	<u>\$ 44,064,400</u>	<u>\$ 37,091,519</u>	<u>\$ 38,971,933</u>	<u>\$ 1,880,414</u>

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE**  
**SHARE OF THE NET PENSION LIABILITY**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**LAST TEN MEASUREMENT YEARS \***

	Measurement Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District's proportion of the net pension liability	0.044%	0.044%	0.049%	0.047%	0.045%	0.043%	0.044%	0.026%	--	--
District's proportionate share of the collective net pension liability	\$ 11,117,986	\$ 23,554,676	\$ 25,466,043	\$ 25,965,785	\$ 14,441,119	\$ 16,335,981	\$ 15,600,075	\$ 7,128,759	\$ --	\$ --
State's proportionate share of the collective net pension liability associated with the District	20,390,907	42,422,763	39,793,357	43,411,656	26,088,035	31,268,218	29,978,787	26,923,208	--	--
Total	<u>\$ 31,508,893</u>	<u>\$ 65,977,439</u>	<u>\$ 65,259,400</u>	<u>\$ 69,377,441</u>	<u>\$ 40,529,154</u>	<u>\$ 47,604,199</u>	<u>\$ 45,578,862</u>	<u>\$ 34,051,967</u>	<u>\$ --</u>	<u>\$ --</u>
District's covered payroll	\$ 60,306,592	\$ 58,927,331	\$ 56,513,959	\$ 54,097,605	\$ 52,116,439	\$ 49,728,770	\$ 47,710,376	\$ 45,445,803	\$ --	\$ --
District's proportionate share of the net pension liability as a percentage of its covered payroll	18.44%	39.97%	45.06%	48.00%	27.71%	32.85%	32.70%	15.69%	--	--
Plan fiduciary net position as a percentage of the total pension liability	88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%	--	--

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT PENSION CONTRIBUTIONS**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**LAST TEN FISCAL YEARS \***

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 2,033,701	\$ 1,863,070	\$ 1,814,304	\$ 1,661,311	\$ 1,580,764	\$ 1,480,223	\$ 1,373,527	\$ 1,306,768	\$ 669,023	\$ --
Contributions in relation to the contractually required contribution	(2,033,701)	(1,863,070)	(1,814,304)	(1,661,311)	(1,580,764)	(1,480,223)	(1,373,527)	(1,306,768)	(669,023)	--
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
District's covered payroll	\$ 60,326,167	\$ 60,306,592	\$ 58,927,331	\$ 56,516,959	\$ 54,097,605	\$ 52,116,439	\$ 49,728,770	\$ 47,710,376	\$ 45,445,803	\$ --
Contributions as a percentage of covered payroll	3.37%	3.09%	3.08%	2.94%	2.92%	2.84%	2.76%	2.74%	1.47%	--

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

**CARROLL INDEPENDENT SCHOOL DISTRICT**

## SCHEDULE OF THE DISTRICT'S PROPORTIONATE

## SHARE OF THE NET OPEB LIABILITY

## TEACHER RETIREMENT SYSTEM OF TEXAS

## LAST TEN MEASUREMENT YEARS \*

	Measurement Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District's proportion of the collective net OPEB liability	0.06%	0.06%	0.06%	0.06%	0.06%	--	--	--	--	--
District's proportionate share of the collective net OPEB liability	\$ 23,070,702	\$ 22,831,320	\$ 29,263,296	\$ 30,382,092	\$ 24,880,956	\$ --	\$ --	\$ --	\$ --	\$ --
State proportionate share of the collective net OPEB liability associated with the District	30,909,599	30,679,821	38,884,375	48,022,083	42,453,785	--	--	--	--	--
Total	<u>\$ 53,980,301</u>	<u>\$ 53,511,141</u>	<u>\$ 68,147,671</u>	<u>\$ 78,404,175</u>	<u>\$ 67,334,741</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
District's covered payroll	\$ 60,306,592	\$ 58,927,331	\$ 56,513,959	\$ 54,097,605	\$ 52,116,439	\$ --	\$ --	\$ --	\$ --	\$ --
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	38.26%	38.74%	51.78%	56.16%	47.74%	--	--	--	--	--
Plan fiduciary net position as a percentage of the total OPEB liability	6.18%	4.99%	2.66%	1.57%	0.91%	--	--	--	--	--

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**LAST TEN FISCAL YEARS \***

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Statutorily or contractually required District contribution	\$ 468,161	\$ 467,239	\$ 456,491	\$ 439,169	\$ 419,766	--	\$ --	\$ --	\$ --	\$ --
Contributions recognized by OPEB in relation to statutorily or contractually required contribution	(468,161)	(467,239)	(456,491)	(439,169)	(419,766)	--	--	--	--	--
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
District's covered payroll	\$ 60,326,167	\$ 60,306,592	\$ 58,927,331	\$ 56,516,959	\$ 54,097,605	--	\$ --	\$ --	\$ --	\$ --
Contributions as a percentage of covered payroll	0.78%	0.77%	0.77%	0.78%	0.78%	--	--	--	--	--

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

**Budget**

The official budget was prepared for adoption for all Governmental Fund Types legally required to adopt a budget (General Funds and Debt Service Funds). The budget was prepared in accordance with accounting practices generally accepted in the United States of America. The following procedures are followed in establishing the budgetary data:

- a. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
- c. Prior to the beginning of the fiscal year, the budget is legally enacted through passage of a resolution by the board.

Once a budget is approved, it can be amended at function and fund level only by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings.

Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board and are not made after fiscal year end as required by law.

Each amendment is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either cancelled or appropriately provided for in the subsequent year's budget. There were no end-of-year outstanding encumbrances that were provided for in the subsequent year's budget.

**Defined Benefit Pension Plan and Defined Benefit OPEB Plan**

**Changes of benefit terms**

Any changes in benefit terms that affected the measurement of the net pension liability during the measurement period are described in the notes to the financial statements (Note I).

Any changes in benefit terms that affected the measurement of the net OPEB liability during the measurement period are described in the notes to the financial statements (Note J).

**Changes of assumptions**

Changes of assumptions that affected the measurement of the net pension liability during the measurement period are described in the notes to the financial statements (Note I).

Changes of assumptions that affected the measurement of the net OPEB liability during the measurement period are described in the notes to the financial statements (Note J).

## Combining Statements as Supplementary Information

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.



# CARROLL INDEPENDENT SCHOOL DISTRICT

## COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS (COMPRISED OF NONMAJOR SPECIAL REVENUE FUNDS)

AUGUST 31, 2022

Data Control Codes	211 ESEA Title I Improving Basic Programs	224 IDEA-Part B Formula	225 IDEA-Part B Preschool Grant	244 Career and Tech Education Basic Grant
<b>ASSETS:</b>				
1110 Cash and Cash Equivalents	\$ --	\$ --	\$ --	\$ --
1240 Due from Other Governments	24,277	149,282	373	425
1800 Restricted Assets	--	--	--	--
1000 Total Assets	<u>\$ 24,277</u>	<u>\$ 149,282</u>	<u>\$ 373</u>	<u>\$ 425</u>
<b>LIABILITIES:</b>				
Current Liabilities:				
2110 Accounts Payable	\$ --	\$ --	\$ --	\$ --
2170 Due to Other Funds	24,277	149,282	373	425
2180 Due to Other Governments	--	--	--	--
2300 Unearned Revenue	--	--	--	--
2000 Total Liabilities	<u>24,277</u>	<u>149,282</u>	<u>373</u>	<u>425</u>
<b>FUND BALANCES:</b>				
Restricted Fund Balances:				
3490 Other Restrictions of Fund Balance	--	--	--	--
Committed Fund Balances:				
3545 Other Committed Fund Balance	--	--	--	--
3000 Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
4000 Total Liabilities and Fund Balances	<u>\$ 24,277</u>	<u>\$ 149,282</u>	<u>\$ 373</u>	<u>\$ 425</u>

255 ESEA Title II Training & Recruiting	263 English Language Acquisition and Enhancement	281 ESSER Fund II of the CRRSA Act	282 ESSER Fund III of the American Rescue Plan Act	284 IDEA-B the American Rescue Plan Act
\$ --	\$ 1,517	\$ --	\$ 102,155	\$ --
15,294	--	255,948	649,478	4,355
--	--	--	--	--
<u>\$ 15,294</u>	<u>\$ 1,517</u>	<u>\$ 255,948</u>	<u>\$ 751,633</u>	<u>\$ 4,355</u>
\$ --	\$ --	\$ --	\$ --	\$ --
15,294	--	255,948	649,478	4,355
--	1,517	--	102,155	--
--	--	--	--	--
<u>15,294</u>	<u>1,517</u>	<u>255,948</u>	<u>751,633</u>	<u>4,355</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ 15,294</u>	<u>\$ 1,517</u>	<u>\$ 255,948</u>	<u>\$ 751,633</u>	<u>\$ 4,355</u>

**CARROLL INDEPENDENT SCHOOL DISTRICT**

## COMBINING BALANCE SHEET

## NONMAJOR GOVERNMENTAL FUNDS (COMPRISED OF NONMAJOR SPECIAL REVENUE FUNDS)

AUGUST 31, 2022

Data Control Codes	289 Other Federal Special Revenue Fund	397 Advanced Placement Incentives	410 State Textbook Fund
<b>ASSETS:</b>			
1110 Cash and Cash Equivalents	\$ 1,632	\$ 21,570	\$ 18,521
1240 Due from Other Governments	--	--	--
1800 Restricted Assets	--	--	--
1000 Total Assets	<u>\$ 1,632</u>	<u>\$ 21,570</u>	<u>\$ 18,521</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
2110 Accounts Payable	\$ --	\$ --	\$ --
2170 Due to Other Funds	--	--	--
2180 Due to Other Governments	--	--	--
2300 Unearned Revenue	1,632	21,570	18,521
2000 Total Liabilities	<u>1,632</u>	<u>21,570</u>	<u>18,521</u>
<b>FUND BALANCES:</b>			
Restricted Fund Balances:			
3490 Other Restrictions of Fund Balance	--	--	--
Committed Fund Balances:			
3545 Other Committed Fund Balance	--	--	--
3000 Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>
4000 Total Liabilities and Fund Balances	<u>\$ 1,632</u>	<u>\$ 21,570</u>	<u>\$ 18,521</u>

