



ANNUAL COMPREHENSIVE

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED AUGUST 31, 2022



Annual Comprehensive Financial Report of the
San Angelo Independent School District
San Angelo, Texas

For the Year Ended August 31, 2022

Prepared by the
Finance Department of San Angelo Independent School District

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CERTIFICATE OF BOARD

San Angelo Independent School District
Name of School District

Tom Green
County

226-903
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and approved _____disapproved _____ for the year ended August 31, 2022, at a meeting of the Board of Trustees of such school district on the 17th day of January, 2023.

Signature of Board Secretary

Signature of Board President

INTRODUCTORY SECTION



San Angelo Independent School District
Business & Support Services
1621 University Avenue
San Angelo, Texas 76904
(325) 947-3766 PHONE
(325) 949-1415 FAX

January 12, 2023

Members of the Board of Trustees and Citizens of
San Angelo Independent School District

We are submitting this annual comprehensive financial report of the San Angelo Independent School District (the District) for the fiscal year ended August 31, 2022.

This report is presented in four sections as described below.

1. **Introductory Section** – This section includes this transmittal letter, a list of principal District officials, the District’s organization chart, and the ASBO Certificate of Excellence in Financial Reporting for the prior fiscal year annual comprehensive financial report.
2. **Financial Section** – This section includes the independent auditor’s report on the audit of the financial statements, management’s discussion and analysis of the District’s financial performance for the year, the District’s financial statements, notes to the financial statements, and supplementary statements and schedules.
3. **Statistical Section** – This section is not audited. It includes selected financial and demographic information, primarily in table form for multiple years.
4. **Single Audit Section** – This section includes the independent auditor’s reports on internal control and compliance with laws, regulations, and grant provisions. Related schedules and documents required by laws and regulations are also included as listed in the table of contents.

Management is fully responsible for the completeness and reliability of all the information included in this report. As a basis for making these representations, management of the District has established an internal control framework designed both to protect the District’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District’s financial statements in conformity with generally accepted accounting principles in the United States of America (GAAP). Because the benefits of internal control should be more than their cost, the District’s internal control framework has been designed to provide reasonable rather than absolute assurance that the financial statements will not contain material misstatements. In our capacity as management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Texas Education Code requires an annual audit of the District’s financial statements. The Board of Trustees selected Eide Bailly, LLP, a firm of licensed certified public accountants to audit this year’s financial statements. The goal of an independent audit is to provide reasonable assurance that the financial statements of the District for fiscal year ended August 31, 2022, are

free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended August 31, 2022, are fairly stated in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The independent audit of the District's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of federal awards. These reports are found in the fourth section of the report, the single audit section.

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

PROFILE OF THE DISTRICT

The San Angelo Independent School District is located 210 miles west northwest of Austin, Texas in Tom Green County, Texas. Established in 1903, San Angelo Independent School District is comprised of 17 elementary schools, 3 middle schools, 2 high schools and 2 special program facilities. Situated in San Angelo, Texas, a city of over 100,000 in population, the District had over 13,500 students for the 2021-22 school year. The District is not included in any other governmental reporting entity and there are no component units. The District is empowered to levy property taxes on all real and personal property within its boundaries.

The District is governed by a seven member Board of Trustees (the Board) elected by the registered voters of the District. The Board is responsible, among other things, for adopting and amending the annual budget, making policy, setting goals, approving contracts and personnel appointments, and hiring the superintendent. The superintendent is responsible for carrying out the policies of the Board and for overseeing the day-to-day operations of the District.

The mission of San Angelo Independent School District is to provide each student with a meaningful, challenging education, delivered in a safe learning environment that prepares him or her to graduate from high school as a lifelong learner who is a capable, productive, and contributing citizen. The District offers a state mandated, locally derived, standards-based curriculum to all of its students and is focused on high levels of student achievement. Through the District's pre-kindergarten through twelfth grade programs, students receive instruction in over seventy different areas; from reading and language arts in the lower grades to advanced calculus, physics, fine arts, and vocational programs in the District's secondary schools. In addition to regular education programs, the District offers additional services in programs such as special education, bilingual,

gifted and talented, and academic alternative education. Although District enrollment has remained stable with slight increases and decreases over the previous seven years, the global health crisis caused a drop in enrollment figures. In fiscal 2022, District enrollment was 13,798 students. Fall enrollment for fiscal 2023 was 13,561.

The annual budget is the foundation of the District's financial planning and control. After public hearings, the budget is legally enacted by Board resolution each year prior to September 1. Once it is approved, the budget can only be changed at the function and fund level by amendments approved by a majority of the members of the Board. Budget-to-actual comparisons are provided in this report for the General Fund, the Food Service special revenue fund, and the Debt Service Fund. The comparison for the General Fund is presented in Exhibit G-1, and the Child Nutrition and Debt Service funds in Exhibits J-2 and J-3, respectively. Most of the other special revenue funds are controlled by project-length budgets approved by State and Federal grantor agencies, for which budget-to-actual comparisons are not included in this report. A project-length spending plan, as outlined in the ordinances, which authorized the bond issues, is used for the Capital Project Fund.

FACTORS AFFECTING FINANCIAL CONDITION

The financial statement information can be better understood when it is considered from the broad perspective of the specific environment within which the District operates.

Local economy – West Texas cities tend to be widely dispersed. San Angelo is one of the largest cities in West Central Texas and serves as the center of commerce, government, medicine, and religion for an expansive area. Three U. S. highways and one State highway serve San Angelo. The San Angelo Regional Airport (Mathis Field) also provides flights that link up with national and international airlines.

San Angelo continues to have a well-diversified economic base with major sectors that include manufacturing, medical care, education, trade, business services, and military. San Angelo is a regional service center for business and agriculture over a fourteen county area. Walmart, Inc./Sam's, AEP Texas North, The Ethicon division of Johnson and Johnson, Hirschfeld Steel, San Angelo Community Medical Center, Shannon Medical Center, Goodfellow Air Force Base, Angelo State University and many other local businesses provide the economic potential of San Angelo. The District benefits from increased tax values and enrollments despite uncertainties in the local and State economies.

There are two institutions of higher education in San Angelo. Angelo State University (ASU), a member of the Texas Tech University system, delivers undergraduate programs in the liberal arts, sciences and professional disciplines. ASU offers more than 100 majors and concentrations that lead to 50 undergraduate degrees, 32 master's degrees and 2 doctoral degrees. Howard College has an extension campus in San Angelo, which concentrates predominately in technical and occupational fields of study. The District offers dual credit courses for high school students with credit programs with both ASU and Howard College.

Financial Policies – The District follows school board policy in administration of the District educational and business transactions. Texas Association of School Boards assists in drafting legal policy and the District adopts local policy to augment those policies when necessary. District policy can be found on the District website at SAISD.org. Additional information regarding accounting policies and Governmental Accounting Standards Board pronouncements followed in preparation of these financial statements can be found in the Notes to the Financial Statements in the Financial Section of this Annual Comprehensive Financial Report.

Long-term financial planning – With the continued decline in enrollment, the district has excess capacity at a few elementary campuses. A facility assessment was conducted by an architectural firm and a sustainability plan that could repurpose several campuses has been presented to the board of trustees for consideration. It is critical that the district put dollars into the budget to maintain building systems and structures to make sure our campuses provide the best environment for learning that we can.

The combination of applying conservative financial principles and proactive staffing guidelines and practices, has enabled San Angelo ISD to maintain a strong financial position. By ensuring that the budget process is guided by District goals and driven by instructional focus, future budgets should be able to meet all of the Districts current needs.

Major Initiatives – Safety and security have come to the forefront in schools across the state and nation. The district is committed to funding multiple construction projects to enhance security and mitigate potential events. Staff trainings and the relationship between local law enforcement and the district are added layers to a multi-prong approach to making our students and staff as safe as possible.

AWARDS AND ACKNOWLEDGMENTS

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to San Angelo ISD for its annual comprehensive financial report for the fiscal year ended August 31, 2021. This award certifies that the Annual Comprehensive Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the ASBO. To be awarded a Certificate of Excellence, a school district must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Excellence is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Excellence Program's requirements and we are submitting it to the ASBO to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire finance and administrative department staff. We express our appreciation to all of the staff members who assisted and contributed to the preparation of this report. Special

Board of Trustees and Citizens
January 12, 2023

appreciation goes to the District's independent auditors' staff. Credit must also be given to the members of the Board of Trustees for their support and leadership.

Respectfully submitted,

A handwritten signature in cursive script that reads "Carl Dethloff".

Dr. Carl Dethloff,
Superintendent

Signed reports on file with the District

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
DISTRICT OFFICIALS, STAFF AND CONSULTANTS
FOR THE YEAR ENDED AUGUST 31, 2022



Board members are elected at-large and from single member districts for four-year terms. They are volunteers who serve without pay. San Angelo ISD School Board elections are held the first Saturday in May of odd-numbered years. Board members serve staggered terms so that there are always experienced members on the board.

Mr. Lanny Layman



Trustee
Member At-Large
Term Expires: 2023

Mr. Bill Dendle



Board Vice President
Single Member District 1
Term Expires: 2025

Mrs. Lupita Arroyo



Trustee
Single Member District 2
Term Expires 2025

Dr. Taylor Kingman



Board Treasurer
Single Member District 3
Term Expires: 2025

Mrs. Ami Mizell-Flint



Trustee
Single Member District 4
Term Expires: 2025

Mr. Max Parker



Board President
Single Member District 5
Term Expires: 2023

Mr. Gerard Gallegos



Board Secretary
Single Member District 6
Term Expires: 2023



SAN ANGELO INDEPENDENT SCHOOL DISTRICT
DISTRICT OFFICIALS, STAFF AND CONSULTANTS
FOR THE YEAR ENDED AUGUST 31, 2022

Selected Administrative Staff

| <u>Name</u> | <u>Position</u> | <u>Length of Service</u> | <u>Total School District Service</u> |
|----------------------|--|------------------------------|--|
| Dr. Carl Dethloff | Superintendent of Schools | 13 Years | 30 Years |
| Greg McIntyre | Deputy Superintendent | 2 Year | 32 Years |
| Dr. George McFarland | Assistant Superintendent of Business & Support Services | 3 Years | 31 Years |
| Dr. Farrah Gomez | Assistant Superintendent of Human Resources & Professional Learning | 19 Years | 27 Years |
| Dr. Jana Rueter | Assistant Superintendent of Curriculum & Instruction | 6 Years | 30 Years |
| Wes Underwood | Chief of School Leadership | 3 Years | 25 Years |
| Shelly Huddleston | Executive Director of Teaching and Learning | 27 Years | 27 Years |
| Rodney Chant | Executive Director of Athletics | 3 Years | 29 Years |
| Whitney Watson Wood | Executive Director of Communications | 2 Year | 2 Year |
| Hope Flores | Director of Financial Services | 24 Years | 24 Years |
| Jaime Guerrero | Comptroller | 4 Years | 4 Years |

Consultants and Advisors

| | | |
|-------------------|----------------------------|----------------|
| Auditors | Eide Bailly, LLP | Abilene, Texas |
| Legal Counsel | Walsh Gallegos P.C. | Austin, Texas |
| Bond Counsel | Norton Rose Fulbright, LLP | Dallas, Texas |
| Financial Advisor | Hilltop Securities Inc. | Dallas, Texas |

BOARD OF TRUSTEES

SAN ANGELO INDEPENDENT SCHOOL DISTRICT

Administrative Organizational Chart

School Year 2021-2022

Superintendent
Dr. Carl Dethloff

Deputy Superintendent
District Services
Greg McIntyre

Assistant Superintendent
Business & Support Services
Dr. George McFarland

Assistant Superintendent
Curriculum & Instruction
Dr. Jana Rueter

Assistant Superintendent
Human Resources &
Professional Learning
Dr. Farrah Gomez

Executive Director
of Athletics
Rodney Chant

Executive Director of
Teaching & Learning
Shelly Huddleston

Director of
Federal Programs
Raquel Taunton

Director of
Assessment & Counselors
Rebecca Cline

Director of Career &
Technical Education
Roxanne Fentress

Director of
Student Services
Dr. Jason Skelton

Director of Bilingual &
English Learner Services
Christy Diego

Director of Technology
Charlyn Doyle

Director of Data Services
Dr. Jason Skelton

Director of Child Nutrition
Michelle Helms

Director of Facilities
Tony Kennedy

Director of Transportation
Jason Ketchum

Director of Purchasing
Jason Henry

Comptroller
Jaime Guerrero

Director of Financial Services
Hope Flores

Coordinator
Financial Services
Kathy Jordan

Director of
Special Programs
Dian Underwood

Director of Advanced
Academics & Fine Arts
Tiffany Huebner

Director of Elementary
Curriculum & Instruction
Rikke Black

Director of Secondary
Curriculum & Instruction
Vacant

Cash Manager/
Budget Coordinator
Christina Chavez

Director of Human Resources
& Professional Learning
Pattie Griffin

Coordinator of
Human Resources
Judy Dethloff

Coordinator of
Human Resources
Laura Howard

Compensation Specialist
Donna Houser

Human Resource
Specialist
Jennifer Schmidt

Assistant Director
of Athletics
Mark Baker

Chief of School Leadership
Wes Underwood

Executive Director
of Communications
Whitney Watson Wood



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

San Angelo 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

FINANCIAL SECTION



Independent Auditor's Report

To the Board of Trustees of
San Angelo Independent School District
San Angelo, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the San Angelo 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 District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of August 31, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Adoption of New Accounting Standard

As discussed in Note R to the financial statements, the District has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended August 31, 2022. Accordingly, a restatement has been made to the governmental activities' net position as of September 1, 2021, to restate beginning net position. Our opinions are 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory 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 basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated January 12, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Eide Bailly LLP

Abilene, Texas
January 12, 2023

Management's Discussion and Analysis San Angelo Independent School District

In this section of the Annual Financial and Compliance Report, we, the managers of San Angelo Independent School District, discuss and analyze the District's financial performance for the fiscal year ended August 31, 2022. Please read it in conjunction with, the independent auditors' report immediately preceding this report, and the District's Basic Financial Statements, which begin with Exhibit A-1.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (Exhibits A-1 and B-1). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (starting with Exhibit C-1) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the District were sold to departments within the District or to external customers and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the district.