429 State Funded Special Revenue Fund	461 Campus Activity Funds	490 Department Activity Funds	496 Scholarship Fund	497 Local Support Program
\$ --	\$ 1,550,109	\$ 444,905	\$ --	\$ 582,380
2,597	--	--	--	--
--	--	--	3,643	--
<u>\$ 2,597</u>	<u>\$ 1,550,109</u>	<u>444,905</u>	<u>\$ 3,643</u>	<u>\$ 582,380</u>
\$ --	\$ --	\$ --	\$ --	\$ 18,445
2,597	--	--	--	--
--	--	--	--	--
--	--	444,905	--	233,356
<u>2,597</u>	<u>--</u>	<u>444,905</u>	<u>--</u>	<u>251,801</u>
--	--	--	3,643	--
--	1,550,109	--	--	330,579
--	<u>1,550,109</u>	<u>--</u>	<u>3,643</u>	<u>330,579</u>
<u>\$ 2,597</u>	<u>\$ 1,550,109</u>	<u>\$ 444,905</u>	<u>\$ 3,643</u>	<u>\$ 582,380</u>

**CARROLL INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS (COMPRISED OF NONMAJOR SPECIAL REVENUE FUNDS)

AUGUST 31, 2022

Data Control Codes	498 We Care Program	499 Local Grants	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
<b>ASSETS:</b>			
1110 Cash and Cash Equivalents	\$ 9,609	\$ 38,587	\$ 2,770,985
1240 Due from Other Governments	--	--	1,102,029
1800 Restricted Assets	--	--	3,643
1000 Total Assets	<u>\$ 9,609</u>	<u>\$ 38,587</u>	<u>\$ 3,876,657</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
2110 Accounts Payable	\$ --	\$ --	\$ 18,445
2170 Due to Other Funds	--	--	1,102,029
2180 Due to Other Governments	--	--	103,672
2300 Unearned Revenue	9,609	38,587	768,180
2000 Total Liabilities	<u>9,609</u>	<u>38,587</u>	<u>1,992,326</u>
<b>FUND BALANCES:</b>			
Restricted Fund Balances:			
3490 Other Restrictions of Fund Balance	--	--	3,643
Committed Fund Balances:			
3545 Other Committed Fund Balance	--	--	1,880,688
3000 Total Fund Balances	<u>--</u>	<u>--</u>	<u>1,884,331</u>
4000 Total Liabilities and Fund Balances	<u>\$ 9,609</u>	<u>\$ 38,587</u>	<u>\$ 3,876,657</u>

# **CARROLL INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS (COMPRISED OF NONMAJOR SPECIAL REVENUE FUNDS)  
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		211 ESEA Title I Improving Basic Programs	224 IDEA-Part B Formula	225 IDEA-Part B Preschool Grant	244 Career and Tech Education Basic Grant
<b>REVENUES:</b>					
5700	Local and Intermediate Sources	\$ --	\$ --	\$ --	\$ --
5800	State Program Revenues	--	--	--	--
5900	Federal Program Revenues	135,518	1,258,581	26,393	45,287
5020	Total Revenues	<u>135,518</u>	<u>1,258,581</u>	<u>26,393</u>	<u>45,287</u>
<b>EXPENDITURES:</b>					
Current:					
0011	Instruction	135,518	1,052,155	26,393	45,287
0012	Instructional Resources and Media Services	--	--	--	--
0013	Curriculum and Staff Development	--	--	--	--
0021	Instructional Leadership	--	27,966	--	--
0023	School Leadership	--	--	--	--
0031	Guidance, Counseling, and Evaluation Services	--	91,125	--	--
0033	Health Services	--	--	--	--
0034	Student Transportation	--	--	--	--
0035	Food Service	--	--	--	--
0036	Cocurricular/Extracurricular Activities	--	--	--	--
0041	General Administration	--	--	--	--
0051	Facilities Maintenance and Operations	--	--	--	--
0052	Security and Monitoring Services	--	--	--	--
0053	Data Processing Services	--	--	--	--
0061	Community Services	--	--	--	--
0093	Payments to Shared Service Arrangements	--	87,335	--	--
6030	Total Expenditures	<u>135,518</u>	<u>1,258,581</u>	<u>26,393</u>	<u>45,287</u>
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	--	--	--	--
1200	Net Change in Fund Balances	--	--	--	--
0100	Fund Balances - Beginning	--	--	--	--
3000	Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

255 ESEA Title II Training & Recruiting	281 ESSER Fund II of the CRRSA Act	282 ESSER Fund III of the American Rescue Plan Act	284 IDEA-B the American Rescue Plan Act	289 Other Federal Special Revenue Fund
\$ --	\$ --	\$ --	\$ --	\$ --
--	14,960	16,045	--	--
86,693	414,899	1,248,486	4,355	4,987
<u>86,693</u>	<u>429,859</u>	<u>1,264,531</u>	<u>4,355</u>	<u>4,987</u>
86,693	20,383	777,917	4,355	4,987
--	--	9,131	--	--
--	--	3,044	--	--
--	--	5,783	--	--
--	--	128,707	--	--
--	--	87,459	--	--
--	--	11,160	--	--
--	--	29,656	--	--
--	--	35,634	--	--
--	--	12,783	--	--
--	--	20,594	--	--
--	409,476	76,834	--	--
--	--	1,015	--	--
--	--	64,814	--	--
--	--	--	--	--
--	--	--	--	--
<u>86,693</u>	<u>429,859</u>	<u>1,264,531</u>	<u>4,355</u>	<u>4,987</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
\$ --	\$ --	\$ --	\$ --	\$ --

**CARROLL INDEPENDENT SCHOOL DISTRICT****COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES****NONMAJOR GOVERNMENTAL FUNDS (COMPRISED OF NONMAJOR SPECIAL REVENUE FUNDS)  
FOR THE YEAR ENDED AUGUST 31, 2022**

Data Control Codes		385 Supplemental Visually Impaired	397 Advanced Placement Incentives	410 State Textbook Fund
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ --	\$ --	\$ --
5800	State Program Revenues	3,900	11,420	14,323
5900	Federal Program Revenues	--	--	--
5020	Total Revenues	<u>3,900</u>	<u>11,420</u>	<u>14,323</u>
<b>EXPENDITURES:</b>				
Current:				
0011	Instruction	3,900	--	14,323
0012	Instructional Resources and Media Services	--	--	--
0013	Curriculum and Staff Development	--	11,420	--
0021	Instructional Leadership	--	--	--
0023	School Leadership	--	--	--
0031	Guidance, Counseling, and Evaluation Services	--	--	--
0033	Health Services	--	--	--
0034	Student Transportation	--	--	--
0035	Food Service	--	--	--
0036	Cocurricular/Extracurricular Activities	--	--	--
0041	General Administration	--	--	--
0051	Facilities Maintenance and Operations	--	--	--
0052	Security and Monitoring Services	--	--	--
0053	Data Processing Services	--	--	--
0061	Community Services	--	--	--
0093	Payments to Shared Service Arrangements	--	--	--
6030	Total Expenditures	<u>3,900</u>	<u>11,420</u>	<u>14,323</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	<u>--</u>	<u>--</u>	<u>--</u>
1200	Net Change in Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>
0100	Fund Balances - Beginning	<u>--</u>	<u>--</u>	<u>--</u>
3000	Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>



429 State Funded Special Revenue Fund	461 Campus Activity Funds	490 Department Activity Fund	496 Scholarship Fund	497 Local Support Program
\$ --	\$ 1,827,225	\$ 229,556	\$ 2,041	\$ 197,560
183,317	942	--	--	8,928
--	--	--	--	--
<u>183,317</u>	<u>1,828,167</u>	<u>229,556</u>	<u>2,041</u>	<u>206,488</u>
2,625	552,734	3,883	3,534	133,119
--	77,306	--	--	--
350	43,490	--	--	--
--	--	3,698	--	--
--	215,917	--	--	--
45,656	392,400	--	--	--
--	1,874	--	--	--
--	--	713	--	--
--	--	--	--	--
--	502,351	--	--	--
--	--	265	--	--
--	--	--	--	--
135,370	80	--	--	18,445
--	--	220,997	--	--
--	1,118	--	--	--
--	--	--	--	--
<u>184,001</u>	<u>1,787,270</u>	<u>229,556</u>	<u>3,534</u>	<u>151,564</u>
(684)	40,897	--	(1,493)	54,924
<u>(684)</u>	<u>40,897</u>	<u>--</u>	<u>(1,493)</u>	<u>54,924</u>
684	1,509,212	--	5,136	275,655
<u>\$ --</u>	<u>\$ 1,550,109</u>	<u>\$ --</u>	<u>\$ 3,643</u>	<u>\$ 330,579</u>

**CARROLL INDEPENDENT SCHOOL DISTRICT**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCESNONMAJOR GOVERNMENTAL FUNDS (COMPRISED OF NONMAJOR SPECIAL REVENUE FUNDS)  
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		498 We Care Program	499 Local Grants	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ 25,104	\$ 20,333	\$ 2,301,819
5800	State Program Revenues	--	--	253,835
5900	Federal Program Revenues	--	--	3,225,199
5020	Total Revenues	<u>25,104</u>	<u>20,333</u>	<u>5,780,853</u>
<b>EXPENDITURES:</b>				
Current:				
0011	Instruction	--	17,594	2,885,400
0012	Instructional Resources and Media Services	--	--	86,437
0013	Curriculum and Staff Development	--	(1,192)	57,112
0021	Instructional Leadership	--	--	37,447
0023	School Leadership	--	--	344,624
0031	Guidance, Counseling, and Evaluation Services	--	--	616,640
0033	Health Services	--	--	13,034
0034	Student Transportation	--	--	30,369
0035	Food Service	--	--	35,634
0036	Cocurricular/Extracurricular Activities	--	3,931	519,065
0041	General Administration	25,104	--	45,963
0051	Facilities Maintenance and Operations	--	--	486,310
0052	Security and Monitoring Services	--	--	154,910
0053	Data Processing Services	--	--	285,811
0061	Community Services	--	--	1,118
0093	Payments to Shared Service Arrangements	--	--	87,335
6030	Total Expenditures	<u>25,104</u>	<u>20,333</u>	<u>5,687,209</u>
1100	Excess (Deficiency) of Revenues Over (Under)	--	--	93,644
1100	Expenditures	--	--	93,644
1200	Net Change in Fund Balances	--	--	93,644
0100	Fund Balances - Beginning	--	--	1,790,687
3000	Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,884,331</u>

## Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

**CARROLL INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
FOR THE YEAR ENDED AUGUST 31, 2022

Year Ended August 31	1		2		3	
	Tax Rates				Assessed/Appraised Value For School Tax Purposes	
	Maintenance		Debt Service			
2013 and Prior Years	\$	Various	\$	Various	\$	Various
2014		1.0400		.3600		6,074,605,100
2015		1.0400		.3600		6,199,078,884
2016		1.0400		.3550		6,008,873,261
2017		1.0400		.3500		7,346,929,640
2018		1.0400		.3450		8,046,231,536
2019		1.0400		.3400		8,700,311,376
2020		.9700		.3300		9,386,446,458
2021		.9564		.3300		9,629,523,165
2022 (School Year Under Audit)		.9386		.3300		10,109,642,756

1000 Totals

9000 - Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Code

Column 20, the current year's levy is the ending levy due provided by Tarrant County Tax Office.