The notes to the financial statements (immediately after Exhibit E-2) provide narrative explanation or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining and other statements for non-major funds contain even more information about the District's individual funds. These are not required by TEA. The sections labeled Compliance Schedules (Required by Texas Education Agency) and Single Audit Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

REPORTING THE DISTRICT AS A WHOLE

The Statement of Net Position and the Statement of Activities

The analysis of the District's overall financial condition and operations begins with Exhibit A-1, the Statement of Net Position. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Position presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the

difference reported as net position.

The Statement of Activities presents all of the revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as tuition received from students from outside the district, food service revenues, rents, and curriculum sales (program revenues), and revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years. Following GASB Statements 68 and 75, the District has recognized its proportionate share of Texas Teacher Retirement System's net pension and net OPEB liability as a participating employer.

These two statements report the District's net position and changes to it. The District's net position (the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources) provides one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider non-financial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Position and the Statement of Activities, we divide the District into two kinds of activities:

- Governmental activities – Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- Business-type activities – The District charges a fee to “customers” to help it cover all or most of the cost of services it provides in the concessions activity. The District has transferred the rights to sell advertising on a jumbo-tron scoreboard at the District's athletic stadium as payment for installation of the jumbo-tron.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements begin with Exhibit C-1 and provide detailed information about the most significant funds—not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under the Elementary and Secondary Education Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities) The District's two kinds of funds, governmental and proprietary, use different accounting approaches.

- Governmental funds – Most of the District's basic services are reported in governmental

funds. These funds use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.

- Proprietary funds – The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. The District's enterprise funds, one category of proprietary funds, are the business-type activities reported in the government-wide statements but contain more detail and additional information, such as cash flows. The internal service fund (the other category of proprietary funds) reports activities that provide services for the District's other programs and activities through the District's risk management program for worker's compensation.

THE DISTRICT AS TRUSTEE

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for money raised by student activities and alumnae scholarship programs. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position, Exhibits E-1 and E-2. We exclude these resources from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

As management of the San Angelo Independent School District, we offer readers of these financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended August 31, 2022.

Financial Highlights

- Assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources of the most recent fiscal year by \$92,901,648 (*net position*).
- The District's Unrestricted Net Position of (\$21,439,441) remains a deficit. The deficit is mostly a result of the implementation of GASB Statement No. 75 (fiscal year 2018) and GASB Statement No. 68 (fiscal year 2015).
- The District reported an ending fund balance of \$62,566,081 in the General Fund. This is an increase of \$14,574,316 compared to prior year. The increase is largely due to the use of Elementary and Secondary School Emergency Relief (ESSER) funds provided by the federal government.
- Net investment in capital assets decreased by \$2,297,034 as major construction projects continue to be paused for the current fiscal year.

GOVERNMENT WIDE FINANCIAL ANALYSIS

Our analysis focuses on the net position (Table I) and changes in net position (Table II) of the District's governmental and business-type activities. A District's net position, over a specific period, can be a useful indicator of financial position.

Table I
San Angelo Independent School District's Net Position

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total</u> | |
|---------------------------|--------------------------------|------------------|---------------------------------|---------------|------------------|------------------|
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| Assets: | | | | | | |
| Current and Other Assets | \$ 85,398 | \$ 71,859 | \$ 122 | \$ 152 | \$ 85,520 | \$ 72,010 |
| Capital Assets | 188,404 | 196,272 | 257 | 342 | 188,661 | 196,615 |
| Total Assets | 273,802 | 268,131 | 379 | 494 | 274,181 | 268,625 |
| Deferred Outflows: | 25,677 | 28,385 | - | - | 25,677 | 28,385 |
| Liabilities: | | | | | | |
| Current Liabilities | 8,979 | 14,861 | 38 | 46 | 9,016 | 14,907 |
| Long Term Liabilities | 147,438 | 170,410 | 269 | 344 | 147,707 | 170,754 |
| Total Liabilities | 156,417 | 185,271 | 306 | 390 | 156,723 | 185,661 |
| Deferred Inflows: | 50,233 | 40,306 | - | - | 50,233 | 40,306 |
| Net Position: | | | | | | |
| Net Investment in | | | | | | |
| capital assets | 105,910 | 108,207 | - | - | 105,910 | 108,207 |
| Restricted | 8,431 | 7,127 | - | - | 8,431 | 7,127 |
| Unrestricted | (21,512) | (44,396) | 73 | 104 | (21,439) | (44,292) |
| Total Net Position | \$ 92,829 | \$ 70,938 | \$ 73 | \$ 104 | \$ 92,902 | \$ 71,043 |

**in Thousands*

Net Position and Changes in Net Position. Unrestricted net position of (\$21,439,441) remains a deficit due to adjustments made in the prior fiscal year from the implementation of GASB Statement No. 75 for OPEB (other post-employment benefit) plans. The deficit is primarily due to reporting the District's proportionate share of the net OPEB liability.

GASB Statement No. 75 establishes financial reporting standards and accounting standards for state and local government defined other postemployment benefit (OPEB) plans and defined contribution OPEB plans. It requires that, at transition, a government recognize a beginning deferred outflow of resources for its OPEB contributions, if any, made subsequent to the measurement date of the beginning net OPEB liability. The effects of adoption of this statement has no impact on the District's governmental fund financial statements; however, adoption has resulted in certain changes to the presentation of the District's government wide financial statements. Although the District reports a deficit in the govern-wide net position, the actual liability does not require the use of current resources and has sufficient fund balance to meet the District's ongoing obligations.

In the business-type activities, current operations of the Concession Fund increased by \$6 thousand as extra-curricular activities returned to normal. A continued disruption in the business economy caused the charges for interest and depreciation in the Jumbotron Fund to exceed advertising revenue, resulting in a \$37 thousand reduction in net position. The results of the governmental and business-type activities compared to the results from the prior year are summarized in Table II.

Table II
San Angelo Independent School District's Changes in Net Position

| | Governmental Activities | | Business-type Activities | | Total | |
|---|-------------------------|------------------|--------------------------|---------------|------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 5,860 | \$ 3,799 | \$ 176 | \$ 170 | \$ 6,036 | \$ 3,969 |
| Operating Grants & Contributions | 35,636 | 30,116 | - | - | 35,636 | 30,116 |
| General Revenues: | | | | | | |
| Maint & Oper Taxes | 56,743 | 55,425 | - | - | 56,743 | 55,425 |
| Debt Service Taxes | 8,165 | 9,063 | - | - | 8,165 | 9,063 |
| State Aid Formula Grants | 58,559 | 56,583 | - | - | 58,559 | 56,583 |
| Investment Earnings | (216) | 87 | - | - | (216) | 87 |
| Miscellaneous | 3,154 | 2,709 | - | - | 3,154 | 2,709 |
| Total Revenues | 167,902 | 157,782 | 176 | 170 | 168,078 | 157,951 |
| Expenses: | | | | | | |
| Instruction, Curriculum, Media Service | 80,349 | 87,215 | - | - | 80,349 | 87,215 |
| Instructional/School Leadership | 9,579 | 10,055 | - | - | 9,579 | 10,055 |
| Guidance, Social Work, Health & Transportation | 11,902 | 12,136 | - | - | 11,902 | 12,136 |
| Child Nutrition | 8,351 | 7,405 | - | - | 8,351 | 7,405 |
| Co-curricular Activities | 6,332 | 5,722 | - | - | 6,332 | 5,722 |
| General Administration | 3,118 | 3,242 | - | - | 3,118 | 3,242 |
| Plant Maint, Security, Data Processin | 18,153 | 19,569 | - | - | 18,153 | 19,569 |
| Community Services | 166 | 246 | - | - | 166 | 246 |
| Debt Service | 2,265 | 2,432 | - | - | 2,265 | 2,432 |
| Other Intergovernmental Charges | 2,381 | 2,244 | - | - | 2,381 | 2,244 |
| Other: Business-type Activities | - | - | 207 | 179 | 207 | 179 |
| Total Expenses | 142,596 | 150,267 | 207 | 179 | 142,803 | 150,446 |
| Excess(Deficiency) before extraordinary items and transfers | 25,306 | 7,515 | (31) | (10) | 25,275 | 7,505 |
| Extraordinary Item (Use) | (3,417) | 3,345 | - | - | (3,417) | 3,345 |
| Transfer In (Out) | 0 | 6 | (0) | (6) | - | - |
| Change in Net Position | 21,890 | 10,867 | (31) | (16) | 21,859 | 10,851 |
| Net Position at September 1 | 70,939 | 60,073 | 104 | 120 | 71,043 | 60,192 |
| Ending Net Position at August 31 | \$ 92,829 | \$ 70,939 | \$ 73 | \$ 104 | \$ 92,902 | \$ 71,043 |

*in Thousands

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of remaining resources. In particular, unassigned fund balance often serves as a useful measure of a governmental agency's net resources available for spending at the end of a fiscal year. The board maintains fund balances adequate for sound fiscal management to provide for the stewardship of public funds. Fund balances are primarily used for cash flow purposes, as financial strength indicators for debt rating agencies, in planned capital

projects, one-time expenditures, and emergencies that may arise from internal and external factors. The district maintains policy related to target levels of fund balances.

The District's General Fund reported an increase in fund balance from \$47.9 million to \$62.5 million, as the District was able to utilize Elementary and Secondary School Emergency Relief (ESSER) funds to help supplant payroll expenditures. At the end of the fiscal year, the General Fund's unassigned fund balance stood at \$53.6 million. The remainder of the fund balance is non-spendable, restricted, committed, or assigned through board action as required by GASB 54.

The non-major governmental funds include special revenue funds and the Debt Service fund. Most special revenue funds are budgeted to fully expend current year grants awarded from federal or state initiatives. Several of the special revenue funds report the District school and preschool meal programs for the school year and a summer feeding program and hold a combined fund balance of \$853 thousand in non-spendable inventory and \$3.6 million in funds restricted for the meal programs. Other funds restricted for various grant programs total \$64 thousand, while \$478 thousand raised by the campuses is committed by the board of trustees for campus activities. Special revenue funds for employee health and maintaining district athletic facilities, holds \$179 thousand committed by the board. At year-end, the Debt Service Fund had a \$3.8 million fund balance, an increase of \$236 thousand from the prior year.

Proprietary Funds - Internal Service Funds. The District's risk management strategy used an internal service fund to report the accumulation of reserves for self-insurance of workers' compensation benefits. The reserves are accumulated through payroll charges to the governmental funds based on actuarial estimates of the relevant claims liabilities. The Worker's Compensation Fund reported net position increase of approximately \$156 thousand and remains stable at \$803 thousand available to meet the ongoing claims liabilities. The internal service funds are consolidated into the governmental activities in the government-wide financial statements. Additional information about the internal service funds is found in note K in this report.

Proprietary Funds - Enterprise Funds. The funds reported in the government wide financial statements as business-type activities are the District's enterprise funds. The business-type activities are relatively insignificant to the overall operations of the District and are operations that support co-curricular activities of the District. The Concession Fund reported a small gain on concession services as extra-curricular activities resumed to normal. The Jumbotron Fund reported operating revenues from Jumbotron advertising at the District's athletic stadium at a net loss after operating and depreciation costs. A difficult business environment has affected the marketing revenue produced by this fund, as vendors become more selective on where they spend their dollars.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2022 the District had \$188 million (net of accumulated depreciation) invested in a broad range of capital assets, including land, construction in progress, buildings and improvements, and furniture and equipment. This amount represents a decrease of \$8.7 million from the prior year. Increases and decreases to investment in capital assets in governmental activities are shown below (**in thousands**):

San Angelo ISD Capital Assets (Governmental Activities)

| | | \$ thousand | |
|--|----|-------------|-------------------|
| Increases: | | | |
| Furniture and Equipment | \$ | 807 | |
| Vehicles | | 76 | |
| Buildings and Site Improvements | | 41 | |
| | | | \$ 924 |
| | | | |
| Construction Work in Progress | | | |
| Project costs incurred | \$ | 42 | |
| | | | \$ 42 |
| | | | |
| Decreases: | | | |
| Current year depreciation and amortization | (| \$9,623) | |
| | | | (\$ 9,623) |
| | | | |
| Net decrease to capital assets (governmental activities) | | | <u>(\$ 8,657)</u> |

The capital assets for business-type activities decreased by \$86 thousand, the amount of current year depreciation on the Jumbotron. Additional information regarding capital assets is presented in note E in this report.

Debt

At year-end, District bonds payable totaling \$81.3 million have maturities scheduled into 2034 with fixed interest rates ranging from 2.0% to 5.0%. The District's bonds are rated AA by Standard and Poor's and AA by Fitch. Other obligations of the district include leases, a retirement benefit for unused vested sick leave and a debt to be satisfied by granting future advertising rights in the proprietary Jumbo-tron Fund. More information about debt can be found at Note P in this report.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's Board of Trustees adopts the general fund, debt service, and food service fund budgets annually. Over the course of the year, the Board of Trustees revised the District's general fund budget several times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year for items the board committed from prior year fund balance. The second category includes changes that the Board made during the year. The third category involved amendments that moved funds from programs that did not need all the resources originally appropriated to programs with resource needs. Revenues were amended for changes in tax collections, to adjust state formula allotments as well as federal revenues. Amendments decreased the revenue budget by 10% with expenditure amendments to the budget also decreasing by 3%, to help offset the changes district wide. In the general fund, actual revenues reported were 112.3% of the amended budget and expenditures were 96.3% of the amended budget. Actual revenues exceeded expenditures by \$17.9 million as the District was aided by continued and additional funding from the State.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In planning for the 2022-23 budget, attaining an accurate forecast for student enrollment continues to be a challenge. The District has dropped in enrollment from the previous year again. The District continues to use conservative student enrollment estimates, and a budget was adopted that was intended to use ESSER III funds to supplant general funds in order to create a surplus budget. The district's primary source for general fund revenues comes through the state's formula funding system. The system is a mix of local property taxes and state aid. Students, the programs they participate in, and average daily attendance drive the amount of money coming from the state. Due to increased appraisal values, the local property tax rate continues to be compressed by law, however, even with the lower rate, collections are increasing. This does not benefit the district as the state simply offsets the gain by reducing state aid.

Enrollment has decreased by over 300 students this past year. We will anticipate a decrease again in the 2023-2024 budget cycle. While the district continues to adopt balanced budgets (with the help of ESSER funds) we (as many across the state) will face a challenge to balance the 2024-25 budget as the funds are set to expire at that time.

The District's adopted tax rate of \$.97201 per \$100 of assessed value reflects a decrease from 2021-22. The total tax rate includes a maintenance and operations tax rate (M&O) of \$.8546 and an interest and sinking rate (I&S) of \$.11741. In 2021-22, the M&O tax rate was \$.9614, while the I&S tax rate equaled \$.13821.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's business office at San Angelo Independent School District, 1621 University, San Angelo, Texas 76904.

San Angelo Independent School District

Statement of Net Position (Exhibit A-1)

August 31, 2022

| Data Control Codes | | 1 Governmental Activities | 2 Business-Type Activities | 3 Total |
|--------------------|--|---------------------------------|----------------------------------|--------------------|
| | Assets | | | |
| 1110 | Cash and cash equivalents | \$ 50,330,872 | \$ 122,363 | \$ 50,453,235 |
| 1120 | Current investments | 2,247,105 | - | 2,247,105 |
| 1220 | Property taxes receivable (delinquent) | 1,894,635 | - | 1,894,635 |
| 1230 | Allowance for uncollectible taxes | (434,124) | - | (434,124) |
| 1240 | Due from other governments | 13,939,986 | - | 13,939,986 |
| 1250 | Accrued interest | 54,853 | - | 54,853 |
| 1290 | Other receivables, net | 378,297 | - | 378,297 |
| 1300 | Inventories | 853,279 | - | 853,279 |
| 1410 | Prepaid expenses | 679,955 | - | 679,955 |
| | Capital Assets | | | |
| 1510 | Land | 6,854,234 | - | 6,854,234 |
| 1520 | Buildings and improvements, net | 172,046,655 | - | 172,046,655 |
| 1530 | Furniture and equipment, net | 8,931,163 | 256,827 | 9,187,990 |
| 1580 | Construction in progress | 41,679 | - | 41,679 |
| 1550 | Intangible asset right-to-use leased asset, net | 529,868 | - | 529,868 |
| 1800 | Restricted assets | 614,629 | - | 614,629 |
| 1910 | Long-term investments | 14,838,498 | - | 14,838,498 |
| 1000 | Total assets | 273,801,584 | 379,190 | 274,180,774 |
| | Deferred outflows of resources | | | |
| 1705 | Deferred outflows - pension | 8,879,858 | - | 8,879,858 |
| 1706 | Deferred outflows - OPEB | 7,019,966 | - | 7,019,966 |
| 1710 | Deferred charge for refunding | 9,777,220 | - | 9,777,220 |
| 1700 | Total deferred outflows of resources | 25,677,044 | - | 25,677,044 |
| | Liabilities | | | |
| 2110 | Accounts payable | 1,647,774 | 488 | 1,648,262 |
| 2123 | Other liabilities | - | 6,121 | 6,121 |
| 2140 | Interest payable | 113,101 | - | 113,101 |
| 2150 | Payroll deductions & withholdings | 924,573 | - | 924,573 |
| 2160 | Accrued wages payable | 4,843,673 | - | 4,843,673 |
| 2180 | Due to other governments | 36,861 | - | 36,861 |
| 2200 | Accrued expenses | 366,355 | 30,973 | 397,328 |
| 2300 | Unearned revenues | 1,046,314 | - | 1,046,314 |
| | Noncurrent liabilities | | | |
| 2501 | Due within one year | 6,135,930 | 82,027 | 6,217,957 |
| 2502 | Due in more than one year | 91,224,945 | 186,867 | 91,411,812 |
| 2540 | Net pension liability | 15,194,444 | - | 15,194,444 |
| 2545 | Net OPEB liability | 34,882,612 | - | 34,882,612 |
| 2000 | Total liabilities | 156,416,582 | 306,476 | 156,723,058 |

San Angelo Independent School District

Statement of Net Position (Exhibit A-1)

August 31, 2022

| Control Codes | | Governmental Activities | Business Type Activities | Total |
|---------------|---|-------------------------|--------------------------|---------------|
| | Deferred Inflows of Resources | | | |
| 2605 | Deferred inflows - pension | 20,317,716 | - | 20,317,716 |
| 2606 | Deferred inflows - OPEB | 29,915,396 | - | 29,915,396 |
| 2600 | Total deferred inflows of resources | 50,233,112 | - | 50,233,112 |
| | Net Position | | | |
| 3200 | Net investment in capital assets | 105,909,918 | - | 105,909,918 |
| 3820 | Restricted for federal and state programs | 4,567,339 | - | 4,567,339 |
| 3850 | Restricted for debt service | 3,863,832 | - | 3,863,832 |
| 3900 | Unrestricted | (21,512,155) | 72,714 | (21,439,441) |
| 3000 | Total net position | \$ 92,828,934 | \$ 72,714 | \$ 92,901,648 |

San Angelo Independent School District
Statement of Activities (Exhibit B-1)
Year Ended August 31, 2022

| Data Control Codes | Functions/Programs | 1 Expenses | Program Revenues | |
|--------------------|---|-----------------------|---------------------------|---|
| | | | 3 Charges for Services | 4 Operating Grants and Contributions |
| | Governmental activities | | | |
| 11 | Instruction | \$ 75,719,701 | \$ 3,724,798 | \$ 20,162,872 |
| 12 | Instructional resources and media services | 1,573,572 | - | 48,779 |
| 13 | Curriculum and staff development | 3,055,976 | - | 2,047,965 |
| 21 | Instructional leadership | 1,988,650 | - | 348,285 |
| 23 | School leadership | 7,589,923 | - | 367,008 |
| 31 | Guidance, counseling, and evaluation services | 5,529,695 | - | 1,464,028 |
| 32 | Social work services | 689,244 | - | 176,331 |
| 33 | Health services | 1,611,800 | - | 144,353 |
| 34 | Student (pupil) transportation | 4,071,151 | - | 121,493 |
| 35 | Food services | 8,350,812 | 826,921 | 9,288,272 |
| 36 | Extracurricular activities | 6,332,231 | 1,040,653 | 70,144 |
| 41 | General administration | 3,117,534 | - | 78,217 |
| 51 | Facilities maintenance and operations | 14,207,224 | 267,785 | 811,262 |
| 52 | Security and monitoring services | 729,485 | - | 15,592 |
| 53 | Data processing services | 3,216,035 | - | 130,430 |
| 61 | Community services | 166,438 | - | 68,399 |
| 72 | Interest on long term debt | 2,265,405 | - | 292,680 |
| 81 | Facilities acquisition and construction | 1,308,422 | - | - |
| 99 | Other intergovernmental charges | 1,072,257 | - | - |
| TG | Total governmental activities | <u>142,595,555</u> | <u>5,860,157</u> | <u>35,636,110</u> |
| | Business-type activities | | | |
| 01 | Concession Fund | 53,978 | 60,119 | - |
| 02 | JumboTron Fund | 153,344 | 116,041 | - |
| TB | Total business-type activities | <u>207,322</u> | <u>176,160</u> | <u>-</u> |
| TP | Total primary government | <u>\$ 142,802,877</u> | <u>\$ 6,036,317</u> | <u>\$ 35,636,110</u> |
| | General Revenues (Expenses) | | | |
| | Taxes | | | |
| MT | Property taxes, levied for general purposes | | | |
| DT | Property taxes, levied for debt service | | | |
| SF | State aid - formula grants | | | |
| GC | Grants and contributions not restricted | | | |
| IE | Investment earnings | | | |
| MI | Miscellaneous local and intermediate revenue | | | |
| EI | Extraordinary item | | | |
| FR | Transfers in (out) | | | |
| TR | Total general revenues | | | |
| CN | Change in net position | | | |
| NB | Net position, beginning of year | | | |
| PA | Prior period adjustment | | | |
| | Beginning net position, as restated | | | |
| NE | Net position, ending | | | |

San Angelo Independent School District
Statement of Activities (Exhibit B-1)
Year Ended August 31, 2022

| Net (Expense) Revenue and Changes in Net Position | | |
|--|-----------------------------|----------------------|
| 6 | 7 | 8 |
| Primary Government | | |
| Governmental Activities | Business-Type Activities | Total |
| \$ (51,832,031) | \$ - | \$ (51,832,031) |
| (1,524,793) | - | (1,524,793) |
| (1,008,011) | - | (1,008,011) |
| (1,640,365) | - | (1,640,365) |
| (7,222,915) | - | (7,222,915) |
| (4,065,667) | - | (4,065,667) |
| (512,913) | - | (512,913) |
| (1,467,447) | - | (1,467,447) |
| (3,949,658) | - | (3,949,658) |
| 1,764,381 | - | 1,764,381 |
| (5,221,434) | - | (5,221,434) |
| (3,039,317) | - | (3,039,317) |
| (13,128,177) | - | (13,128,177) |
| (713,893) | - | (713,893) |
| (3,085,605) | - | (3,085,605) |
| (98,039) | - | (98,039) |
| (1,972,725) | - | (1,972,725) |
| (1,308,422) | - | (1,308,422) |
| (1,072,257) | - | (1,072,257) |
| <u>(101,099,288)</u> | <u>-</u> | <u>(101,099,288)</u> |
| - | 6,141 | 6,141 |
| - | <u>(37,303)</u> | <u>(37,303)</u> |
| - | <u>(31,162)</u> | <u>(31,162)</u> |
| <u>(101,099,288)</u> | <u>(31,162)</u> | <u>(101,130,450)</u> |
| 56,743,465 | - | 56,743,465 |
| 8,165,322 | - | 8,165,322 |
| 58,559,070 | - | 58,559,070 |
| 2,154,876 | - | 2,154,876 |
| (216,476) | - | (216,476) |
| 999,519 | - | 999,519 |
| (3,416,630) | - | (3,416,630) |
| 47 | (47) | - |
| <u>122,989,193</u> | <u>(47)</u> | <u>122,989,146</u> |
| 21,889,905 | (31,209) | 21,858,696 |
| 70,939,029 | 103,923 | 71,042,952 |
| - | - | - |
| <u>70,939,029</u> | <u>103,923</u> | <u>71,042,952</u> |
| <u>\$ 92,828,934</u> | <u>\$ 72,714</u> | <u>\$ 92,901,648</u> |

See Notes to Basic Financial Statements

San Angelo Independent School District
Balance Sheet – Governmental Funds (Exhibit C-1)
August 31, 2022

| Data Control Codes | 199 | 281 | 282 |
|--------------------------------------|----------------------|---------------------|---------------------|
| | General Fund | ESSER II | ESSER III |
| Assets | | | |
| 1110 | \$ 41,869,876 | \$ - | \$ - |
| 1120 | 2,247,105 | - | - |
| 1220 | 1,652,098 | - | - |
| 1230 | (378,509) | - | - |
| 1240 | 6,624,704 | 2,183,409 | 2,766,750 |
| 1250 | 54,155 | - | - |
| 1260 | 6,859,252 | - | - |
| 1290 | 278,276 | - | - |
| 1300 | - | - | - |
| 1410 | 679,955 | - | - |
| 1800 | 12,828 | - | - |
| 1910 | 14,608,159 | - | - |
| 1000 | <u>74,507,899</u> | <u>2,183,409</u> | <u>2,766,750</u> |
| 1000a | <u>\$ 74,507,899</u> | <u>\$ 2,183,409</u> | <u>\$ 2,766,750</u> |
| Liabilities | | | |
| 2110 | \$ 1,378,169 | \$ - | \$ 19,657 |
| 2150 | 924,573 | - | - |
| 2160 | 4,843,673 | - | - |
| 2170 | - | 2,183,409 | 2,747,093 |
| 2180 | 26,568 | - | - |
| 2300 | 808,166 | - | - |
| 2000 | <u>7,981,149</u> | <u>2,183,409</u> | <u>2,766,750</u> |
| Deferred Inflows of resources | | | |
| | 2,850,368 | - | - |
| | 1,110,301 | - | - |
| 2600 | <u>3,960,669</u> | <u>-</u> | <u>-</u> |
| Fund balance | | | |
| 3410 | - | - | - |
| 3430 | 679,955 | - | - |
| 3450 | - | - | - |
| 3480 | - | - | - |
| 3510 | 5,650,000 | - | - |
| 3530 | 455,000 | - | - |
| 3545 | 1,514,544 | - | - |
| 3590 | 612,808 | - | - |
| 3600 | 53,653,774 | - | - |
| 3000 | <u>62,566,081</u> | <u>-</u> | <u>-</u> |
| 4000 | <u>\$ 74,507,899</u> | <u>\$ 2,183,409</u> | <u>\$ 2,766,750</u> |

San Angelo Independent School District
Balance Sheet – Governmental Funds (Exhibit C-1)
August 31, 2022

| | Total Nonmajor Funds | 98 Total Governmental Funds | |
|--|----------------------------|--------------------------------------|--|
| | \$ 7,874,754 | \$ 49,744,630 | |
| | - | 2,247,105 | |
| | 242,537 | 1,894,635 | |
| | (55,615) | (434,124) | |
| | 2,365,123 | 13,939,986 | |
| | 698 | 54,853 | |
| | - | 6,859,252 | |
| | 98,417 | 376,693 | |
| | 853,279 | 853,279 | |
| | - | 679,955 | |
| | - | 12,828 | |
| | <u>230,339</u> | <u>14,838,498</u> | |
| | <u>11,609,532</u> | <u>91,067,590</u> | |
| | <u>\$ 11,609,532</u> | <u>\$ 91,067,590</u> | |
| | \$ 230,337 | \$ 1,628,163 | |
| | - | 924,573 | |
| | - | 4,843,673 | |
| | 1,928,750 | 6,859,252 | |
| | 10,293 | 36,861 | |
| | <u>238,148</u> | <u>1,046,314</u> | |
| | <u>2,407,528</u> | <u>15,338,836</u> | |
| | - | 2,850,368 | |
| | <u>162,790</u> | <u>1,273,091</u> | |
| | <u>162,790</u> | <u>4,123,459</u> | |
| | 853,279 | 853,279 | |
| | - | 679,955 | |
| | 3,714,060 | 3,714,060 | |
| | 3,814,143 | 3,814,143 | |
| | - | 5,650,000 | |
| | - | 455,000 | |
| | 657,732 | 2,172,276 | |
| | - | 612,808 | |
| | - | 53,653,774 | |
| | <u>9,039,214</u> | <u>71,605,295</u> | |
| | <u>\$ 11,609,532</u> | <u>\$ 91,067,590</u> | |