Column 3, Assessed/Appraised Value for School Tax Purposes is calculated based on current year total levy divided by current year total tax rate. This amount includes adjustments for frozen values.

## EXHIBIT J-1

10 Beginning Balance 9/1/21	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 8/31/22
\$ 659,872	\$ --	\$ 853	\$ 295	\$ (246,406)	\$ 412,318
42,328	--	1,058	366	(1)	40,903
42,545	--	927	321	--	41,297
36,736	--	834	285	--	35,617
52,750	--	14,827	4,990	(3,173)	29,760
85,103	--	15,848	5,257	(3,260)	60,738
179,201	--	78,949	25,810	(6,770)	67,672
248,458	--	102,982	35,035	(18,469)	91,972
418,146	--	(68,982)	(23,802)	(415,444)	95,486
--	128,250,928	94,540,459	33,239,240	(16,257)	454,972
<u>\$ 1,765,139</u>	<u>\$ 128,250,928</u>	<u>\$ 94,687,755</u>	<u>\$ 33,287,797</u>	<u>\$ (709,780)</u>	<u>\$ 1,330,735</u>
\$ --	\$ --	\$ 4,606,560	\$ --	\$ --	\$ (4,606,560)

**CARROLL INDEPENDENT SCHOOL DISTRICT**

DEBT SERVICE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED AUGUST 31, 2022

**EXHIBIT J-2**

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
	<b>REVENUES:</b>			
5700	Local and Intermediate Sources	\$ 33,591,768	\$ 33,605,552	\$ 13,784
5800	State Program Revenues	--	126,048	126,048
5020	Total Revenues	<u>33,591,768</u>	<u>33,731,600</u>	<u>139,832</u>
	<b>EXPENDITURES:</b>			
	Debt Service:			
0071	Principal on Long-Term Debt	19,030,000	18,485,000	545,000
0072	Interest on Long-Term Debt	13,541,780	13,541,779	1
0073	Bond Issuance Costs and Fees	150,000	14,600	135,400
	Total Debt Service	<u>32,721,780</u>	<u>32,041,379</u>	<u>680,401</u>
6030	Total Expenditures	<u>32,721,780</u>	<u>32,041,379</u>	<u>680,401</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	869,988	1,690,221	820,233
1200	Net Change in Fund Balance	<u>869,988</u>	<u>1,690,221</u>	<u>820,233</u>
0100	Fund Balance - Beginning	15,052,087	15,052,087	--
3000	Fund Balance - Ending	<u>\$ 15,922,075</u>	<u>\$ 16,742,308</u>	<u>\$ 820,233</u>

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
 USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAM  
 AS OF AUGUST 31, 2022

Data Control Codes		Responses
<b><u>Section A: Compensatory Education Programs</u></b>		
AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$ 170,093
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28 29, 30, 34)	\$ 899,604
<b><u>Section B: Bilingual Education Programs</u></b>		
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 142,491
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$ 232,948

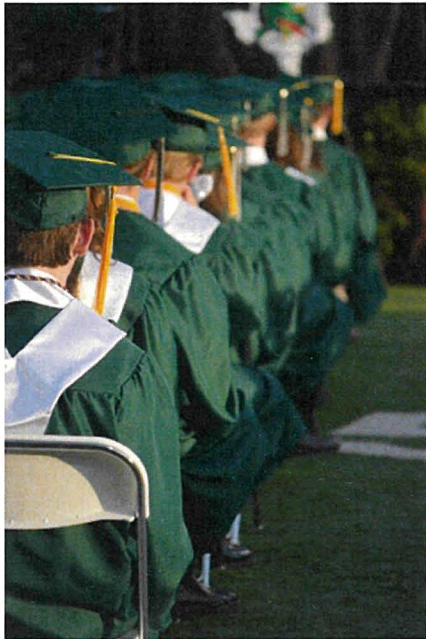
**CARROLL INDEPENDENT SCHOOL DISTRICT**SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS  
AS OF AUGUST 31, 2022

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





# Statistical Section



# STATISTICAL SECTION

This part of the Carroll Independent School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

## Contents

### Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

### Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property and sales taxes.

### Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the City's ability to issue additional debt in the future.

### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand how the District's financial activities take place and to help make comparisons over time and with other governments.

### Operating Information

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**CARROLL INDEPENDENT SCHOOL DISTRICT**

TABLE L-1 Page 1 of 2

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)

	Fiscal Year			
	2022	2021	2020	2019
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$10,524,360	\$13,296,161	\$17,343,936	\$21,246,744
Restricted	16,916,715	15,270,191	14,697,366	13,846,455
Unrestricted	(11,557,815)	(8,378,357)	(7,952,470)	(6,737,867)
Total Governmental Activities Net Position	\$15,883,260	\$20,187,995	\$24,088,832	\$28,355,332

Source: The Statement of Net Position for the Carroll Independent School District (Exhibit A-1)

Fiscal Year					
2018	2017	2016	2015	2014	2013
\$22,309,610	\$28,922,622	\$22,850,360	\$38,377,265	\$24,227,515	\$22,832,910
12,900,934	12,215,234	7,132,077	10,768,196	9,696,332	12,303,125
(4,917,403)	26,411,490	31,995,049	14,482,655	31,390,946	34,262,797
\$30,293,141	\$67,549,346	\$61,977,486	\$63,628,116	\$65,314,793	\$69,398,832

**CARROLL INDEPENDENT SCHOOL DISTRICT**

EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE  
 LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (UNAUDITED)

TABLE L-2 Page 1 of 2

	Fiscal Year		
	2022	2021	2020
<b>Expenses</b>			
Governmental Activities:			
Instruction	\$ 56,193,921	\$ 59,485,789	\$ 61,551,302
Instruction Resources and Media Services	1,271,442	1,430,502	1,368,636
Curriculum and Staff Development	1,230,483	1,423,840	1,365,561
Instructional Leadership	1,016,782	918,561	831,551
School Leadership	4,897,135	5,303,065	5,435,598
Guidance, Counseling & Evaluation Services	4,761,591	5,063,918	4,821,301
Health Services	1,048,788	1,171,076	1,310,146
Student Transportation	2,859,418	2,710,619	2,939,004
Food Services	3,707,233	3,060,375	3,186,350
Cocurricular/Extracurricular Activities	4,566,247	4,366,127	4,833,834
General Administration	4,580,253	5,211,093	4,523,190
Facilities Maintenance and Operations	10,914,357	11,411,799	10,549,468
Security and Monitoring Services	387,293	290,122	251,918
Data Processing Services	7,061,800	5,206,012	7,870,816
Community Services	50,709	20,214	53,200
Debt Service-Interest on Long Term Debt	12,866,703	13,611,187	13,742,162
Debt Service-Bond Issuance Cost & Fees	14,600	14,800	183,028
Facilities Repairs	376,763	925,829	1,655,300
Contracted Instructional Services	34,456,686	29,424,127	28,447,150
Payments to Fiscal Agent/Member Districts of SSA	87,335	75,812	80,509
Payments to Juvenile Justice Alternative Ed. Programs	0	4,257	-
Payments to Tax Increment Fund	7,361,858	7,730,260	8,466,782
Other Intergovernmental Charges	610,793	584,427	608,361
Total Governmental Activities Expenses	160,322,190	159,443,811	164,075,167
Business-Type Activities	-	-	-
Total Primary Government Expenses	\$ 160,322,190	\$ 159,443,811	\$ 164,075,167
<b>Program Revenues</b>			
Governmental Activities:			
Charges for services			
Instruction	\$ 1,412,373	\$ 909,249	\$ 1,418,322
Instructional Resources and Media Services	73,788	61,970	71,196
Curriculum and Staff Development	49,433	28,854	51,055
Instructional Leadership	15,381	7,616	12,930
School Leadership	226,557	129,379	152,721
Guidance, Counseling & Evaluation Services	344,489	287,039	316,862
Health Services	18,032	12,073	22,447
Student Transportation	43,776	22,847	43,166
Food Services	3,403,413	1,990,956	2,243,742
Cocurricular/Extracurricular Activities	1,038,019	513,444	816,867
General Administration	71,186	43,548	71,414
Facilities Maintenance and Operations	159,734	92,111	163,142
Security and Monitoring Services	43,767	7,552	11,611
Data Processing Services	29,776	18,985	35,408
Community Services	1,552	907	1,676
Facilities Repairs	-	-	-
Contracted Instructional Services	605,178	296,469	553,605
Operating Grants and Contributions	4,980,722	9,731,246	13,993,569
Total Governmental Activities Program Revenues	12,517,176	14,154,245	19,979,733
Business-Type Activities	-	-	-
Total Primary Government Program Revenues	\$ 12,517,176	\$ 14,154,245	\$ 19,979,733
<b>Net (Expense)/Revenue</b>			
Governmental Activities	\$ (147,805,014)	\$ (145,289,566)	\$ (144,095,434)
Business-Type Activities	-	-	-
Total Primary Government Net Expense	\$ (147,805,014)	\$ (145,289,566)	\$ (144,095,434)

Source: The Statement of Activities for the Carroll Independent School District (Exhibit B-1)