San Angelo Independent School District
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position (Exhibit C-1r)
 August 31, 2022

Total Fund Balances - Governmental Funds \$ 71,605,295

The District uses internal service funds to charge the costs of certain activities, such as workers compensation, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position. 803,681

Capital assets, net of accumulated depreciation/amortization, are not financial resources and therefore are not reported as assets in the governmental funds. 188,403,599

Some liabilities, including bonds payable and leases, are not due and payable in the current year and therefore are not reported in the funds:

| | | |
|---|------------------|--------------|
| Bonds payable | (81,294,994) | |
| Deferred charge on refunding | 9,777,220 | |
| Unamortized premiums on bonds payable | (10,449,901) | |
| Accumulated accretion on capital appreciation bonds | (4,477,166) | |
| Lease liability | (526,006) | |
| Compensated absences payable | <u>(612,808)</u> | (87,583,655) |

Accrued interest is not due and payable in the current year and therefore is not reported as a liability in the governmental funds. (113,101)

Certain assets are not available to pay for current year expenditures and therefore are deferred in the funds. These are:

| | | |
|---|--|-----------|
| Deferred resource inflow for property taxes | | 1,273,091 |
| Deferred resource inflow for SHARS revenue | | 2,850,368 |

The government-wide statements include the District's proportionate share of the TRS net pension liabilities and TRS-Care net OPEB liabilities, as well as certain pension and OPEB related transactions accounted for as deferred inflows and outflows of resources:

| | | |
|--|---------------------|---------------------|
| Net pension liability | (15,194,444) | |
| Deferred outflows of resources - TRS pension | 8,879,858 | |
| Deferred inflows of resources - TRS pension | (20,317,716) | |
| Net OPEB liability | (34,882,612) | |
| Deferred outflows of resources - TRS-Care OPEB | 7,019,966 | |
| Deferred inflows of resources - TRS-Care OPEB | <u>(29,915,396)</u> | <u>(84,410,344)</u> |

Net Position of Governmental Activities (See A-1) \$ 92,828,934

San Angelo Independent School District
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds (Exhibit C-2)
Year Ended August 31, 2022

| Data Control Codes | 199 General Fund | 281 ESSER II | 282 ESSER III |
|---------------------------------------|---|----------------------|------------------|
| Revenues | | | |
| 5700 | Local and intermediate sources | \$ 58,463,687 | \$ - |
| 5800 | State program revenues | 64,472,043 | - |
| 5900 | Federal program revenues | 3,023,979 | 9,292,003 |
| 5020 | Total revenues | <u>125,959,709</u> | <u>9,292,003</u> |
| Expenditures | | | |
| Current | | | |
| 0011 | Instruction | 57,789,964 | 6,702,958 |
| 0012 | Instructional resources and media services | 1,504,198 | 20,286 |
| 0013 | Curriculum and instructional staff development | 1,075,814 | 1,278,885 |
| 0021 | Instructional leadership | 1,606,658 | 18,263 |
| 0023 | School leadership | 7,628,170 | 128,052 |
| 0031 | Guidance, counseling and evaluation services | 4,584,514 | 133,512 |
| 0032 | Social work services | 490,957 | 164,579 |
| 0033 | Health services | 1,627,860 | 53,958 |
| 0034 | Student (pupil) transportation | 3,461,682 | 63,411 |
| 0035 | Food services | 65,542 | 118,189 |
| 0036 | Extracurricular activities | 6,004,006 | 11,666 |
| 0041 | General administration | 3,261,166 | 26,888 |
| 0051 | Facilities maintenance and operations | 13,762,009 | 492,186 |
| 0052 | Security and monitoring services | 512,496 | - |
| 0053 | Data processing services | 3,182,466 | 76,127 |
| 0061 | Community services | 95,004 | 3,043 |
| Debt service | | | |
| 0071 | Principal on long term debt | 253,175 | - |
| 0072 | Interest on long term debt | 15,825 | - |
| 0073 | Bond issuance cost and fees | - | - |
| Intergovernmental | | | |
| 0099 | Other intergovernmental charges | 1,072,257 | - |
| 6030 | Total expenditures | <u>107,993,763</u> | <u>9,292,003</u> |
| 1100 | Excess (deficiency) of revenues over (under) expenditures | <u>17,965,946</u> | <u>-</u> |
| Other financing sources (uses) | | | |
| 7915 | Transfers in | 25,000 | - |
| 8911 | Transfers out | - | - |
| 7080 | Total other financing sources (uses) | <u>25,000</u> | <u>-</u> |
| Extraordinary items | | | |
| 7919 | Extraordinary item | 69,989 | - |
| 8913 | Extraordinary use | (3,486,619) | - |
| | Total extraordinary items | <u>(3,416,630)</u> | <u>-</u> |
| 1200 | Net change in fund balances | 14,574,316 | - |
| 0100 | Fund balance, beginning of year | 47,991,765 | - |
| 3000 | Fund balance, end of year | <u>\$ 62,566,081</u> | <u>\$ -</u> |

San Angelo Independent School District
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds (Exhibit C-2)
Year Ended August 31, 2022

| Total Nonmajor Funds | 98 Total Governmental Funds |
|----------------------------|--------------------------------------|
| \$ 9,734,019 | \$ 68,197,706 |
| 976,255 | 65,448,298 |
| 17,041,983 | 35,408,697 |
| 27,752,257 | 169,054,701 |
| 6,067,013 | 76,610,667 |
| 5,806 | 1,530,290 |
| 748,402 | 3,103,101 |
| 306,148 | 1,931,069 |
| 326,081 | 8,082,303 |
| 1,213,979 | 5,932,005 |
| - | 655,536 |
| 56,347 | 1,738,165 |
| - | 3,525,093 |
| 8,372,132 | 8,555,863 |
| - | 6,015,672 |
| 437 | 3,288,491 |
| 203,768 | 14,457,963 |
| 16,360 | 528,856 |
| - | 3,258,593 |
| 74,924 | 172,971 |
| 5,590,000 | 5,843,175 |
| 2,737,997 | 2,753,822 |
| 2,526 | 2,526 |
| - | 1,072,257 |
| 25,721,920 | 149,058,418 |
| 2,030,337 | 19,996,283 |
| 47 | 25,047 |
| (25,000) | (25,000) |
| (24,953) | 47 |
| - | 69,989 |
| - | (3,486,619) |
| - | (3,416,630) |
| 2,005,384 | 16,579,700 |
| 7,033,830 | 55,025,595 |
| \$ 9,039,214 | \$ 71,605,295 |

San Angelo Independent School District

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Exhibit C-2r) Year Ended August 31, 2022

| | |
|--|----------------------|
| Total Net Change in Fund Balances - Governmental Funds | \$ 16,579,700 |
| The District uses internal service funds to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The change in net position of internal funds is reported with governmental activities. The net effect of this consolidation is to increase net position. | 156,194 |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is capitalized and depreciated over their estimated useful lives. Total additions for the current year which were removed from fund expenditures amounted to \$965,402. Depreciation and amortization expense charged to the statement of activities totaled \$9,622,728. The net effect is a decrease in net position. | (8,657,326) |
| Amortization of the premiums on the bonds of \$1,782,514 was recorded, which increases net position. | 1,782,514 |
| Certain revenues are recorded in the fund financial statements when the revenue is received. In the statement of activities, revenues are recognized when earned regardless of when received. Recognizing deferred tax revenues of \$1,273,091 and removing the prior year's tax revenue of \$1,450,084, and recognizing unavailable SHARS revenue of \$2,850,368 results in a net increase in net position. | 2,673,375 |
| Repayment of bond principal of \$5,590,000 and repayment of lease principal of \$262,825 are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not an expense on the statement of activities. This increases net position. Accretion of interest on capital appreciation bonds of \$38,059 increases long-term liabilities. The decrease in accrued interest payable of \$11,885 increases net position in the government wide financial statements. Finally, amortization of deferred charge on bond refunding of \$1,275,047 decreases net position. The net result of all of the above adjustments is a net increase to the change in net position. | 4,551,604 |
| The decrease in compensated absences payable is an expenditure in the governmental funds when paid, but the payment for these is not an expense in the statement of activities. This represents the net decrease to the compensated absences payable. | 21,297 |
| Changes in the deferred outflows of resources, deferred inflows of resources and net pension liability must be recorded as expenses. Changes in contributions made after measurement date caused the change in net position to increase in the amount of \$393,291. The District's share of the unrecognized deferred inflows and outflows for TRS as of the measurement date must be amortized and the District's proportionate share of the pension expense must be recognized. These cause the change in net position to increase in the amount of \$1,858,828. The net effect is an increase in net position. | 2,252,119 |
| Changes in the deferred outflows of resources, deferred inflows of resources and net OPEB liability must be recorded as expenses. Changes in contributions made after measurement date caused the change in net position to increase in the amount of \$31,798. The District's share of the unrecognized deferred inflows and outflows for TRS as of the measurement date must be amortized and the District's proportionate share of the OPEB expense must be recognized. These cause the change in net position to increase in the amount of \$2,498,630. The net effect is an increase in net position. | 2,530,428 |
| Change in Net Position of Governmental Activities (See B-1) | <u>\$ 21,889,905</u> |

San Angelo Independent School District
Statement of Net Position – Proprietary Funds (Exhibit D-1)
August 31, 2022

| Data Control Codes | | Business-Type Activities <u>Enterprise Funds</u> | Governmental Activities <u>Internal Service Fund</u> |
|--------------------------|--|--|--|
| | Assets | | |
| | Current assets | | |
| 1110 | Cash and cash equivalents | \$ 122,363 | \$ 586,242 |
| 1290 | Other receivables | - | 1,604 |
| | Total current assets | <u>122,363</u> | <u>587,846</u> |
| | Noncurrent assets | | |
| | Capital assets: | | |
| 1530 | Furniture and equipment | 856,089 | - |
| 1573 | Accumulated depreciation on furniture and equipment | (599,262) | - |
| 1800 | Restricted assets | - | 601,801 |
| | Total noncurrent assets | <u>256,827</u> | <u>601,801</u> |
| 1000 | Total assets | <u>379,190</u> | <u>1,189,647</u> |
| | Liabilities | | |
| | Current liabilities | | |
| 2110 | Accounts payable | 488 | 19,611 |
| 2123 | Other liabilities | 6,121 | - |
| 2200 | Accrued expenses | 30,973 | 366,355 |
| 2501 | Note payable - due within one year | 82,027 | - |
| | Total current liabilities | <u>119,609</u> | <u>385,966</u> |
| | Noncurrent liabilities | | |
| 2502 | Note payable - due in more than one year | 186,867 | - |
| | Total noncurrent liabilities | <u>186,867</u> | <u>-</u> |
| 2000 | Total liabilities | <u>306,476</u> | <u>385,966</u> |
| | Net Position | | |
| 3900 | Unrestricted | <u>72,714</u> | <u>803,681</u> |
| 3000 | Total net position | <u>\$ 72,714</u> | <u>\$ 803,681</u> |

San Angelo Independent School District
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds (Exhibit D-2)
Year Ended August 31, 2022

| Data Control Codes | | Business-Type Activities <u>Enterprise Funds</u> | Governmental Activities <u>Internal Service Fund</u> |
|--------------------------|--|--|--|
| | Operating revenues | | |
| 5700 | Local and intermediate sources | \$ 176,160 | \$ 540,070 |
| 5020 | Total operating revenues | <u>176,160</u> | <u>540,070</u> |
| | Operating expenses | | |
| 6100 | Payroll services | 20,178 | 761 |
| 6200 | Professional and contracted services | 475 | 271,176 |
| 6300 | Supplies and materials | 32,915 | 8,211 |
| 6400 | Other operating costs | 43,385 | 103,728 |
| 6440 | Depreciation expense | 85,609 | - |
| 6030 | Total operating expenses | <u>182,562</u> | <u>383,876</u> |
| | Operating income (loss) | (6,402) | 156,194 |
| | Nonoperating revenues (expenses) | | |
| 6523 | Interest on notes payable | (24,760) | - |
| 8030 | Total nonoperating revenues (expenses) | <u>(24,760)</u> | <u>-</u> |
| | Other financing sources (uses) | | |
| 8911 | Transfers out | (47) | - |
| | Total other financing sources (uses) | <u>(47)</u> | <u>-</u> |
| 1300 | Change in net position | (31,209) | 156,194 |
| 0100 | Total net position, beginning | <u>103,923</u> | <u>647,487</u> |
| 3300 | Total net position, ending | <u>\$ 72,714</u> | <u>\$ 803,681</u> |

San Angelo Independent School District
Statement of Cash Flows – Proprietary Funds (Exhibit D-3)
Year Ended August 31, 2022

| | Business-Type Activities <u>Enterprise Funds</u> | Governmental Activities <u>Internal Service Fund</u> |
|---|--|--|
| Operating activities | | |
| Cash received from user charges | \$ 176,160 | \$ - |
| Cash received from assessments | - | 514,169 |
| Cash payments to employees for services | (20,178) | (761) |
| Cash payments for other operating costs | (410) | (227,899) |
| Cash payments for suppliers | (84,836) | (8,211) |
| Cash payments for claims and contracted services | - | (293,189) |
| Net cash from (used for) operating activities | <u>70,736</u> | <u>(15,891)</u> |
| Noncapital financing activities | | |
| Operating transfer out | (47) | - |
| Net cash used for noncapital financing activities | <u>(47)</u> | <u>-</u> |
| Capital and related financing activities | | |
| Retirement of long-term debt | (75,254) | - |
| Interest paid on long-term debt | (24,760) | - |
| Net cash used for capital and related financing activities | <u>(100,014)</u> | <u>-</u> |
| Net change in cash and cash equivalents | (29,325) | (15,891) |
| Cash and cash equivalents - beginning of the year | 151,688 | 602,133 |
| Cash and cash equivalents - end of the year | <u>\$ 122,363</u> | <u>\$ 586,242</u> |
| Reconciliation of operating income (loss) to net cash from (used for) operating activities | | |
| Operating income | \$ (6,402) | \$ 156,194 |
| Depreciation | 85,609 | - |
| Adjustments to reconcile operating income (loss) to net cash from operating activities | | |
| Change in assets and liabilities | | |
| Other receivables | - | 6,833 |
| Restricted assets | - | (32,734) |
| Accounts payable | (8,378) | (22,013) |
| Other liabilities | 6,121 | - |
| Accrued expenses | (6,214) | (124,171) |
| Net cash from (used for) operating activities | <u>\$ 70,736</u> | <u>\$ (15,891)</u> |

San Angelo Independent School District
Statement of Fiduciary Net Position – Fiduciary Funds (Exhibit E-1)
August 31, 2022

| | Private Purpose Trust Fund | Custodial Funds |
|-----------------------------------|----------------------------------|--------------------|
| Assets | | |
| Cash and cash equivalents | \$ 55,011 | \$ 603,221 |
| Other receivables | - | 2,755 |
| | 55,011 | 605,976 |
| Net Position | | |
| Restricted for scholarships | 55,011 | - |
| Restricted for student activities | - | 605,976 |
| | 55,011 | 605,976 |
| Total net position | \$ 55,011 | \$ 605,976 |

San Angelo Independent School District
Statement of Change in Fiduciary Net Position – Fiduciary Funds (Exhibit E-2)
Year Ended August 31, 2022

| | Private Purpose Trust Fund | Custodial Funds |
|-------------------------------|----------------------------------|--------------------|
| Additions | | |
| Contributions | \$ 2,765 | \$ 1,325,278 |
| Total additions | 2,765 | 1,325,278 |
| Deductions | | |
| Other operating costs | 501 | - |
| Extracurricular activities | - | 1,284,333 |
| Total deductions | 501 | 1,284,333 |
| Change in net position | 2,264 | 40,945 |
| Total net position, beginning | 52,747 | 565,031 |
| Total net position, ending | \$ 55,011 | \$ 605,976 |

Note A - Summary of Significant Accounting Policies**Reporting Entity**

The Board of Trustees, a seven-member group, has fiscal accountability over all activities related to public elementary and secondary education within the jurisdiction of the San Angelo Independent School District (the District). The public elects the members of the Board of Trustees. The Trustees as a body corporate have 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 (Agency) or to the State Board of Education are reserved for the Trustees, and the Agency may not substitute its judgment for the lawful exercise of those powers and duties by the Trustees. The District is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. There are no component units included within the reporting entity. The financial statements of the District include all activities for which the Board exercises these governance responsibilities.

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

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements, as well as the proprietary and fiduciary fund financial statements, are reported using the *economic resources measurement focus* and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

The Proprietary Fund Types and Fiduciary Funds are accounted for using the *economic resources measurement focus and the accrual basis of accounting*. Revenues are recognized in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the Statement of Net Position. The fund equity is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

Property taxes and penalties and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the government receives cash.

The government reports the following major governmental funds:

- The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *ESSER II Grant* accounts for resources restricted by the grantor agency for this federal program.
- The *ESSER III Grant* accounts for resources restricted by the grantor agency for this federal program.

The government reports the following proprietary funds:

- The Enterprise Funds account for the District's activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities. The non-major Jumbotron fund reports advertising revenues being collected by Daktronics, Inc. as payments on debt for a jumbotron electronic scoreboard installed at San Angelo Stadium. The non-major concessions fund reports sales of concessions at athletic events.
- Internal Service Funds account for revenues and expenses related to services provided to parties inside the District. These funds facilitate distribution of support costs (such as workers compensation insurance) to the users of the support services.

Additionally, the government reports the following nonmajor funds:

- The Special Revenue Funds, a governmental fund type, account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District accounts for each federal and state grant in a separate special revenue fund.
- The Debt Service Fund, a governmental fund type, accounts for financial resources that are restricted, committed or assigned for principal and interest on long-term debt of governmental activities.
- Private Purpose Trust Funds, a fiduciary fund type, account for donations for which the donor has stipulated that both the principal and income may be used for purposes that benefit parties outside the District in a private purpose trust fund. The District's private purpose trust fund is the scholarship fund.
- Custodial funds, a fiduciary fund type, account for resources held for others in a custodial capacity. The District's custodial fund is the student activity fund.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from *nonoperating items*. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the worker's compensation insurance internal service fund are District contributions. Operating expenses include claims expense and administrative expense for administering the insurance fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Deposits and Investments

The District’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments of the District are reported at fair value or amortized cost. The local government investment pools are operated in accordance with appropriate state laws and regulations.

Receivables and Payables

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

Inventories

The District reports inventories of cafeteria food products and supplies at weighted average cost. Food products and supplies are recorded as expenditures when they are consumed. Inventories of food commodities are recorded at market values supplied by the Texas Department of Agriculture. Although commodities are received at no cost, their fair market value is supplied by the Texas Department of Agriculture and recorded as inventory and revenue when received. When requisitioned, inventory is decreased and expenditures are charged for an equal amount.

Prepaid Expenditures

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activities and business-type activities column in the statement of net position. The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are reported at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Buildings and improvements | 20-50 |
| Furniture and equipment | 3-10 |

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount.

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

Deferred Outflows/Inflows of Resources

Deferred outflows/inflows of resources are separate elements of the financial statements. The District has deferred inflows of resources, which arises under the modified accrual basis of accounting, unavailable revenue from property taxes and for its proportionate share of TRS's deferred inflow related to pensions as described in Note H and its OPEB liability as described in Note I. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District has deferred outflows of resources for deferred charges on refunded debt, for its proportionate share of TRS's deferred outflow related to pensions as described in Note H, and for its proportionate share of TRS-Care's deferred outflow related to OPEB as described in Note I.

Property Tax

In the fund financial statements, property tax revenues are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by January 31 of the year following the October 1 levy date. The assessed value of the property tax roll (net of exemptions) on January 1, 2020, upon which the levy for the August 31, 2022 fiscal year was based, was \$5,873,842,517. Taxes are delinquent if not paid by February 1.

Delinquent taxes are subject to both penalty and interest charges plus delinquent collection fees for attorney costs.

Current tax collections for the year ended August 31, 2022 were 98.66% of the year-end adjusted tax levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting 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. As of August 31, 2022, property taxes receivable, net of estimated uncollectible taxes, totaled \$1,460,511. The tax rate to finance general governmental services was \$0.9614 per \$100 and the tax rate to finance the payment of principal and interest on long-term obligations was \$0.13821 per \$100 for the year ended August 31, 2022.

Pensions

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

OPEB

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

Fund Balance

The District classifies governmental fund balance in accordance with Government Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions:

- *Nonspendable* fund balance includes fund balance that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. At August 31, 2022, the District had \$853,279 and \$679,955 in nonspendable fund balance for inventory and prepaid items, respectively.
- *Restricted* fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. As of August 31, 2022, \$3,714,060 was restricted for other federal and state grants. Fund balance restricted for the retirement of funded indebtedness totaled \$3,814,143 as of August 31, 2022.
- *Committed* fund balance is established and modified by a resolution from the District's Board, the District's highest level of decision-making authority, and can be used only for the specific purposes determined by the Board's resolution. At August 31, 2022, the District had \$5,650,000 for construction projects, \$455,000 committed for capital equipment expenditures and \$1,514,544 committed for property insurance deductibles. In addition, the District had \$478,063 committed for campus activity funds and \$179,669 committed for other special revenue funds.
- *Assigned* fund balance is intended to be used by the District for specific purposes but does not meet the criteria to be classified as restricted or committed. The Board has delegated the authority to assign fund balance to the Superintendent. At August 31, 2022, the District had \$612,808 assigned for vested leave benefits.

- *Unassigned* fund balance is the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications.

The District uses restricted amounts first when both restricted and unrestricted fund balance are available. Additionally, the District would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Per the District adopted board policy, the minimum fund level for unassigned fund balance shall be 20% to a maximum of 25% of the current budget of the general and debt service funds.

Use of Estimates

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

Implementation of GASB Statement No. 87

As of September 1, 2021, the District adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain lease 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. The effect of the implementation of this standard on beginning net position is disclosed in Note R and the additional disclosures required by this standard is included in Note P.

New Accounting Pronouncements

GASB Statement No. 89: Accounting for Interest Cost Incurred Before the End of a Construction Period.

Statement 89 was issued in June 2018. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement becomes effective for the District in fiscal year 2022. The implementation had no significant effect on the District's financial statements.

GASB Statement No. 91: Conduit Debt Obligations. Statement 91 was issued in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This standard becomes effective for the District in fiscal year 2023. The District has not yet determined the impact of this statement.

GASB Statement No. 92: *Omnibus 2020*. Statement 92 was issued in January 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This standard becomes effective for the District in fiscal year 2022. The implementation had no significant effect on the District's financial statements.

GASB Statement No. 93: *Replacement of Interbank Offered Rates*. Statement 93 was issued in March 2020. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. This standard became effective for the District in fiscal year 2021. The implementation had no significant effect on the District's financial statements.

GASB Statement No. 94: *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. Statement 94 was issued in March 2020. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This standard becomes effective for the District in fiscal year 2023. The District has not yet determined the impact of this statement.

GASB Statement No. 95: *Postponement of Effective Dates of Certain Authoritative Guidance*. Statement 95 was issued in May 2020. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. This standard became effective for the District in fiscal year 2020. The implementation had no significant effect on the District's financial statements.

GASB Statement No. 96: *Subscription-Based Information Technology Arrangements*. Statement 96 was issued in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset— an intangible asset— and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. This standard becomes effective for the District in fiscal year 2023. The District has not yet determined the impact of this statement.

GASB Statement No. 97: *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Statement 97 was issued in June 2020. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This standard becomes effective for the District in fiscal year 2022. The implementation had no significant effect on the District's financial statements.

GASB Statement No. 98: *The Annual Comprehensive Financial Report*. Statement 98 was issued in October 2021. This Statement establishes the term "annual comprehensive financial report" and its acronym "ACFR". That new term and acronym replace instances of "comprehensive annual financial report" and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for "comprehensive annual financial report" sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. This standard becomes effective for fiscal years ending after December 15, 2021. The District has implemented this statement.

GASB Statement No. 99: *Omnibus 2022*. Statement 99 was issued in April 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The practice issues addressed by this Statement include the classification and reporting of derivative instruments within the scope of *Statement No. 53, Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument. Clarification of provisions in *Statement No. 87, Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives. Clarification of provisions in *Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the public-private and public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset. Clarification of provisions in *Statement No. 96, Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability. Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt. Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP). Disclosures related to nonmonetary transactions. Pledges of future revenues when resources are not received by the pledging government. Clarification of provisions in *Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, as amended, related to the focus of the government-wide financial statements.

Terminology updates related to certain provisions of *Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Terminology used in Statement 53 to refer to resource flows statements.

The requirements of Statement 99 that are related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The District has not yet determined the impact of this statement.

GASB issued Statement No. 100, *Accounting Changes and Error Corrections*- Statement 100 was issued in June 2022 and is an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The effects of this change on the District's financial statements have not yet been determined.

GASB issued Statement No. 101, *Compensated Absences*. Statement 101 was issued in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The effects of this change on the District's financial statements have not yet been determined.

Note B - Stewardship, Compliance and Accountability

Budgetary Information

Formal budgetary accounting is employed for all required Governmental Fund Types, as outlined in TEA's Financial Accounting Resource module, and is presented on the modified accrual basis of accounting consistent with generally accepted accounting principles. The budget is prepared and controlled at the function level within each organization to which responsibility for controlling operations is assigned.

The official school budget is prepared for adoption for required Governmental Fund Types prior to August 20 of the preceding fiscal year for the subsequent fiscal year beginning September 1. The budget is formally adopted by the Board of Trustees at a public meeting held at least ten days after public notice has been given.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Debt Service Fund and the National Breakfast and Lunch Program Special Revenue Fund. The remaining special revenue funds adopt project-length budgets that do not correspond to the District's fiscal year.

Note C - Fair Value Measurements

GASB Statement No. 72, *Fair Value Measurement and Application* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into three-level fair value hierarchy as follows:

Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.

Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.

Level 3 inputs are observable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

Market approach – uses prices generated by market transactions involving identical or comparable assets or liabilities.

Cost approach – uses the amount that currently would be required to replace the service capacity of an asset (replacement cost).

Income approach – uses valuation techniques to convert future amounts to present amounts based on current market expectations.

U.S. government-backed (federal agency) securities are valued using Level 2 inputs that are based on market data obtained from independent sources.

Note D - Detailed Notes on All Funds**Deposits**

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the School Depository Act. 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) coverage. In order to maximize return on cash balances, the District uses consolidated bank accounts from which all disbursements are made, with cash in excess of the District's total daily requirement being invested for future needs.

At August 31, 2022, the bank balance of \$4,305,326 was on deposit with the contracted depository bank. District funds are insured up to \$250,000 for the combined amount of all time and savings accounts, and up to an additional \$250,000 for the combined total of all Demand Deposit Accounts (DDA's). Interest-bearing accounts were collateralized by pledged United States government securities with a fair value of \$10,944,964 at August 31, 2022, held by First Financial Bank, N.A. Because First Financial Bank, N.A. holds the pledged securities in trust on behalf of the District, the deposits were deemed collateralized under Texas law. All campus activity funds were centralized and were on deposit with the contracted depository.

Investments

The Texas legislature passed the Public Funds Investment Act of 1995 ("Public Funds Investment Act") which authorizes the District to invest its excess funds in the following:

- Obligations of the United States or its agencies and instrumentalities,
- Obligations of the State of Texas or its agencies, and instrumentalities,
- Other obligations guaranteed by the United States or the State of Texas or their agencies and instrumentalities,
- Public funds investment pools,
- No load money market funds with a weighted average maturity of 90 days or less,
- Fully collateralized repurchase agreements,
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality not less than an "A", or its equivalent, by a nationally recognized investment rating firm,
- Commercial paper having a stated maturity of 365 days or fewer from the date of issuance and is not rated less than A-1 or P-1 by two nationally recognized credit rating agencies or one nationally recognized credit agency and is fully secured by an irrevocable letter of credit,
- Guaranteed investment contracts for bond proceeds investment only, with a defined termination date and secured by U.S. Government direct or agency obligations approved by the Texas Public Funds Investment Act in an amount equal to the bond proceeds,
- Guaranteed or secured certificates of deposit, issued by state and national banks domiciled in Texas, and insured by federal depository insurance or secured by the obligations mentioned above,
- Bonds issued, assumed or guaranteed by the State of Israel, and Secured corporate bonds rated not lower than "AA—" or the equivalent.