TABLE L-2 Page 2 of 2

Fiscal Year						
2019	2018	2017	2016	2015	2014	2013
\$ 56,864,561	\$ 37,962,798	\$ 52,487,950	\$ 50,267,811	\$ 49,555,265	\$ 48,333,919	\$ 46,773,254
1,394,376	986,603	1,310,650	1,240,819	1,387,042	1,303,230	1,154,951
1,343,491	1,083,635	1,298,649	1,039,007	1,111,869	813,084	784,696
667,373	417,732	582,261	455,108	426,021	434,514	436,906
5,055,176	3,211,053	4,628,435	3,679,383	3,664,451	3,373,249	3,415,153
4,499,962	2,610,937	3,688,509	2,823,715	2,771,420	2,368,654	2,321,022
942,729	591,142	855,265	689,288	721,097	700,974	684,245
2,910,957	2,247,510	2,647,031	2,540,245	2,632,885	2,451,218	2,412,709
3,856,549	3,029,666	3,655,061	3,062,717	2,639,804	2,865,602	2,845,033
5,969,067	3,853,624	4,588,687	4,730,719	4,701,114	4,528,107	4,385,658
4,475,274	3,889,777	4,048,700	3,259,148	3,203,532	2,951,897	2,405,934
9,738,163	7,267,979	8,797,780	7,325,756	7,130,280	7,202,017	6,796,849
374,158	274,678	237,761	269,427	236,232	121,374	130,430
7,180,254	2,220,541	2,209,540	3,537,714	3,461,029	3,503,296	2,989,805
96,203	53,758	80,837	49,048	51,363	70,989	21,938
13,434,362	11,245,769	9,552,928	13,279,744	11,866,012	13,649,181	12,492,184
546,033	1,094,277	89,680	267,901	356,161	83,659	120,978
1,527,957	6,042,463	511,545	-	-	-	-
33,082,123	26,290,781	19,388,953	16,514,133	14,501,194	13,024,265	14,173,812
50,523	36,443	-	581,877	585,937	627,284	627,062
-	-	-	-	-	-	-
7,215,895	6,985,814	6,151,684	5,378,155	5,211,586	4,896,705	4,313,200
616,845	582,037	539,237	-	-	-	-
161,842,031	121,979,017	127,351,143	120,991,715	116,214,294	113,303,218	109,285,819
-	-	-	-	-	-	-
\$ 161,842,031	\$ 121,979,017	\$ 127,351,143	\$ 120,991,715	\$ 116,214,294	\$ 113,303,218	\$ 109,285,819
\$ 1,593,652	\$ 1,692,124	\$ 1,687,643	\$ 594,654	\$ 558,358	\$ 441,313	\$ 490,891
89,095	98,303	120,331	-	-	-	-
71,788	129,441	117,755	-	-	-	-
10,037	10,201	9,462	-	-	-	-
167,887	190,134	177,925	-	-	-	-
286,334	317,272	294,839	-	-	-	-
15,754	16,103	15,159	-	-	-	-
41,403	43,457	43,920	400,436	404,004	396,034	400,828
3,194,661	3,138,572	2,954,610	2,929,678	2,689,443	2,623,522	2,406,774
1,064,081	1,166,476	1,395,388	3,912,178	3,920,217	3,257,663	2,534,672
68,795	80,182	65,523	699,110	1,148,432	440,806	399,661
152,065	152,260	152,764	359,841	275,632	418,349	210,718
25,667	21,309	14,527	-	-	-	-
34,293	36,929	32,851	-	-	-	-
2,301	2,088	2,258	-	-	-	-
8,782	-	-	-	-	-	-
613,721	513,329	375,286	-	-	-	-
11,071,468	-7,199,972	7,979,137	10,111,113	7,721,953	8,216,069	8,127,280
18,511,784	408,208	15,439,378	19,007,010	16,718,039	15,793,756	14,570,824
-	-	-	-	-	-	-
\$ 18,511,784	\$ 408,208	\$ 15,439,378	\$ 19,007,010	\$ 16,718,039	\$ 15,793,756	\$ 14,570,824
\$ (143,330,247)	\$ (121,570,809)	\$ (111,911,765)	\$ (101,984,705)	\$ (99,496,255)	\$ (97,509,462)	\$ (94,714,995)
-	-	-	-	-	-	-
\$ (143,330,247)	\$ (121,570,809)	\$ (111,911,765)	\$ (101,984,705)	\$ (99,496,255)	\$ (97,509,462)	\$ (94,714,995)

**CARROLL INDEPENDENT SCHOOL DISTRICT**

TABLE L-3 Page 1 of 2

GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (UNAUDITED)

	Fiscal Year			
	2022	2021	2020	2019
<b>Net (Expense)/Revenue</b>				
Governmental Activities	\$ (147,805,014)	\$ (145,289,566)	\$ (144,095,434)	\$ (143,330,247)
Business-Type Activities	-	-	-	-
Total Primary Government Net Expense	(147,805,014)	(145,289,566)	(144,095,434)	(143,330,247)
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Taxes				
Property Taxes Levied for General Purposes	95,170,056	91,656,631	91,323,516	90,960,452
Property Taxes Levied for Debt Service	33,473,313	31,622,214	31,000,404	29,696,552
Grants and Contributions (Unrestricted)	7,345,036	12,131,198	6,947,585	4,454,095
Investment Earnings	222,885	370,713	2,565,871	8,093,535
Miscellaneous Local and Intermediate Revenues	8,488,310	8,387,454	9,733,208	8,187,804
Special Items	(1,199,321)	-	-	-
Total Governmental Activities	143,500,279	144,112,046	141,570,584	141,392,438
Business-Type Activities	-	-	-	-
Total Primary Government	\$ 143,500,279	\$ 144,112,046	\$ 141,570,584	\$ 141,392,438
<b>Change in Net Position</b>				
Governmental Activities	\$ (4,304,735)	\$ (1,177,520)	\$ (2,524,850)	\$ (1,937,809)
Business-Type Activities	-	-	-	-
Total Primary Government	\$ (4,304,735)	\$ (1,177,520)	\$ (2,524,850)	\$ (1,937,809)

Source: The Statement of Activities for the Carroll Independent School District (Exhibit B-1)

TABLE L-3 Page 2 of 2

Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ (121,570,809)	\$ (111,911,765)	\$ (101,984,705)	\$ (99,496,255)	\$ (97,509,462)	\$ (94,714,995)
-	-	-	-	-	-
(121,570,809)	(111,911,765)	(101,984,705)	(99,496,255)	(97,509,462)	(94,714,995)
84,071,750	76,416,331	68,236,098	65,455,270	61,750,103	59,192,226
27,853,269	25,683,069	23,237,231	22,286,379	21,368,567	20,467,299
5,737,651	6,699,004	1,526,311	536,599	7,006,103	8,474,633
2,199,487	510,181	341,411	129,691	69,818	155,451
8,081,054	7,518,966	6,993,024	-	3,227,832	5,422,602
-	-	-	-	-	-
127,943,211	116,827,551	100,334,075	88,407,939	93,422,423	93,712,211
-	-	-	-	-	-
\$ 127,943,211	\$ 116,827,551	\$ 100,334,075	\$ 88,407,939	\$ 93,422,423	\$ 93,712,211
6,372,402	4,915,786	(1,650,630)	(11,088,316)	(4,087,039)	(1,002,784)
-	-	-	-	-	-
\$ 6,372,402	\$ 4,915,786	\$ (1,650,630)	\$ (11,088,316)	\$ (4,087,039)	\$ (1,002,784)



**CARROLL INDEPENDENT SCHOOL DISTRICT**

TABLE L-4 Page 1 of 2

FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCURAL BASIS OF ACCOUNTING)  
 (UNAUDITED)

	Fiscal Year			
	2022	2021	2020	2019
<b>General Fund</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Non-Spendable	217,871	187,215	263,436	133,730
Committed	10,048,565	10,573,725	10,573,725	10,573,725
Assigned	-	-	-	-
Unassigned	28,705,497	33,303,460	32,201,905	29,487,932
<b>Total General Fund</b>	<b>\$ 38,971,933</b>	<b>\$ 44,064,400</b>	<b>\$ 43,039,066</b>	<b>\$ 40,195,387</b>
<b>All Other Governmental Funds</b>				
Reserved				
Food Services	\$ -	\$ -	\$ -	\$ -
Debt Service Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Other Governmental Funds	-	-	-	-
Unreserved				
Debt Service Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Fund	-	-	-	-
Restricted				
Federal or State Funds Grant Restriction	-	-	-	-
Capital Acquisitions & Contractual Obligations	8,700,052	16,389,686	50,339,659	52,054,683
Retirement of Long-Term Debt	9,777,308	8,632,087	8,605,759	8,306,005
Other Restrictions of Fund Balance	6,968,643	6,420,000	5,875,000	5,335,000
Committed				
Special Revenue Funds	1,880,688	1,790,687	1,810,886	1,639,088
<b>Total All Other Governmental Funds</b>	<b>\$ 27,326,691</b>	<b>\$ 33,232,460</b>	<b>\$ 66,631,304</b>	<b>\$ 67,334,776</b>

**Note:** During 2011, the District implemented GASB 54, which changed the classifications for fund balances.

**Source:** The Balance Sheet of Governmental Funds for the Carroll Independent School District (Exhibit C-1)

Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
143,661	108,895	-	-	-	-
10,573,725	10,573,725	10,573,725	10,573,725	10,573,725	10,573,725
-	-	-	-	-	-
28,504,814	25,508,820	23,816,845	26,511,720	22,978,959	23,739,059
\$ 39,222,200	\$ 36,191,440	\$ 34,390,570	\$ 37,085,445	\$ 33,552,684	\$ 34,312,784
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	326,596	313,197
48,317,915	58,145	698,736	2,585,377	3,199,217	5,704,042
7,914,412	7,753,777	5,101,181	6,891,820	4,956,619	5,887,369
4,795,000	4,255,000	-	-	1,210,900	-
1,613,766	1,543,912	-	1,290,999	-	398,517
\$ 62,641,093	\$ 13,610,834	\$ 5,799,917	\$ 10,768,196	\$ 9,693,332	\$ 12,303,125

**CARROLL INDEPENDENT SCHOOL DISTRICT**

TABLE L-5 Page 1 of 2

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(UNAUDITED)

	Fiscal Year			
	2022	2021	2020	2019
<b>Revenues</b>				
Local and Intermediate Sources	\$ 144,943,054	\$ 136,474,961	\$ 140,463,642	\$ 140,624,790
State Program Revenues	12,090,232	17,308,065	12,731,281	12,385,832
Federal Program Revenues	5,457,345	3,775,387	4,231,074	4,241,358
<b>Total Revenues</b>	<b>162,490,631</b>	<b>157,558,413</b>	<b>157,425,997</b>	<b>157,251,980</b>
<b>Expenditures</b>				
Current:				
Instruction	51,299,754	49,488,977	48,990,421	46,794,711
Instruction Resources and Media Services	1,148,048	1,196,396	1,107,626	1,165,049
Curriculum and Staff Development	1,108,154	1,189,485	1,116,084	1,125,373
Instructional Leadership	909,716	762,700	670,612	548,763
School Leadership	4,493,922	4,403,040	4,325,685	4,161,262
Guidance, Counseling & Evaluation Services	4,331,952	4,213,604	3,853,219	3,741,858
Health Services	964,448	970,354	1,062,850	774,343
Student Transportation	2,852,099	2,268,161	3,800,563	4,054,530
Food Services	3,239,979	2,638,302	2,688,285	3,324,641
Cocurricular/Extracurricular Activities	4,367,633	3,652,858	4,052,245	6,480,573
General Administration	4,098,465	4,364,031	3,683,454	3,758,330
Plant Maintenance and Operations	10,585,053	11,582,596	11,425,652	10,002,662
Security and Monitoring Services	442,438	246,798	219,401	479,102
Data Processing Services	6,111,865	4,478,517	6,843,915	7,509,326
Community Services	43,984	16,578	40,434	80,542
Debt Service:				
Debt Service-Principal on Long-term Debt	18,617,396	16,825,000	15,892,164	15,627,835
Debt Service-Interest on Long-term Debt	13,545,326	14,414,104	14,579,620	13,624,767
Debt Service-Bond Issuance Cost and Fees	14,600	14,800	262,678	625,683
Capital Outlay:				
Facilities Acquisition and Construction	1,745,839	29,394,253	52,443,569	56,414,077
Intergovernmental:				
Contracted Instructional Services Between				
Public Schools	34,456,686	29,424,127	28,447,150	33,082,123
Payments to Fiscal Agent/Member Districts of SSA	87,335	75,812	80,509	50,523
Payments to Juvenile Justice Alternative Education	-	4,257	-	-
Payments to Tax Increment Fund	7,361,858	7,730,260	8,466,782	7,215,895
Other Intergovernmental Charges	610,793	584,427	608,361	616,845
<b>Total Expenditures</b>	<b>172,437,343</b>	<b>189,939,437</b>	<b>214,661,279</b>	<b>221,258,813</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(9,946,712)</b>	<b>(32,381,024)</b>	<b>(57,235,282)</b>	<b>(64,006,833)</b>
<b>Other Financing Sources and (Uses)</b>				
Debt Refunding Bonds Issued	-	-	2,247,861	12,245,000
Capital Related Debt Issued	-	-	55,872,139	68,265,000
Sale of Real or Personal Property	125,200	-	113,065	50,250
Transfers In	-	-	-	-
Issuance of Right to Use Leased Assets	22,597	-	-	-
Premium or Discount on Issuance of Bonds	-	-	3,386,918	2,279,762
Transfers Out	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	(2,244,494)	(13,166,309)
<b>Total Other Financing Sources (Uses)</b>	<b>147,797</b>	<b>-</b>	<b>59,375,489</b>	<b>69,673,703</b>
<b>Special Items</b>				
Special Item (Use)	1,199,321	-	-	-
<b>Net Change in Fund Balances</b>	<b>\$ (9,798,915)</b>	<b>\$ (32,381,024)</b>	<b>\$ 2,140,207</b>	<b>\$ 5,666,870</b>
<b>Debt Service as a percentage of noncapital expenditures</b>	<b>19.02%</b>	<b>19.66%</b>	<b>19.15%</b>	<b>18.36%</b>

Source: The Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds for the Carroll Independent School District (Exhibit C-2)

TABLE L-5 Page 2 of 2

Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 129,668,291	\$ 117,501,513	\$ 105,933,424	\$ 102,288,110	\$ 96,268,630	\$ 90,439,655
10,366,688	11,033,358	8,644,979	15,885,703	7,569,267	8,912,133
3,916,664	3,644,783	3,544,877	3,704,661	3,803,656	4,091,812
143,951,643	132,179,654	118,123,280	121,878,474	107,641,553	103,443,600
47,024,396	43,658,838	42,887,651	42,600,799	39,008,334	37,750,546
1,132,638	1,102,213	1,060,891	1,057,991	945,867	929,481
1,202,402	1,096,051	1,080,644	1,122,095	812,670	784,696
522,978	485,625	474,787	428,753	432,195	434,587
4,045,845	3,866,900	3,863,923	3,700,140	3,370,145	3,413,094
3,211,232	3,077,576	2,943,782	2,796,802	2,367,888	2,320,405
759,065	713,041	726,012	730,256	700,974	684,245
5,349,627	2,273,195	2,114,594	2,150,343	1,962,509	1,876,967
3,112,932	3,101,902	3,118,595	3,015,411	2,852,934	2,773,069
4,034,085	3,882,143	3,760,681	3,660,580	3,490,845	3,362,506
4,147,372	3,408,308	3,073,803	2,937,136	2,663,889	2,378,857
7,721,009	7,775,385	7,240,235	6,856,705	7,078,963	6,691,666
244,409	203,421	270,048	236,532	121,374	130,430
2,293,525	1,870,105	1,957,092	1,596,917	1,558,177	1,386,281
66,684	68,386	49,779	52,030	70,503	21,938
14,650,247	11,320,800	9,496,699	9,147,042	8,809,002	8,086,247
12,916,953	11,680,398	12,668,615	11,648,305	13,538,839	12,376,121
1,094,277	89,680	267,901	356,161	83,659	120,978
25,767,747	1,688,270	1,896,294	3,190,896	2,614,117	16,633,054
26,290,781	19,388,953	16,514,133	14,501,194	13,024,265	14,173,812
36,443	-	581,877	585,937	627,284	627,062
-	-	-	-	-	-
6,985,814	6,151,684	5,378,155	5,211,586	4,896,705	4,313,200
582,037	539,237	-	-	-	-
173,192,498	127,442,111	121,426,191	117,583,611	111,031,138	121,269,242
(29,240,855)	4,737,543	(3,302,911)	4,294,863	(3,389,585)	(17,825,642)
-	5,125,000	23,485,000	28,474,997	-	-
77,544,999	-	-	-	-	-
209,879	75,915	10,093	36,072	19,693	24,354
3,555,140	1,035,648	1,402,815	1,468,156	1,205,340	1,283,191
-	-	-	-	-	472,572
3,546,996	323,423	1,734,077	2,031,118	-	-
(3,555,140)	(1,035,648)	(1,402,815)	(1,468,156)	(1,205,340)	(1,283,190)
-	(5,308,969)	(28,257,251)	(30,229,466)	-	-
81,301,874	215,369	(3,028,081)	312,721	19,693	496,927
-	-	-	-	-	-
\$ 52,061,019	\$ 4,952,912	\$ (6,330,992)	\$ 4,607,584	\$ (3,369,892)	\$ (17,328,715)
18.35%	18.28%	18.57%	18.29%	20.98%	20.50%

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
(unaudited)

TABLE L-6 Page 1 of 2

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Local Sources:</b>				
Property Taxes	\$128,819,297	\$123,275,209	\$122,289,549	\$120,604,596
Tuition and Fees	818,362	915,710	724,426	758,565
Earnings on Investments	222,884	370,714	2,565,874	4,454,096
Facility Rental	527,292	335,302	510,104	538,928
Tax Increment Fund	5,934,584	6,049,200	7,214,798	6,123,926
Food Service	3,403,413	1,990,849	2,242,946	3,119,268
Co-Curricular Activities	452,876	314,235	678,897	1,197,488
Other Local Sources	4,764,346	3,223,743	4,237,048	3,827,923
<b>Total Local Sources</b>	<b>144,943,054</b>	<b>136,474,961</b>	<b>140,463,642</b>	<b>140,624,790</b>
<b>State Sources:</b>				
Per Capita	4,161,704	3,923,423	2,530,821	3,850,613
Foundation School Program	3,179,432	8,094,861	4,416,061	4,142,788
On-behalf Payments	4,410,116	4,456,897	4,399,779	3,625,314
Other State Sources	338,980	832,884	1,384,621	767,117
<b>Total State Sources</b>	<b>12,090,232</b>	<b>17,308,065</b>	<b>12,731,281</b>	<b>12,385,832</b>
<b>Federal Sources</b>	<b>5,457,345</b>	<b>3,775,387</b>	<b>4,231,074</b>	<b>4,241,358</b>
<b>Total Revenues</b>	<b>\$162,490,631</b>	<b>\$157,558,413</b>	<b>\$157,425,997</b>	<b>\$157,251,980</b>

Note: The Governmental Funds Revenues include the General, Debt Service, Capital Projects, and Special Revenue Funds.

Source: The Statement of Revenues, Expenditures, and Changes in Fund Balance for the Carroll Independent School District (Exhibit C-2)

TABLE L-6 Page 2 of 2

2018	2017	2016	2015	2014	2013
\$111,983,721	\$102,635,941	\$91,979,144	\$88,552,041	\$83,696,946	\$80,148,423
720,161	678,745	594,654	512,818	406,438	452,541
2,199,487	510,182	341,411	129,691	70,667	159,950
569,611	417,702	357,334	275,562	414,950	209,610
6,045,218	5,348,444	4,623,919	4,478,312	3,834,118	3,572,221
3,040,855	2,876,440	2,929,200	2,689,430	2,622,875	2,406,563
1,122,333	1,147,437	1,027,517	1,004,516	1,087,760	1,206,605
3,986,905	3,886,622	4,080,245	4,645,740	4,134,876	2,283,742
129,668,291	117,501,513	105,933,424	102,288,110	96,268,630	90,439,655
1,616,493	3,001,844	1,436,159	1,963,105	1,922,863	3,432,474
4,121,158	3,697,160	3,266,551	10,185,312	2,588,823	2,552,738
3,698,839	3,418,669	3,081,572	2,966,825	2,871,662	2,429,006
930,198	915,685	860,697	770,461	185,919	497,915
10,366,688	11,033,358	8,644,979	15,885,703	7,569,267	8,912,133
3,916,664	3,644,783	3,544,877	3,704,661	3,803,656	4,091,812
\$143,951,643	\$132,179,654	\$118,123,280	\$121,878,474	\$107,641,553	\$103,443,600

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

**TABLE L-7 Page 1 of 2**

<b>Fiscal Year</b>		<b>Residential Property (1)</b>		<b>Commercial Property (1)</b>		<b>Personal Property (1)</b>		<b>Other Property (1)</b>
2022	\$	8,354,150,249	\$	2,323,780,143	\$	676,734,221	\$	396,602
2021	*	7,845,456,409		2,331,849,313		680,746,976		392,118
2020	*	7,602,972,481		2,363,250,657		676,850,021		484,923
2019		7,018,393,764		2,233,699,517		624,980,358		1,019,327
2018		6,480,461,113		1,975,215,526		604,741,018		1,440,076
2017		5,904,187,468		1,829,452,609		541,982,556		734,868
2016		5,163,084,842		1,652,004,003		491,137,589		7,059,397
2015		4,887,077,787		1,569,130,914		512,036,669		99,988,798
2014		4,569,711,769		1,475,573,985		489,633,051		112,193,254
2013		4,427,838,331		1,408,315,339		447,910,390		126,066,288

(1) The value is the appraised value at original certification and can fluctuate due to property owner protests and preliminary appraisal values at the time of certification.

(2) Tax Rates are per \$100 of assessed value.

\* These amounts were adjusted from the prior year exhibits to show the correct amounts and calculation.