The Public Funds Investment Act requires an annual review and approval of investment policies and practices. The review disclosed that in this area of investment practices, management reports and establishment of appropriate policies, the District materially adhered to the requirements of the Public Funds Investment Act. Additionally, investment practices of the District were in accordance with local policies, which are more restrictive than state statutes.

San Angelo Independent School District
Notes to Basic Financial Statements
August 31, 2022

At August 31, 2022, the following are the District's cash equivalents and investments held by the District, with respective maturities and credit rating:

| Type of Investment | Book Value | | Fair Value | | Maturity in | | Credit Rating |
|--|---------------|---------|---------------|---------|--------------------|---------------------------|---------------|
| | Value | Percent | Value | Percent | Less Than One year | Maturity in 1 to 10 Years | |
| Cash | \$ 3,787,900 | 5.5% | \$ 3,787,900 | 5.5% | \$ 3,787,900 | \$ - | NA |
| Certificates of Deposit | 712,403 | 1.0% | 712,403 | 1.0% | 247,105 | 465,298 | NA |
| Total cash and cash equivalents | 4,500,303 | 6.5% | 4,500,303 | 6.5% | 4,035,005 | 465,298 | |
| Investments: | | | | | | | |
| Lonestar Investment Pool | 26,440,300 | 38.4% | 26,440,300 | 38.4% | 26,440,300 | - | AAA |
| Texas Class Investment Pool | 12,874,546 | 18.7% | 12,874,546 | 18.7% | 12,874,546 | - | AAAm |
| Texas Range Investment Pool | 2,892,448 | 4.2% | 2,892,448 | 4.2% | 2,892,448 | - | AAAm |
| TexPool Investment Pool | 4,136,594 | 6.0% | 4,136,594 | 6.0% | 4,136,594 | - | AAAm |
| Texas Term Investment Pool | 2,000,000 | 2.9% | 2,000,000 | 2.9% | 2,000,000 | - | AAAf |
| Federal Home Loan Banks | 11,880,475 | 17.3% | 11,880,475 | 17.3% | 11,880,475 | - | Aaa |
| Federal Home Loan Mtg Corp | 2,492,725 | 3.6% | 2,492,725 | 3.6% | 2,492,725 | - | Aaa |
| Financial Square Government Fund | 1,594,308 | 2.3% | 1,594,308 | 2.3% | 1,594,308 | - | AAAm |
| Total investments | 64,311,396 | 93.5% | 64,311,396 | 93.5% | 64,311,396 | - | |
| Total cash, cash equivalents and investments | \$ 68,811,699 | 100.0% | \$ 68,811,699 | 100.0% | \$ 68,346,401 | \$ 465,298 | |

Investments are presented on the respective statements of net position in the following data control codes:

| | Exhibit A-1 | | Exhibit E-1 | |
|---------------------------------------|-------------------------|--------------------------|----------------------------|----------------|
| | Governmental Activities | Business-Type Activities | Private Purpose Trust Fund | Custodial Fund |
| Included in cash and cash equivalents | \$ 50,330,872 | \$ 122,363 | \$ 55,011 | \$ 603,221 |
| Current investments | 2,247,105 | - | - | - |
| Restricted assets | 614,629 | - | - | - |
| Long-term investments | 14,838,498 | - | - | - |
| | \$ 68,031,104 | \$ 122,363 | \$ 55,011 | \$ 603,221 |

Investment Pools are measured at amortized cost or net asset value, i.e. fair value. As such, these investments are not required to be reported in the fair value hierarchy. The Federal Home Loan Bank Agencies and Financial Square Government Fund are classified as Level 2 of the fair value hierarchy.

In accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the District's investments with a maturity date of greater than one year have been recorded at fair value based upon quoted market prices as of August 31, 2022, with increase or decrease in fair value being recorded as a component of earnings on investments.

The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both Participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool Shares. Audited financial statements of the pool are available at First Public, 12008 Research Blvd., Austin, Texas 78759. In addition, TexPool is subject to review by the State Auditor's Office and by the Internal Auditor of the Comptroller's Office

Lone Star Investment Pool is governed by an 11-member board and an investment program tailored to the investment needs of local governments within the state of Texas. Lone Star Investment Pool assists governments across Texas make the most of taxpayer dollars. Local officials can improve the return on their invested balances by pooling their money with other entities to achieve economies of scale in a conservative fund in full compliance with the Texas Public Funds Investment Act. Lone Star Investment Pool 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. Lone Star uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in Lone Star is the same as the value of Lone Star Shares. Lone Star is administered by First Public LLC, who also serves as the investment advisor. The reported value of the pool is the same as the fair value of the pool shares.

Texas CLASS is a local government investment pool emphasizing safety, liquidity, convenience and competitive yield. Since 1996, Texas CLASS has provided Texas public entities a safe and competitive investment alternative. Texas CLASS invests only in securities allowed by the Texas Public Funds Investment Act. Texas CLASS carries a letter of credit that ensures the integrity of the fund, making it the only investment pool in Texas backed by a letter of credit. The pool is governed by a board of trustees, elected annually by its participants. Texas CLASS uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in Texas CLASS is the same as the value of Texas CLASS Shares.

The Texas Range Local Government Investment Pool was created by and for Texas local governments to provide investment programs tailored to the needs of Texas cities, counties, school districts and other public investors. Texas Range portfolios seek to provide these investors with safety, flexibility and competitive yields. Shares are distributed by PFM Fund Distributors, Inc., member Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC. The District currently utilizes Texas TERM, a fixed-rate, fixed-term investment option. Texas Range uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in Texas Range is the same as the value of Texas Range Shares.

Credit Risk

The District’s investments in Local Government Investment Pools (LGIP’s) include: TexPool, Texas Range, Texas CLASS and Lone Star. These are public fund investment pools operating in full compliance with the Public Funds Investment Act.

Interest Rate Risk

The District’s investment policy states that any internally created pool fund group of the District shall have a maximum dollar weighted maturity of 180 days. The maximum allowable stated maturity of any other individual investment owned by the District shall not exceed three years from the time of purchase. The Board may specifically authorize a longer maturity for a given investment, within legal limits

Concentration of Credit Risk

The District’s investment policy does not limit investments in any one issuer except that the investment portfolio shall be diversified in terms of investment instruments, maturing scheduling, and financial institutions to reduce risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity, or specific user.

Custodial Credit Risk – Deposits

This is the risk that, in the event of a bank failure, the District’s deposits may not be returned to it. All deposits not covered by FDIC insurance but held in the depository bank, First Financial Bank, N.A, were fully collateralized.

Foreign Currency Risk

As of August 31, 2022, there are no foreign currency investments in the District’s portfolio.

Due from Other Governments

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. In the fund financial statements, amounts due from federal and state governments as of August 31, 2022 are summarized below.

| Fund | State Grants/ Entitlements | Federal Grants | Total |
|-----------------------------|-------------------------------|----------------------|----------------------|
| General Fund | \$ 3,774,336 | \$ 2,850,368 | \$ 6,624,704 |
| ESSER II | - | 2,183,409 | 2,183,409 |
| ESSER III | - | 2,766,750 | 2,766,750 |
| Nonmajor Governmental Funds | 137,413 | 2,227,710 | 2,365,123 |
| | <u>\$ 3,911,749</u> | <u>\$ 10,028,237</u> | <u>\$ 13,939,986</u> |

Interfund Receivables and Payables

The composition of interfund balances as of August 31, 2022 is as follows:

| | Due From Other Funds | Due To Other Funds |
|-----------------------------|-------------------------|-----------------------|
| General Fund | | |
| Nonmajor Governmental Funds | \$ 6,859,252 | \$ - |
| Nonmajor Governmental Funds | | |
| General Fund | - | 1,928,750 |
| ESSER II | | |
| General Fund | - | 2,183,409 |
| ESSER III | | |
| General Fund | - | 2,747,093 |
| | <u>\$ 6,859,252</u> | <u>\$ 6,859,252</u> |
| Totals | <u>\$ 6,859,252</u> | <u>\$ 6,859,252</u> |

These interfund receivables and payables were recorded to eliminate cash deficit balances.

Interfund transfers during the year ended August 31, 2022, consisted of the following individual balances:

| | Transfer In | Transfer Out |
|-----------------------------|------------------|------------------|
| General Fund | | |
| Nonmajor Governmental Funds | \$ 25,000 | \$ - |
| Enterprise Funds | 47 | - |
| Nonmajor Governmental Funds | | |
| General Fund | - | 25,000 |
| Enterprise Funds | | |
| General Fund | - | 47 |
| | <u>\$ 25,047</u> | <u>\$ 25,047</u> |
| Totals | <u>\$ 25,047</u> | <u>\$ 25,047</u> |

The interfund transfers between the General Fund, Enterprise Fund and nonmajor governmental funds were used to cover program cost of special revenue funds.

Related Party Transactions

For the year ended August 31, 2022, the District paid \$102,806 to a vendor that employs a member of the Board.

Note E - Capital Assets

Capital asset activity for governmental activities for the year ended August 31, 2022 follows:

| | Beginning Balance (as restated) | Additions | Reductions | Ending Balance |
|---|---------------------------------------|-----------------------|-------------|-----------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 6,854,234 | \$ - | \$ - | \$ 6,854,234 |
| Construction in progress | - | 41,679 | - | 41,679 |
| Total capital assets, not being depreciated | 6,854,234 | 41,679 | - | 6,895,913 |
| Capital assets, being depreciated: | | | | |
| Buildings and improvements | 276,841,155 | 41,054 | - | 276,882,209 |
| Furniture and equipment | 39,890,489 | 882,669 | - | 40,773,158 |
| Total capital assets being depreciated | 316,731,644 | 923,723 | - | 317,655,367 |
| Less accumulated depreciation for | | | | |
| Buildings and improvements | (97,939,788) | (6,895,766) | - | (104,835,554) |
| Furniture and equipment | (29,373,996) | (2,467,999) | - | (31,841,995) |
| Total accumulated depreciation | (127,313,784) | (9,363,765) | - | (136,677,549) |
| Total capital assets being depreciated, net | 189,417,860 | (8,440,042) | - | 180,977,818 |
| Right-to-use leased assets being amortized | | | | |
| Equipment | 788,831 | - | - | 788,831 |
| Total right-to-use leased assets being amortized | 788,831 | - | - | 788,831 |
| Less accumulated amortization for | | | | |
| Equipment | - | (258,963) | - | (258,963) |
| Total accumulated amortization | - | (258,963) | - | (258,963) |
| Total leased assets being amortized, net | 788,831 | (258,963) | - | 529,868 |
| Governmental activities capital assets, net | <u>\$ 197,060,925</u> | <u>\$ (8,657,326)</u> | <u>\$ -</u> | <u>\$ 188,403,599</u> |

San Angelo Independent School District

Notes to Basic Financial Statements

August 31, 2022

Capital asset activity for business-type activities for the year ended August 31, 2022 was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance |
|--|----------------------|-------------|------------|-------------------|
| Capital assets, being depreciated: | | | | |
| Furniture and equipment | \$ 856,089 | \$ - | \$ - | \$ 856,089 |
| Total capital assets being depreciated | 856,089 | - | - | 856,089 |
| Less accumulated depreciation for | | | | |
| Furniture and equipment | (513,654) | (85,608) | - | (599,262) |
| Total accumulated depreciation | (513,654) | (85,608) | - | (599,262) |
| Total capital assets being depreciated, net | 342,435 | (85,608) | - | 256,827 |
| Business-type activities capital assets, net | \$ 342,435 | \$ (85,608) | \$ - | \$ 256,827 |

Depreciation expense was charged to the District's functions as follows:

| | |
|--|--------------|
| Governmental Activities: | |
| Instruction | \$ 4,407,923 |
| Instructional resources and media | 131,886 |
| Curriculum and staff development | 37,186 |
| Institutional leadership | 210,343 |
| School leadership | 145,686 |
| Guidance, counseling and evaluation services | 82,690 |
| Social work services | 80,777 |
| Health services | 9,654 |
| Student transportation | 767,416 |
| Food service | 223,300 |
| Extracurricular activities | 662,114 |
| General administration | 44,431 |
| Facilities maintenance and operations | 920,595 |
| Security and monitoring services | 201,222 |
| Data processing services | 130,120 |
| Facilities acquisition and construction | 1,308,422 |
| Total depreciation expense - governmental activities | \$ 9,363,765 |

Depreciation expense for business-type activities of \$85,608 was charged to JumboTron activities.

Amortization expense was charged to the District's functions as follows:

| | |
|--|------------|
| Governmental Activities | |
| 11 Instruction | \$ 258,963 |
| Total amortization expense - governmental activities | \$ 258,963 |

Construction Commitments

Estimated costs to complete construction in progress as of August 31, 2022, are \$117,605.

Note F - Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2022, the District purchased commercial insurance to cover general liabilities. 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.

Note G - Contingencies

The District is not a party to any legal actions that are believed by administration to have a material effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying basic financial statements for such contingencies.

The District participates in numerous state and federal grant programs that 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, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2022, 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.

Note H - Defined Benefit Pension Plan**Plan Description**

The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) as 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 education institutions in Texas who are employed for one-half or more of the standard workload and who are not exempt from membership under Texas Government Code, Title 8, Section 822.02 are covered by the system.

Pension Plan Fiduciary Net Position

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

Benefits Provided

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

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.

Contributions

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

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

| | Contribution Rates | | | | | | | | | | | | | |
|--|--|--------------|--|------|------|----------------------|--------------|--------------|------------------------------|-----------|-----------|------------------------|-----------|-----------|
| | 2021 | 2022 | | | | | | | | | | | | |
| Member | 7.70% | 8.00% | | | | | | | | | | | | |
| Non-Employer Contributing Entity (State) | 7.50% | 7.75% | | | | | | | | | | | | |
| Employers | 7.50% | 7.75% | | | | | | | | | | | | |
| | <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center; border-bottom: 1px solid black;">2021</th> <th style="text-align: center; border-bottom: 1px solid black;">2022</th> </tr> </thead> <tbody> <tr> <td>Member Contributions</td> <td style="text-align: right;">\$ 6,433,979</td> <td style="text-align: right;">\$ 6,684,986</td> </tr> <tr> <td>NECE On-Behalf Contributions</td> <td style="text-align: right;">4,877,976</td> <td style="text-align: right;">4,734,329</td> </tr> <tr> <td>Employer Contributions</td> <td style="text-align: right;">2,545,923</td> <td style="text-align: right;">2,939,214</td> </tr> </tbody> </table> | | | 2021 | 2022 | Member Contributions | \$ 6,433,979 | \$ 6,684,986 | NECE On-Behalf Contributions | 4,877,976 | 4,734,329 | Employer Contributions | 2,545,923 | 2,939,214 |
| | 2021 | 2022 | | | | | | | | | | | | |
| Member Contributions | \$ 6,433,979 | \$ 6,684,986 | | | | | | | | | | | | |
| NECE On-Behalf Contributions | 4,877,976 | 4,734,329 | | | | | | | | | | | | |
| Employer Contributions | 2,545,923 | 2,939,214 | | | | | | | | | | | | |

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

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

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

In addition to the employer contributions listed above, there are two additional surcharges an employer is subject to:

- All public schools, charter schools and regional education 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 TRS the employer shall pay both the member contribution and State contribution as an employment after retirement surcharge.