**Source:** Tarrant Appraisal District

TABLE L-7 Page 2 of 2

Total Assessed Value		Less Exemptions		Net Taxable Value		Total Tax Rate (2)
\$	11,355,061,215	\$	1,217,058,821	\$	10,138,002,394	1.2686
	10,858,444,816		1,267,287,952		9,591,156,864	1.2864
	10,643,558,082		1,054,296,977		9,589,261,105	1.3000
	9,878,092,966		1,005,302,623		8,872,790,343	1.3800
	9,061,857,733		1,023,803,261		8,038,054,472	1.3850
	8,276,357,501		867,559,634		7,408,797,867	1.3900
	7,313,285,831		682,094,825		6,631,191,006	1.3950
	7,068,234,168		718,225,373		6,350,008,795	1.4000
	6,647,112,059		740,824,899		5,906,287,160	1.4000
	6,410,130,348		740,135,975		5,669,994,373	1.4000



**CARROLL INDEPENDENT SCHOOL DISTRICT**  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(UNAUDITED)

TABLE L-8 Page 1 of 2

	Fiscal Year			
	2022	2021*	2020*	2019
<b><u>School District Direct Rates</u></b>				
Maintenance & Operations	\$ 0.9386	\$ 0.9564	\$ 0.9700	\$ 1.0400
Debt Service	0.3300	0.3300	0.3300	0.3400
<b>Total District Direct Rates</b>	<b>\$ 1.2686</b>	<b>\$ 1.2864</b>	<b>\$ 1.3000</b>	<b>\$ 1.3800</b>
<b><u>Overlapping Rates</u></b>				
Tarrant County	\$ 0.2290	\$ 0.2340	\$ 0.2340	\$ 0.2340
Tarrant County Hospital District	0.2244	0.2244	0.2244	0.2244
Tarrant County College	0.1302	0.1311	0.1302	0.1361
City of Colleyville	0.2918	0.3044	0.3068	0.3208
City of Flower Mound	0.4050	0.4365	0.4365	0.4390
City of Grapevine	0.2718	0.2826	0.2843	0.2893
City of Keller	0.3950	0.3950	0.3999	0.4133
City of Southlake	0.3900	0.4050	0.4100	0.4470
Town of Trophy Club	0.4450	0.4464	0.4464	0.4464
Town of Westlake	0.1679	0.1679	0.1602	0.1560
Trophy Club Mud #1	0.1059	0.1077	0.1127	0.1162
<b>Total Overlapping Rates</b>	<b>\$ 3.0559</b>	<b>\$ 3.1350</b>	<b>\$ 3.1454</b>	<b>\$ 3.2225</b>

Source: Tarrant Appraisal District

\* These amounts were adjusted from the prior year exhibits to show the correct amounts and calculation.

TABLE L-8 Page 2 of 2

Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400
0.3450	0.3500	0.3550	0.3600	0.3600	0.3600
<u>\$ 1.3850</u>	<u>\$ 1.3900</u>	<u>\$ 1.3950</u>	<u>\$ 1.4000</u>	<u>\$ 1.4000</u>	<u>\$ 1.4000</u>
\$ 0.2440	\$ 0.2540	\$ 0.2640	\$ 0.2640	\$ 0.2640	\$ 0.2640
0.2244	0.2279	0.2279	0.2279	0.2279	0.2279
0.1401	0.1447	0.1495	0.1495	0.1495	0.1490
0.3338	0.3391	0.3391	0.3559	0.3559	0.3559
0.4390	0.4390	0.4390	0.4390	0.4497	0.4497
0.2893	0.2893	0.2893	0.3284	0.3425	0.3457
0.4275	0.4300	0.4300	0.4347	0.4422	0.4422
0.4620	0.4620	0.4620	0.4620	0.4620	0.4620
0.4514	0.4730	0.4730	0.4840	0.4993	0.5184
0.1362	0.1370	0.1370	0.1563	0.1568	0.1568
0.1202	0.1272	0.1272	0.1311	0.1334	0.1334
<u>\$ 3.2679</u>	<u>\$ 3.3232</u>	<u>\$ 3.3380</u>	<u>\$ 3.4328</u>	<u>\$ 3.4832</u>	<u>\$ 3.5050</u>

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
**(UNAUDITED)**

**TABLE L-9**

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value (1)	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value (2)
Cellco Partnership	\$ 190,260,582	1	1.88%	-	-	-
Town Square Ventures LP	154,259,871	2	1.52%	-	-	-
SOL Westlake LP	101,079,627	3	1.00%	-	-	-
SLTS Grand Avenue II LP	81,268,755	6	0.80%	73,544,854	4	1.30%
TD Ameritrade Services Company Inc	71,944,250	5	0.71%	-	-	-
SC Southlake Owner LLC	66,858,035	4	0.66%	-	-	-
Carroll/1709 LTD	56,721,930	7	0.56%	44,199,577	6	0.78%
Excel Southlake LP	50,505,178	8	0.50%	-	-	-
MCI Communications Svcs Inc	42,222,939	9	0.42%	-	-	-
1400 Plaza Place Southlake Owner LLC	42,222,000	10	0.42%	-	-	-
Verizon Wireless Texas LLC	-	-	-	177,921,915	1	3.14%
Maguire Thomas Partners - Solana LP	-	-	-	154,390,475	2	2.72%
Town Square Ventures LP	-	-	-	132,403,530	3	2.34%
Sabre Headquarters LLC	-	-	-	45,538,856	5	0.80%
H & C Southlake Hilton LLC	-	-	-	30,000,000	7	0.53%
Inland Western Slake Corners K	-	-	-	27,700,000	8	0.49%
Cambridge 114 Inc	-	-	-	20,924,941	9	0.37%
Corelogic Solutions	-	-	-	20,912,558	10	0.37%
<b>Totals</b>	<b>\$ 857,343,167</b>		<b>8.46%</b>	<b>\$ 727,536,706</b>		<b>12.83%</b>

(1) Total assessed value of: \$ 10,138,002,394

(2) Total assessed value of: \$ 5,669,994,373

Source: Tarrant Appraisal District

**CARROLL INDEPENDENT SCHOOL DISTRICT**
**PROPERTY TAX LEVIES AND COLLECTIONS**
**LAST TEN YEARS**
**(UNAUDITED)**
**TABLE L-10**

Fiscal Year	Taxes Levied for the Fiscal Year		Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$	128,250,928	\$ 127,779,699	99.63%	\$ -	\$ 127,779,699	99.63%
2021		123,874,186	123,455,148	99.66%	(92,784)	123,362,364	99.59%
2020		122,023,804	121,410,155	99.50%	498,311	121,908,466	99.91%
2019		120,064,297	119,534,281	99.56%	232,501	119,766,782	99.75%
2018		111,249,354	111,025,778	99.80%	252,335	111,278,113	100.03%
2017		102,086,675	101,579,458	99.50%	470,878	102,050,336	99.96%
2016		91,691,218	90,969,355	99.21%	536,283	91,505,638	99.80%
2015		88,215,996	87,741,649	99.46%	363,699	88,105,348	99.87%
2014		82,481,769	81,942,172	99.35%	445,887	82,388,059	99.89%
2013		79,033,164	78,477,993	99.30%	476,736	78,954,729	99.90%

Source: Tarrant Appraisal District

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(UNAUDITED)

**TABLE L-11**

Fiscal Year	Governmental Activities			Total Primary Government	Total Debt Percentage of Personal Income (2)	Debt Per Capita (3)
	General Obligation Bonds (1)	Amortized Bond Premium (1)	Accreted Interest on Bonds (1)			
2022	\$ 311,395,002	\$ 10,553,004	\$ -	\$ 321,948,006	10.24%	10,134
2021	329,880,002	11,225,461	-	341,105,463	11.51%	10,536
2020	346,705,002	11,897,918	-	358,602,920	13.54%	11,628
2019	306,677,165	9,273,919	67,340	316,018,424	13.19%	10,530
2018	254,925,000	8,202,924	117,783	263,245,707	11.15%	8,900
2017	192,030,247	5,119,331	1,234,753	198,384,331	10.16%	6,739
2016	199,701,047	-	20,287,832	219,988,879	12.70%	7,776
2015	213,421,104	-	20,225,596	233,646,700	14.48%	8,395
2014	223,374,791	-	20,007,889	243,382,680	16.41%	8,874
2013	232,183,793	-	19,897,547	252,081,340	14.34%	9,309

(1) Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

(2) See Table L-15 for personal income data.

(3) See Table L-15 for capita data.

**CARROLL INDEPENDENT SCHOOL DISTRICT****TABLE L-12**
**RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)**

<b>Fiscal Year</b>	<b>General Obligation Bonds (1)</b>	<b>Less Amounts Available in Debt Service Funds</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Value (2)</b>	<b>Net Bonded Debt per Capita (3)</b>
2022	\$ 321,948,006	\$ 16,742,308	\$ 305,205,698	2.69%	9,607
2021*	341,105,463	15,052,087	326,053,376	3.00%	10,071
2020*	358,602,920	14,480,759	344,122,161	3.23%	11,158
2019	316,018,424	13,641,005	302,377,419	3.06%	10,076
2018	263,245,707	12,709,412	250,536,295	2.76%	8,470
2017	198,384,331	12,008,777	186,375,554	2.25%	6,331
2016	219,988,879	5,101,181	214,887,698	2.94%	7,596
2015	233,646,700	6,891,820	226,754,880	3.21%	8,147
2014	243,382,680	4,956,619	238,426,061	3.59%	8,694
2013	252,081,340	5,887,369	246,193,971	3.84%	9,091

(1) Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

(2) See Table L-7 for assessed value data.

(3) See Table L-15 for capita data.

\* These amounts were adjusted from the prior year exhibits to show the correct amounts and calculation.

**CARROLL INDEPENDENT SCHOOL DISTRICT**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF AUGUST 31, 2022  
(UNAUDITED)

**TABLE L-13**

<b>Taxing Authority</b>	<b>Gross Debt Outstanding</b>	<b>Percent Overlapping</b>	<b>Amount Applicable to School District</b>
<b>Direct:</b>			
Carroll Independent School District	\$ 321,948,006	100%	\$ 321,948,006
<b>Overlapping</b>			
City of Colleyville	2,275,000	0.49%	11,148
City of Flower Mound	151,795,000	0.01%	15,180
City of Grapevine	137,870,000	4.26%	5,873,262
City of Keller	45,665,000	0.80%	365,320
City of Southlake	62,312,000	85.40%	53,214,448
Tarrant County	404,360,000	4.00%	16,174,400
Tarrant Co College District	610,315,000	4.00%	24,412,600
Tarrant County Hospital District	12,825,000	4.00%	513,000
Trophy Club MUD #1	6,395,000	16.91%	1,081,395
City of Trophy Club	20,641,000	0.68%	140,359
City of Westlake	47,649,000	29.22%	13,923,038
Total Overlapping Debt			<u>115,724,148</u>
Total Direct and Overlapping Debt			<u>\$ 437,672,154</u>
Taxable Assessed Valuation			11,355,061,215
Ratio of Direct and Overlapping Debt to taxable assessed valuation			3.85%
Direct and Overlapping Debt per Capita			\$ 13,776 (1)

Note: The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

Source: The Municipal Advisory Council of Texas, as of 8/31/22.