Actuarial Assumptions

The total pension liability in the August 31, **2020** actuarial valuation rolled forward to August 31, **2021** 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 | Market value |
| Single Discount Rate | 7.25% |
| Long-term expected Investment Rate of Return | 7.25% |
| Municipal Bond Rate as of August 2021 | 1.95% |
| Inflation | 2.30% |
| Salary Increases including inflation | 3.05% to 9.05% |
| Ad hoc post-employment benefit changes | None |

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 19, 2020.

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 8.5% 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.

The long-term expected 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 arithmetic real rates of return for each major asset class included in the System's target asset allocation as of **August 31, 2021**, (see page 53 of the TRS ACFR) are summarized below:

Teacher Retirement System of Texas
Asset Allocation and long-Term Expected Real Rate of Return as of August 31, 2021

| Asset Class ⁴ | Target Allocation ¹ | Long-Term Expected Arithmetic Real Rate of Return ² | Expected Contribution to Long-Term Portfolio Returns |
|---|--------------------------------|--|--|
| Global Equity | | | |
| U.S. | 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% |
| Stable Value | | | |
| 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% |
| Real Return | | | |
| Real Estate | 15.0% | 4.5% | 1.00% |
| Energy and Natural Resources and Infrastructure | 6.0% | 4.7% | 0.35% |
| Commodities | | 1.7% | 0.00% |
| Risk Parity | | | |
| Risk Parity | 8.0% | 2.8% | 0.28% |
| Leverage | | | |
| Cash | 2.0% | -0.7% | -0.01% |
| Asset Allocation Leverage | -6.0% | -0.5% | 0.30% |
| Inflation Expectation | | | 2.20% |
| Volatility Drag ³ | | | -0.95% |
| Total | <u>100.0%</u> | | <u>6.90%</u> |

¹ Target Allocation based on the FY 2021 policy manual.

² Capital Market Assumptions come from Aon Hewitt (as of 8/31/2021).

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

⁴ Absolute Return includes Credit Sensitive instruments.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.25%) in measuring the Net Pension Liability.

| | 1% Decrease in Discount Rate (6.25%) | Discount Rate (7.25%) | 1% Increase in Discount Rate (8.25%) |
|--|--|--------------------------|--|
| Total TRS net pension liability | \$55,648,259,551 | \$25,466,461,134 | \$ 979,861,293 |
| District's proportionate share of the net pension liability | \$ 33,202,272 | \$ 15,194,444 | \$ 584,630 |

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 \$15,194,444 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

| | |
|--|-----------------------------|
| District's proportionate share of the collective net pension liability | \$ 15,194,444 |
| State's proportionate share that is associated with the District | <u>29,062,098</u> |
| Total | <u><u>\$ 44,256,542</u></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 employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2020 through August 31, 2021.

At **August 31, 2021**, the employer's proportion of the collective net pension liability was 0.0596645293% which was an increase of 0.001189977% from its proportion measured as of August 31, 2020.

Changes since the Prior Actuarial Valuation

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

San Angelo Independent School District

Notes to Basic Financial Statements

August 31, 2022

For the year ended August 31, 2022, the District recognized pension expense of \$687,341 and revenue of \$4,870,005 for support provided by the State.

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 pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expected and actual economic experience | \$ 25,427 | \$ 1,069,701 |
| Changes in actuarial assumptions | 5,370,939 | 2,341,269 |
| Difference between projected and actual investment earnings | - | 12,740,344 |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 544,278 | 4,166,402 |
| Contributions paid to TRS subsequent to the measurement date | <u>2,939,214</u> | <u>-</u> |
| Total | <u>\$ 8,879,858</u> | <u>\$ 20,317,716</u> |

\$2,939,214 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending August 31, 2023.

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

| <u>Year Ended August 31,</u> | <u>Pension Expense Amount</u> |
|------------------------------|-----------------------------------|
| 2023 | \$ (2,766,237) |
| 2024 | (2,810,341) |
| 2025 | (3,840,434) |
| 2026 | (4,669,575) |
| 2027 | (288,452) |
| Thereafter | <u>(2,033)</u> |
| Total | <u>\$ (14,377,072)</u> |

Note I - Postemployment Health Benefits**Plan Description**

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

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

OPEB Plan Fiduciary Net Position

Detailed 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 https://www.trs.texas.gov/Pages/about_publications.aspx; by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698; or by calling (512) 542-6592.

Benefits Provided

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

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

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

TRS-Care Monthly Premium Rates

| | Medicare | Non-Medicare |
|--|----------|--------------|
| Retiree or Surviving Spouse | \$ 135 | \$ 200 |
| Retiree and Spouse | 529 | 689 |
| Retiree or Surviving Spouse and Children | 468 | 408 |
| Retiree and Family | 1,020 | 999 |

Contributions

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

The following table shows contributions to the TRS-Care plan by type of contributor:

| Contribution Rates | | | |
|---|------------|----|---------|
| | 2021 | | 2022 |
| Active Employee | 0.65% | | 0.65% |
| Non-Employer Contributing Entity (State) | 1.25% | | 1.25% |
| Employers | 0.75% | | 0.75% |
| Federal/private Funding remitted by Employers | 1.25% | | 1.25% |
| | 2021 | | 2022 |
| Employer Contributions | \$ 706,436 | \$ | 738,234 |
| Member Contributions | 541,896 | | 543,159 |
| NECE On-Behalf Contributions | 964,735 | | 932,767 |

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

TRS-Care received supplemental appropriations authorized by Senate Bill 1264 of the 86th Legislature as the Non-Employer Contributing Entity in the amount of \$5.5 million in fiscal year 2021 for consumer protections against medical and health care billing by certain out-of-network providers.

Actuarial Assumptions

The total OPEB liability in the August 31, 2020 was rolled forward 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 the 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 plan actuarial valuation that was rolled forward to August 31, 2021:

| | |
|-------------------------|-------------------------------|
| Rates of Mortality | General Inflation |
| Rates of Retirement | Wage Inflation |
| Rates of Termination | Rates of Disability Incidence |
| Expected payroll growth | |

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 Rates. The rates were projected on a fully generational basis using the ultimate improvement rates from mortality projection scale MP-2018.

Additional Actuarial Methods and Assumptions

| | |
|--|--|
| Valuation Date | August 31, 2020 rolled forward to August 31, 2021 |
| Actuarial Cost Method | Individual Entry Age Normal |
| Inflation | 2.30% |
| Discount Rate | 1.95% as of August 31, 2021 |
| Aging Factors | Based on plan specific experience |
| Expenses | Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs. |
| Projected Salary Increases | 3.05% to 9.05% |
| Healthcare Trend Rates | 4.25% to 8.5% The initial medical trend rates were 8.5% for Medicare retirees and 7.10% for non-Medicare retirees. There was an initial prescription drug trend rate of 8.5% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 12 years. |
| Election Rates | Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65; 25% of pre-65 retirees are assumed to discontinue coverage at age 65. |
| Ad hoc post-employment benefit changes | None |

Discount Rate

A single discount rate of 1.95% was used to measure the total OPEB liability. There 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 applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond 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.”

Discount Rate Sensitivity Analysis

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

| | <u>1% Decrease in Discount Rate (0.95%)</u> | <u>Discount Rate (1.95%)</u> | <u>1% Increase in Discount Rate (2.95%)</u> |
|---|---|----------------------------------|---|
| Total TRS net OPEB liability | \$ 46,529,697,637 | \$ 38,574,468,613 | \$ 32,313,444,468 |
| District's proportionate share of the net OPEB liability | \$ 42,076,679 | \$ 34,882,612 | \$ 29,220,960 |

Healthcare Cost Trend Rate Sensitivity Analysis

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

| | <u>1% Decrease in Healthcare Trend Rate</u> | <u>Current Single Healthcare Trend Rate</u> | <u>1% Increase in Healthcare Trend Rate</u> |
|---|---|---|---|
| Total TRS net OPEB liability | \$ 31,244,041,262 | \$ 38,574,468,613 | \$ 48,410,081,189 |
| District's proportionate share of the net OPEB liability | \$ 28,253,901 | \$ 34,882,612 | \$ 43,777,104 |

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 \$34,882,612 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 | \$ 34,882,612 |
| State's proportionate share that is associated with the District | <u>46,734,926</u> |
| Total | <u><u>\$ 81,617,538</u></u> |

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 employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2020 through August 31, 2021.

At August 31, 2022, the District's proportion of the collective Net OPEB Liability was 0.0904297% compared to 0.0918121% as of August 31, 2021.

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 since the prior measurement period:

- The discount rate changed from 2.33% as of August 31, 2020 to 1.95% as of August 31, 2021. This change increased the Total OPEB liability.

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

For the year ended August 31, 2022, the District recognized OPEB expense of \$2,278,434 and revenue of \$946,496 for support provided by the State.

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 | \$ 1,501,862 | \$ 16,885,624 |
| Changes in actuarial assumptions | 3,863,659 | 7,377,027 |
| Difference between projected and actual investment earnings | 37,871 | - |
| Changes in proportion and difference between District contributions and the proportionate share of contributions | 878,340 | 5,652,745 |
| Contributions paid to TRS subsequent to the measurement date | 738,234 | - |
| Total | \$ 7,019,966 | \$ 29,915,396 |

\$738,234 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the year ended August 31, 2023.

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

| <u>Year Ended August 31</u> | <u>OPEB Expense Amount</u> |
|-----------------------------|--------------------------------|
| 2022 | \$ (4,302,755) |
| 2023 | (4,303,610) |
| 2024 | (4,303,376) |
| 2025 | (3,385,177) |
| 2026 | (2,142,090) |
| Thereafter | <u>(5,196,656)</u> |
| Total | <u>\$ (23,633,664)</u> |

Medicare Part D

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 TRS-Care to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments have been recognized as equal revenues and expenditures by the District in the amount of \$356,472, \$379,613, and 350,618 for the years ended August 31, 2022, **2021** and **2020**, respectively.

Note J - Workers Compensation and Health Insurance

Workers Compensation Coverage. Beginning with fiscal year 2004, the District's statutory workers compensation obligation was met with participation through inter-local agreement in the Texas Workers Compensation Solutions Program (TWCS or the Program). Transactions of this plan are accounted for in the Workers Compensation Fund, an internal service fund of the District. TWCS provides a non-profit contractual mechanism by which each Program member provides self-insurance to extend workers compensation benefits to its employees through an inter-local agreement with other Districts. The District must contribute to the Program its share of fixed program costs based on a pro-rata share of its covered payroll costs. The District's contractual maximum loss and expected costs for claims incurred are actuarially determined for each program year by TWCS. The District places on deposit with TWCS an amount equal to 10% of the District's maximum loss for each claim's year. The District must maintain on deposit at least 5% of the maximum loss at all times. Additionally, member districts would share proportionately in excess claims should any member exceed its maximum loss fund of the Program. The TWCS program purchases specific and aggregate re-insurance to protect the program if claims exceed the member districts' maximum loss funds. The District has contributed to its internal service fund annually to reserve funds for its actuarially determined expected losses as well as a portion of the contractual maximum loss. TWCS contracts annually for an independent audit of its financial statements and an actuarial study to provide estimates necessary for its financial statements and program operations. Then reports are presented and approved by the TWCS Board in January after its fiscal year end of August 31 and are available at the TWCS office located at 1004 Marble Heights Drive, Marble Falls, Texas.

Estimates of workers compensation claims payable and of claims incurred, but not reported at August 31, 2022 were actuarially determined and provided by TWCS and are reflected as claims payable in the Workers Compensation Fund. The plan is funded to discharge liabilities of the funds as they become due.

The following is a reconciliation of workers' compensation claims during the previous two years:

| | <u>2022</u> | <u>2021</u> |
|----------------------------------|-------------------|-------------------|
| Claims payable beginning of year | \$ 490,526 | \$ 324,573 |
| Claims incurred | 103,728 | 437,406 |
| Claims paid | <u>(227,899)</u> | <u>(271,453)</u> |
| Claims payable end of year | <u>\$ 366,355</u> | <u>\$ 490,526</u> |

Note K - Unavailable and Unearned Revenue

Unavailable revenue at year-end in the fund financial statements consisted of the following:

| | <u>General Fund</u> | <u>Nonmajor Governmental Funds</u> | <u>Total</u> |
|-----------------------------|-------------------------|--|---------------------|
| Unavailable tax collections | \$ 1,110,301 | \$ 162,790 | \$ 1,273,091 |
| Unavailable SHARS revenue | <u>2,850,368</u> | <u>-</u> | <u>2,850,368</u> |
| Total | <u>\$ 3,960,669</u> | <u>\$ 162,790</u> | <u>\$ 4,123,459</u> |

Unearned revenue at year-end in the fund financial statements consisted of the following:

| | <u>General Fund</u> | <u>Nonmajor Governmental Funds</u> | <u>Total</u> |
|---|-------------------------|--|---------------------|
| August athletic ticket sales, lost textbooks, and parking receipts | \$ 137,995 | \$ - | \$ 137,995 |
| State and local grant revenue | 670,171 | 13,674 | 683,845 |
| Federal grant revenue | <u>-</u> | <u>224,474</u> | <u>224,474</u> |
| Total | <u>\$ 808,166</u> | <u>\$ 238,148</u> | <u>\$ 1,046,314</u> |

Note L - Revenues from Local and Intermediate Sources

For the year ended August 31, 2022, revenues from local and intermediate sources reported in the fund financial statements for governmental fund types consisted of the following:

| | General Fund | Nonmajor Governmental Funds | Total |
|---|-----------------|-----------------------------------|---------------|
| Property taxes | \$ 56,891,283 | \$ 8,194,557 | \$ 65,085,840 |
| Food sales | - | 826,921 | 826,921 |
| Investment income | (234,157) | 17,681 | (216,476) |
| Penalties, interest & other tax related income | 502,651 | 65,918 | 568,569 |
| Co-curricular student activities | 411,808 | - | 411,808 |
| Tuition and fees | 165,736 | - | 165,736 |
| Gifts and bequests | 21,713 | 4,249 | 25,962 |
| Other | 704,653 | 624,693 | 1,329,346 |
| | \$ 58,463,687 | \$ 9,734,019 | \$ 68,197,706 |
| Total | | | |

Note M - Accumulated Unpaid Sick Leave Benefits

Upon retirement or death of certain employees, the District pays for a portion of accrued sick leave earned while employed by the District in a lump sum cash payment to such employee or his/her estate. Payments for and usage of vested sick leave has been typically accounted for in the General Fund. This obligation was estimated to be \$612,808 at August 31, 2022 for eligible employees and is recorded as other long-term liabilities in the government wide statement of net position.