(1) See Table L-15 for capita data.

**CARROLL INDEPENDENT SCHOOL DISTRICT**

**LEGAL DEBT MARGIN INFORMATION**

LAST TEN FISCAL YEARS

(UNAUDITED)

TABLE L-14 Page 1 of 2

	Fiscal Year			
	2022	2021*	2020*	2019
Total Assessed Value	\$ 11,355,061,215	\$ 10,858,444,816	\$ 10,643,558,082	\$ 9,878,092,966
Debt Limit (10% of Total Assessed Value)	\$ 1,135,506,122	\$ 1,085,844,482	\$ 1,064,355,808	\$ 987,809,297
Debt Applicable to Limit:				
General Obligation Bonds	\$ 311,395,002	\$ 329,880,002	\$ 346,705,002	\$ 306,677,165
Less Net Position in Debt Service Fund	16,742,308	15,052,087	14,480,759	13,641,005
Total Amount of Debt Applicable to Debt Limit	294,652,694	314,827,915	332,224,243	293,036,160
Legal Debt Margin	\$ 840,853,428	\$ 771,016,567	\$ 732,131,565	\$ 694,773,137
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25.95%	28.99%	31.21%	29.67%

Note: Per State finance law, the district's outstanding general obligation debt should not exceed 10 percent of the total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repayment of general obligation bonds.

Source: Tarrant Appraisal District and District Financial Information

\* These amounts were adjusted from the prior year exhibits to show the correct amounts and calculation.



Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 9,061,857,733	\$ 8,276,357,501	\$ 7,313,285,831	\$ 7,068,234,168	\$ 6,647,112,059	\$ 6,410,130,348
\$ 906,185,773	\$ 827,635,750	\$ 731,328,583	\$ 706,823,417	\$ 664,711,206	\$ 641,013,035
\$ 254,925,000	\$ 192,030,247	\$ 199,701,047	\$ 213,421,104	\$ 223,374,791	\$ 232,183,793
12,709,412	12,008,777	5,101,181	6,891,820	4,956,619	5,887,369
242,215,588	180,021,470	194,599,866	206,529,284	218,418,172	226,296,424
\$ 663,970,185	\$ 647,614,280	\$ 536,728,717	\$ 500,294,133	\$ 446,293,034	\$ 414,716,611
26.73%	21.75%	26.61%	29.22%	32.86%	35.30%

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

**TABLE L-15**

<b>Fiscal Year</b>	<b>Estimated Population (1)</b>	<b>Personal Income (1)</b>	<b>Per Capita Personal Income (1)</b>	<b>Unemployment Rate (2)</b>
2022	31,770	\$ 3,143,705,040	\$ 98,952	3.0%
2021	32,376	2,963,731,416	91,541	2.2%
2020	30,840	2,648,045,760	85,864	3.2%
2019	30,010	2,396,058,420	79,842	3.0%
2018	29,578	2,361,726,360	79,842	3.2%
2017	29,440	1,951,900,038	66,301	3.0%
2016	28,290	1,732,874,762	61,254	3.5%
2015	27,833	1,613,950,961	57,987	3.5%
2014	27,425	1,483,496,607	54,093	4.4%
2013	27,080	1,758,105,132	64,923	5.6%

(1) Source: North Central Texas Council of Governments

(2) Source: Texas Workforce Commission

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
**(UNAUDITED)**

**TABLE L-16**

Employer	2022			2013		
	Employees	Rank	Percentage of Total Employment (1)	Employees	Rank	Percentage of Total Employment (2)
Sabre Holdings	2,200	1	26%	3,500	1	54%
TD Ameritrade	1,867	2	22%	0	2	0%
Carroll Independent School District	1,176	3	14%	1,123	3	17%
Verizon Wireless	650	4	8%	637	4	10%
Keller Williams	600	5	7%	0	5	0%
Gateway Church	706	6	8%	560	6	9%
City of Southlake	491	7	6%	325	7	5%
Central Market	390	8	5%	360	8	6%
Methodist Hospital	200	9	2%	0	9	0%
Hilton Southlake	135	10	2%	245	10	4%
Totals	<u>8,415</u>		<u>100%</u>	<u>6,505</u>		<u>100%</u>

(1) Total Employment for 2022: 8,415

(2) Total Employment for 2013: 6,505

Source: City of Southlake Economic Development

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

**TABLE L-17**

<b>Fiscal Year</b>	<b>Teachers</b>	<b>Professional Support</b>	<b>Campus Administration</b>	<b>Central Administration</b>	<b>Educational Aides</b>	<b>Auxiliary Staff</b>	<b>Total Staff</b>
2022	564	110	27	22	95	253	1,071
2021	578	113	28	19	95	235	1,067
2020	570	107	28	18	93	239	1,054
2019	539 *	135 *	27	16	100	233	1,050
2018	564	100	26	15	98	259	1,062
2017	555	94	25	15	101	266	1,056
2016	538	94	26	14	98	248	1,018
2015	531	92	25	14	102	253	1,017
2014	522	79	25	12	102	259	999
2013	511	78	30	12	98	241	970

Source: Texas Education Agency TAPR and AEIS Reports and District records.

\* 30 Department Head Teachers were coded to Professional Support instead of Teacher for 2018-2019.

**CARROLL INDEPENDENT SCHOOL DISTRICT**

OPERATING STATISTICS  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

**TABLE L-18**

<b>Fiscal Year</b>	<b>Enrollment</b>	<b>Operating Expenditures (1)</b>	<b>Cost Per Student</b>	<b>Teaching Staff</b>	<b>Student to Teacher Ratio</b>	<b>Percentage of Students in Free/Reduced Lunch Program</b>
2022	8,389	\$ 128,133,618	15,274	564	14.9	1.4%
2021*	8,324	120,681,863	14,498	578	14.4	1.2%
2020	8,525	117,024,188	13,727	570	15.0	1.4%
2019	8,344	119,113,173	14,275	539	15.5	1.3%
2018	8,366	118,171,436	14,125	564	14.8	1.4%
2017	8,190	102,123,726	12,469	555	14.8	1.4%
2016	8,056	97,096,682	12,053	538	15.0	1.4%
2015	7,869	93,241,207	11,849	531	14.8	1.5%
2014	7,791	85,985,521	11,037	522	14.9	2.1%
2013	7,697	84,052,842	10,920	511	15.1	2.4%

(1) Operating expenditures are total expenditures less debt service, capital outlay and intergovernmental charges.

Source: Texas Education Agency TAPR and AEIS Reports and District records.

\*amounts were changed from prior report by the District to reflect correct amounts

**CARROLL INDEPENDENT SCHOOL DISTRICT**
**TABLE L-19 Page 1 of 2**

TEACHER BASE SALARIES  
LAST TEN FISCAL YEARS  
(Unaudited)

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Teachers By Highest Degree Held</b>				
No Degree	0.0%	0.0%	0.0%	0.2%
Bachelors	63.0%	73.8%	73.3%	73.7%
Masters	35.0%	25.9%	26.4%	25.9%
Doctorate	1.0%	0.3%	0.3%	0.2%
<b>Teachers By Years of Experience</b>				
Beginning Teachers	2.4%	3.4%	4.1%	3.1%
1-5 Years of Experience	24.9%	21.9%	23.9%	24.2%
6-10 Years of Experience	21.8%	21.0%	20.1%	17.4%
11-20 Years of Experience	31.1%	34.4%	32.8%	36.0%
Over 20 Years of Experience	19.8%	19.3%	19.1%	19.3%
<b>Average Salaries By Experience</b>				
Beginning Teachers	\$46,821	\$55,196	\$54,634	\$53,600
1-5 Years of Experience	55,461	56,919	56,238	54,281
6-10 Years of Experience	55,043	57,733	57,830	55,999
11-20 Years of Experience	59,261	60,715	60,365	58,720
Over 20 Years of Experience	66,138	69,641	65,662	64,323
<b>Average Years Experience of Teachers</b>				
	12	12.6	12.2	12.5
<b>Turnover Rate for Teachers</b>				
	17.1%	11.9%	11.4%	13.2%
<b>Instructional Staff Percent</b>				
	66.7%	67.7%	63.6%	67.3%

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

TABLE L-19 Page 2 of 2

2018	2017	2016	2015	2014	2013
0.0%	0.0%	0.0%	0.0%	0.2%	0.8%
73.3%	74.3%	74.3%	73.8%	73.9%	74.7%
26.0%	25.0%	25.3%	25.9%	25.5%	24.1%
0.7%	0.7%	0.4%	0.4%	0.4%	0.4%
2.1%	3.8%	3.3%	2.8%	1.7%	1.0%
23.2%	22.0%	19.6%	17.0%	17.2%	18.3%
18.7%	19.4%	21.8%	26.2%	25.7%	25.2%
36.6%	37.6%	37.8%	36.8%	37.7%	36.6%
19.4%	17.2%	17.4%	17.2%	17.7%	19.0%
\$52,250	\$50,695	\$49,511	\$48,254	\$47,111	\$45,124
52,817	51,544	50,366	48,914	48,388	47,060
54,562	53,316	52,106	51,049	49,741	48,949
57,214	55,913	54,520	53,467	52,375	51,565
62,961	62,121	61,106	60,534	60,437	58,369
12.6	12.5	12.6	12.9	13.2	13.3
10.0%	12.7%	13.1%	12.6%	11.5%	12.2%
65.3%	64.9%	65.7%	65.4%	64.3%	64.4%

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

**TABLE I-20**

Unaudited)	Original	2021									
Building	Construction	2022		2020	2019	2018	2017	2016	2015	2014	2013
High Schools											
Carroll Senior High (Grades 11-12)	1992										
Square Footage		410,052	327,151	327,151	327,151	327,151	327,151	327,151	273,001	273,001	273,001
Capacity		1,830	1,544	1,544	1,544	1,544	1,544	1,519	1,621	1,621	1,621
Enrollment		1,394	1,349	1,390	1,342	1,352	1,381	1,299	1,284	1,289	1,226
Carroll High (Grades 9-10)	1998										
Square Footage		267,483	267,392	267,392	267,392	267,392	267,392	267,392	208,322	208,322	208,322
Capacity		1,555	1,555	1,555	1,555	1,555	1,555	1,587	1,315	1,315	1,315
Enrollment		1,422	1,446	1,396	1,370	1,388	1,365	1,385	1,384	1,310	1,303
Middle Schools (Grades 7-8)											
Carroll (1)	2011										
Square Footage		166,146	166,146	166,146	166,146	166,146	166,146	166,146	164,412	164,412	164,412
Capacity		840	840	840	840	840	840	860	860	860	860
Enrollment		779	765	724	723	733	688	697	659	677	701
Dawson	2001										
Square Footage		159,059	144,591	144,591	144,591	144,591	144,591	144,591	135,768	135,768	135,768
Capacity		846	846	846	846	846	846	872	853	853	853
Enrollment		632	625	661	651	628	616	636	646	651	635
Intermediate Schools (Grades 5-6)											
Durham	1996										
Square Footage		138,571	136,375	136,375	136,375	136,375	136,375	136,375	136,375	136,375	136,375
Capacity		849	849	849	849	849	849	849	697	697	697
Enrollment		705	693	744	749	683	673	662	628	618	612
Eubanks	2001										
Square Footage		104,185	106,998	106,998	106,998	106,998	106,998	106,998	93,478	93,478	93,478
Capacity		688	688	688	688	688	688	688	657	657	657
Enrollment		555	567	603	569	588	602	578	572	612	609
Elementary Schools (Grades K-4)											
Johnson	1981										
Square Footage		92,399	92,399	92,399	92,399	76,119	76,119	76,119	76,437	76,437	76,437
Capacity		748	692	692	692	560	560	540	635	635	635
Enrollment		667	671	688	669	666	619	570	526	528	519
Carroll	1988										
Square Footage		92,330	92,330	92,330	92,330	77,123	77,123	77,123	72,588	72,588	72,588
Capacity		837	837	837	837	639	639	645	708	708	708
Enrollment		637	600	563	594	604	585	576	542	530	532
Walnut Grove (2)	2011										
Square Footage		105,511	91,600	91,600	91,600	91,600	91,600	91,600	96,397	96,397	96,397
Capacity		721	721	721	721	721	721	681	681	681	681
Enrollment		645	636	684	701	701	667	682	669	644	602
Rockenbaugh	1997										
Square Footage		87,683	77,479	77,479	77,479	77,479	77,479	77,479	80,273	80,273	80,273
Capacity		577	577	577	577	577	577	599	661	661	661
Enrollment		484	506	438	529	543	549	570	554	538	551
Old Union	2001										
Square Footage		83,471	83,471	83,471	83,471	68,810	68,810	68,810	69,664	69,664	69,664
Capacity		617	617	617	617	441	441	474	561	561	561
Enrollment		469	466	427	469	473	463	413	420	415	416
Other District Buildings (Sq. Ft.)											
Former Administration Building	1996	32,260	32,535	32,535	32,535	32,535	32,535	32,535	32,535	32,535	32,535
Administration Building	1969	127,873	131,368	131,368	131,368	131,368	131,368	131,368	131,368	131,368	131,368
Carroll Intermediate School (3)	1953	74,038	63,851	63,851	63,851	63,851	63,851	63,851	63,851	63,851	63,851
Transportation Facility	2000	12,501	10,108	10,108	10,108	10,108	10,108	10,108	10,108	10,108	10,108
Dragon Stadium	2000	32,482	30,263	30,263	30,263	30,263	30,263	30,263	30,263	30,263	30,263

(1) A new Carroll Middle School was opened in 2011. The previous Carroll Middle School is now the District's Administration Building.

(2) Walnut Grove Elementary was opened in 2011. Students previously attended Durham Elementary, which was located within Durham Intermediate School.

(3) No longer used as a school. Rented to Southlake Baptist Church and Gateway Church.

Source: District Records.





# Federal Awards







**SNOW GARRETT WILLIAMS**  
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Trustees  
Carroll Independent School District  
2400 North Carroll Avenue  
Southlake, Texas 76092

Members of the Board of Trustees:

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Carroll Independent School District, as of and for the year ended August 31, 2022, and the related notes to the financial statements, which collectively comprise Carroll Independent School District's basic financial statements, and have issued our report thereon dated January 19, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Carroll Independent School 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 Carroll Independent School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Carroll Independent School 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 or significant deficiencies may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Carroll Independent School 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*.

We noted certain matters that we reported to management of Carroll Independent School District in a separate letter dated January 19, 2023.

## **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.



Snow Garrett Williams  
January 19, 2023



**SNOW GARRETT WILLIAMS**  
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report on Compliance for Each Major Federal Program and  
Report on Internal Control Over Compliance Required by the Uniform Guidance

Board of Trustees  
Carroll Independent School District  
2400 North Carroll Avenue  
Southlake, Texas 76092

Members of the Board of Trustees:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Carroll Independent School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Carroll Independent School District's major federal programs for the year ended August 31, 2022. Carroll Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Carroll Independent School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2022.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

## ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

## **Report on Internal Control Over Compliance**

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

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

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

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

A handwritten signature in black ink that reads "Snow Garrett Williams". The signature is written in a cursive, flowing style.

Snow Garrett Williams  
January 19, 2023

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

**A. Summary of Auditor's Results**

**1. Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified?        Yes   X   No

One or more significant deficiencies identified that are not considered to be material weaknesses?        Yes   X   None Reported

Noncompliance material to financial statements noted?        Yes   X   No

**2. Federal Awards**

Internal control over major programs:

One or more material weaknesses identified?        Yes   X   No

One or more significant deficiencies identified that are not considered to be material weaknesses?        Yes   X   None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Version of compliance supplement used in audit: April 2022

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, para. 200.516(a)??        Yes   X   No

Identification of major programs:

<u>ALN(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D/84.425U	Elementary and Secondary School Emergency Relief fund (ESSER)

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

Auditee qualified as low-risk auditee?   X   Yes        No

**B. Financial Statement Findings**

NONE

**C. Federal Award Findings and Questioned Costs**

NONE

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

**EXHIBIT K-1**

(1)	(2)	(2A)	(3)
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal ALN	Pass- Through Entity Identifying Number	Federal Expenditures
<b>SPECIAL EDUCATION (IDEA) CLUSTER:</b>			
<u>U. S. Department of Education</u>			
Passed Through State Department of Education:			
IDEA-Part B, Formula	84.027A	226600012209196600	\$ 1,254,838
IDEA-Part B, Formula	84.027A	216600012209196600	3,743
Total ALN 84.027A			<u>1,258,581</u>
IDEA-Part B, Formula - ARP (COVID-19)	84.027X	225350012209195350	4,355
Total ALN 84.027			<u>1,262,936</u>
IDEA-Part B, Preschool	84.173A	226610012209196610	26,393
Total ALN 84.173			<u>26,393</u>
Total Passed Through State Department of Education			<u>1,289,329</u>
Total U. S. Department of Education			<u>1,289,329</u>
Total Special Education (IDEA) Cluster			<u>1,289,329</u>
<b>OTHER PROGRAMS:</b>			
<u>U. S. Department of Education</u>			
Passed Through State Department of Education:			
ESEA Title I Part A - Improving Basic Programs	84.010A	22610101220919	135,518
Career and Technical Education - Basic Grant	84.048	22420006220919	45,287
ESEA Title II, Part A - Teacher & Principal Training & Recruiting	84.367A	22694501220919	86,693
LEP Summer School	84.369A	69552002	4,987
Elementary and Secondary School Emergency Relief Fund (ESSER II-COVID 19)	84.425D	21521001220919	414,899
Elementary and Secondary School Emergency Relief Fund (ESSER III-COVID 19)	84.425U	21528001220919	205,139
Elementary and Secondary School Emergency Relief Fund (ESSER SUPP -COVID 19)	84.425U	21528043220919	1,043,347
Total ALN 84.425U			<u>1,248,486</u>
Total ALN 84.425			<u>1,663,385</u>
Total Passed Through State Department of Education			<u>1,935,870</u>
Total U. S. Department of Education			<u>1,935,870</u>
<u>U.S. Department of the Interior</u>			
Passed Through Texas Comptroller:			
Flood Control Act Lands	15.433	220-919	24,704
Total Passed Through Texas Comptroller			<u>24,704</u>
Total U.S Department of Interior			<u>24,704</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 3,249,903</u>

The accompanying notes are an integral part of this schedule.



**CARROLL INDEPENDENT SCHOOL DISTRICT**  
CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED AUGUST 31, 2022

A corrective action plan is not needed.

**CARROLL INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED AUGUST 31, 2022**

Basis of Presentation

The accompanying schedule of expenditures of federal awards ("the Schedule") includes the federal grant activity of Carroll Independent School District. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These 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. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Carroll Independent School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Reconciliation

The following table reconciles expenditures per the Schedule of Expenditures of Federal Awards to the federal program revenues per the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

Federal Program Revenues	\$	5,457,345
Less:		
Qualified School Construction Bonds (QSCB) Subsidies		(1,882,149)
SHARS		(321,093)
K-12 COVID-19 Testing Program - FMV of Kits		(4,200)
Total Expenditures of Federal Awards	\$	<u>3,249,903</u>

COVID-19 Testing Kits

The K-12 COVID-19 Testing Program Kits were provided by the Texas Department of State Health Services in coordination with the Texas Education Agency and recorded at fair market value of \$4,200 at the time of receipt.

## **OTHER INFORMATION SECTION**

**CARROLL INDEPENDENT SCHOOL DISTRICT**

FUND BALANCE AND CASH FLOW CALCULATION WORKSHEET (UNAUDITED)

GENERAL FUND

AS OF AUGUST 31, 2022

**EXHIBIT J-3**

Data Control Codes	Explanation	Amount
1	Total General Fund Fund Balance as of August 31, 2022 (Exhibit C-1 object 3000 for the General Fund only)	\$ 38,971,933
2	Total General Fund Nonspendable Fund Balance (from Exhibit C-1 - total of object 341X-344X for the General Fund only)	217,871
3	Total General Fund Restricted Fund Balance (from Exhibit C-1 - total of object 345X-349X for the General Fund only)	--
4	Total General Fund Committed Fund Balance (from Exhibit C-1 - total of object 351X-354X for the General Fund only)	10,048,565
5	Total General Fund Assigned Fund Balance (from Exhibit C-1 - total of object 355X-359X for the General Fund only)	--
6	Estimated amount needed to cover fall cash flow deficits in the General Fund (net of borrowed funds and funds representing deferred revenues)	10,577,858
7	Estimate of two months' average cash disbursements during the fiscal year	21,155,716
8	Estimate of delayed payments from state sources (58XX)	--
9	Estimate of underpayment from state sources equal to variance between Legislative Payment Estimate (LPE) and District Planning Estimate (DPE) or District's calculated earned state aid amount	--
10	Estimate of delayed payments from federal sources (59XX)	--
11	Estimate of expenditures to be reimbursed to General Fund from Capital Projects Fund (uses of General Fund cash after bond referendum and prior to issuance of bonds)	--
12	General Fund Optimum Fund Balance and Cash Flow (Lines 2+3+4+5+6+7+8+9+10+11)	42,000,010
13	Excess (Deficit) Unassigned General Fund Fund Balance (1-12)	\$ (3,028,077)