Note N – Extraordinary Item

During the year ended August 31, 2022, the District recorded extraordinary expenditures of \$3,486,619 and revenue of \$69,989 from insurance proceeds. The expenditures are related to the repair of District assets that had incurred significant storm damage.

Note O - Debt

The long-term indebtedness of the District pertains to the Governmental Activities and Business-Type Activities of the District. Expenditures for the debt service requirements of the long-term debt are accounted for in the General Fund, Debt Service Fund and Enterprise Fund.

In previous years, the District deposited with a paying agent amounts that were sufficient to provide the final payment and redemption of defeased bonds. The defeased bonds are no longer regarded as being outstanding, except for the purpose of being paid from funds on deposit in the escrow fund. As of August 31, 2022, the remaining principal of the defeased bonds was \$64,779,994.

A summary of bond issuances and other general long-term debt original amounts issues, interest rates and maturity dates as of August 31, 2022 are as follows:

| | Original Amounts Issued | Interest Rate Payable | Maturity Date |
|--------------------------|-------------------------------|-----------------------------|-------------------|
| Bond Issuances | | | |
| 2015-A Refunding Bonds | \$ 96,589,982 | 2.0%-5.0% | February 15, 2025 |
| 2020 Refunding Bonds | 66,684,994 | 4.0%-5.0% | February 15, 2034 |
| 2020 Refunding Bonds CAB | 1,844,994 | 0.0% | February 15, 2026 |
| Leases | | | |
| Kirbo's Office Systems | 1,266,557 | 2.39% | August 31, 2024 |
| Pitney Bowes | 44,962 | 3.06% | November 14, 2022 |
| Note Payable | | | |
| 2015 Jumbotron | 743,089 | 9.0% | August 31, 2025 |

A summary of changes in general long-term debt for governmental activities as of August 31, 2022 follows on the next page.

San Angelo Independent School District

Notes to Basic Financial Statements

August 31, 2022

| | Beginning Balance (as restated) | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---------------------------------------|-------------------|-----------------------|----------------------|------------------------|
| General Obligation Bonds | | | | | |
| 2015-A Refunding Bonds | \$ 21,490,000 | \$ - | \$ (4,975,000) | \$ 16,515,000 | \$ 5,235,000 |
| 2020 Refunding Bonds | 63,550,000 | - | (615,000) | 62,935,000 | 640,000 |
| 2020 Refunding Bonds CAB | 1,844,994 | - | - | 1,844,994 | - |
| Total bonds | 86,884,994 | - | (5,590,000) | 81,294,994 | 5,875,000 |
| Accreted interest on capital appreciation | 4,439,107 | 38,059 | - | 4,477,166 | - |
| Unamortized bond premium | 12,232,415 | - | (1,782,514) | 10,449,901 | - |
| Subtotal | 103,556,516 | 38,059 | (7,372,514) | 96,222,061 | 5,875,000 |
| Compensated Absences | | | | | |
| Vested sick leave | 634,105 | 66,724 | (88,021) | 612,808 | - |
| Leases | | | | | |
| Equipment | 788,831 | - | (262,825) | 526,006 | 260,930 |
| Total general long-term debt - governmental activities | \$ 104,979,452 | \$ 104,783 | \$ (7,723,360) | \$ 97,360,875 | \$ 6,135,930 |

A summary of changes in general long-term debt for the business-type activities as of August 31, 2022 are as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--|----------------------|-------------|--------------------|-------------------|------------------------|
| Note Payable | | | | | |
| 2015 Jumbotron | \$ 344,148 | \$ - | \$ (75,254) | \$ 268,894 | \$ 82,027 |
| Total long-term debt - business-type activities | \$ 344,148 | \$ - | \$ (75,254) | \$ 268,894 | \$ 82,027 |

Debt service requirements on bonds payable for governmental activities are as follows:

| Year Ending August 31, | Principal | Interest | Total Requirements |
|---------------------------|----------------------|----------------------|-----------------------|
| 2023 | \$ 5,875,000 | \$ 2,457,647 | \$ 8,332,647 |
| 2024 | 6,165,000 | 2,163,172 | 8,328,172 |
| 2025 | 6,470,000 | 1,854,072 | 8,332,647 |
| 2026 | 1,844,994 | 6,485,778 | 8,328,172 |
| 2027 | 6,765,000 | 1,560,472 | 8,324,072 |
| 2028-2032 | 37,820,000 | 3,821,258 | 5,666,252 |
| 2033-2034 | 16,355,000 | 295,728 | 38,115,728 |
| Total | \$ 81,294,994 | \$ 18,638,127 | \$ 85,427,690 |

San Angelo Independent School District

Notes to Basic Financial Statements

August 31, 2022

Debt service requirements on long-term debt for business-type activities are as follows:

| Year Ending August 31, | Principal | Interest | Total Requirements |
|---------------------------|-------------------|------------------|-----------------------|
| 2023 | \$ 82,027 | \$ 24,200 | \$ 106,227 |
| 2024 | 89,410 | 16,818 | 106,228 |
| 2025 | 97,457 | 8,771 | 106,228 |
| Total | <u>\$ 268,894</u> | <u>\$ 49,789</u> | <u>\$ 318,683</u> |

Payment requirements for the District's lease is as follows:

| Year Ending August 31, | Principal | Interest | Total Requirements |
|---------------------------|-------------------|------------------|-----------------------|
| 2023 | \$ 260,930 | \$ 9,708 | \$ 270,638 |
| 2024 | 265,076 | 3,452 | 268,528 |
| Total | <u>\$ 526,006</u> | <u>\$ 13,160</u> | <u>\$ 539,166</u> |

Note P - Leases

The District entered an agreement to lease copiers for District-wide use beginning September 2019. Under the terms of the lease, the District pays a monthly fee of \$22,417. The lease terminates on September 1, 2024. The District entered an agreement to lease a postage machine for District-wide use beginning November 2017. Under the terms of the lease, the District pays a monthly fee of \$822. The lease terminates on November 14, 2022.

At August 31, 2022, the District has recognized a right to use asset, net of accumulated amortization, of \$529,868 and a lease liability of \$526,006 related to this agreement. During the fiscal year, the District recorded \$258,963 in amortization expense and \$16,022 in interest expense for the right to use the copiers and the postage machine. The District used a discount rate of 2.39% on the copier lease and 3.06% on the postage machine. The discount rate was based on the risk-free rate published by the United States Treasury as the District has no comparable publicly traded debt. The rate was then adjusted for the specific terms of each lease and the rating of the entity.

Remaining obligations associated with this lease is as follows:

| Year Ending August 31, | Principal | Interest | Total Requirements |
|---------------------------|-------------------|------------------|-----------------------|
| 2023 | \$ 260,930 | \$ 9,708 | \$ 270,638 |
| 2024 | 265,076 | 3,452 | 268,528 |
| Total | <u>\$ 526,006</u> | <u>\$ 13,160</u> | <u>\$ 539,166</u> |

Note Q - General Fund Federal Source Revenues

Revenues from federal sources, which are reported in the General Fund, consist of:

| Program or Service | Financial Assistance Listing Number | Amount |
|--|--|---------------------|
| ROTC | 12.000 | \$ 119,832 |
| School Health and Related Services | n/a | 680,906 |
| Impact Aid, Public Law 81-874 | 84.041 | 68,365 |
| Indirect costs | | |
| Title I - Part A | 84.010 | 142,111 |
| IDEA B Formula | 84.027 | 131,978 |
| IDEA B Preschool | 84.173 | 4,015 |
| Carl D Perkins Basic Grant Formula | 84.048 | 7,575 |
| Title II, Part A - Teacher, Principal, Training & Recruitment | 84.367 | 17,529 |
| Title III - Part A | 84.365 | 2,883 |
| Title IV - Part A | 84.424 | 13,627 |
| ESSER II | 84.425 | 736,236 |
| ESSER III | 84.425 | 1,093,435 |
| ARP Homeless II | 84.425 | 257 |
| IDEA-B Formula ARP | 84.027 | 5,230 |
| Total | | <u>\$ 3,023,979</u> |

Note R - Adoption of New Standard

As of September 1, 2021, the District adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The Statement requires recognition of certain lease 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. See additional disclosures required by this standard in Note P.

Beginning net position was restated to retroactively adopt the provisions of GASB Statement No. 87 as follows:

| | <u>Governmental Activities</u> |
|--|--------------------------------|
| Net position - September 1, 2021, as previously reported | \$ 70,939,029 |
| Add right-to-use intangible asset, net of amortization under GASB Statement No. 87 at September 1, 2021 | 788,831 |
| Add lease liability under GASB Statement No. 87 at September 1, 2021 | <u>(788,831)</u> |
| Net position at September 1, 2021, as restated | <u>\$ 70,939,029</u> |



Required Supplementary Information
August 31, 2022

San Angelo Independent School District

San Angelo Independent School District
 Budgetary Comparison Schedule – General Fund (Exhibit G-1)
 Year Ended August 31, 2022

| Data Control Codes | | Budgeted Amounts | | Actual Amounts | Variance With Final Budget |
|---------------------------------------|---|------------------|---------------|----------------|----------------------------|
| | | Original | Final | (GAAP) Basis | Positive or (Negative) |
| Revenues | | | | | |
| 5700 | Local and intermediate sources | \$ 57,876,122 | \$ 58,476,122 | \$ 58,463,687 | \$ (12,435) |
| 5800 | State program revenues | 65,043,767 | 51,742,746 | 64,472,043 | 12,729,297 |
| 5900 | Federal program revenues | 1,655,000 | 2,015,000 | 3,023,979 | 1,008,979 |
| 5020 | Total revenues | 124,574,889 | 112,233,868 | 125,959,709 | 13,725,841 |
| Expenditures | | | | | |
| Current | | | | | |
| 0011 | Instruction | 62,908,267 | 60,000,160 | 57,789,964 | 2,210,196 |
| 0012 | Instructional resources and media services | 1,585,349 | 1,545,349 | 1,504,198 | 41,151 |
| 0013 | Curriculum and instructional staff development | 1,393,101 | 1,139,246 | 1,075,814 | 63,432 |
| 0021 | Instructional leadership | 1,697,785 | 1,652,785 | 1,606,658 | 46,127 |
| 0023 | School leadership | 7,849,084 | 7,683,084 | 7,628,170 | 54,914 |
| 0031 | Guidance, counseling and evaluation services | 4,647,577 | 4,635,477 | 4,584,514 | 50,963 |
| 0032 | Social work services | 592,615 | 527,615 | 490,957 | 36,658 |
| 0033 | Health services | 1,507,798 | 1,647,798 | 1,627,860 | 19,938 |
| 0034 | Student (pupil) transportation | 3,776,562 | 3,915,562 | 3,461,682 | 453,880 |
| 0035 | Food services | 79,514 | 66,514 | 65,542 | 972 |
| 0036 | Extracurricular activities | 5,912,140 | 6,050,540 | 6,004,006 | 46,534 |
| 0041 | General administration | 3,319,968 | 3,355,968 | 3,261,166 | 94,802 |
| 0051 | Facilities maintenance and operations | 15,191,862 | 14,576,504 | 13,762,009 | 814,495 |
| 0052 | Security and monitoring services | 516,152 | 616,152 | 512,496 | 103,656 |
| 0053 | Data processing services | 3,195,606 | 3,311,626 | 3,182,466 | 129,160 |
| 0061 | Community services | 169,412 | 118,412 | 95,004 | 23,408 |
| 0071 | Debt service | - | 275,000 | 269,000 | 6,000 |
| Intergovernmental | | | | | |
| 0099 | Other intergovernmental charges | 1,050,000 | 1,075,000 | 1,072,257 | 2,743 |
| 6030 | Total expenditures | 115,392,792 | 112,192,792 | 107,993,763 | 4,199,029 |
| 1100 | Excess (deficiency) of revenues over (under) expenditures | 9,182,097 | 41,076 | 17,965,946 | 17,924,870 |
| Other financing sources (uses) | | | | | |
| 7915 | Transfers in | - | - | 25,000 | 25,000 |
| 7080 | Total other financing sources (uses) | - | - | 25,000 | 25,000 |
| Extraordinary items | | | | | |
| 7919 | Extraordinary item | - | - | 69,989 | 69,989 |
| 8913 | Extraordinary use | - | (3,200,000) | (3,486,619) | (286,619) |
| | Total special items | - | (3,200,000) | (3,416,630) | (216,630) |
| 1200 | Net change in fund balances | 9,182,097 | (3,158,924) | 14,574,316 | 17,733,240 |
| 0100 | Fund balance - September 1 (beginning) | 47,991,765 | 47,991,765 | 47,991,765 | - |
| 3000 | Fund balance - August 31 (ending) | \$ 57,173,862 | \$ 44,832,841 | \$ 62,566,081 | \$ 17,733,240 |

San Angelo Independent School District

Schedule of District's Proportionate Share of the Net Pension Liability – Teacher Retirement System of Texas (Exhibit G-2)
Year Ended August 31, 2022

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|----------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
| District's proportion of the net pension liability | 0.05966% | 0.05847% | 0.07181% | 0.07222% | 0.07165% | 0.07286% | 0.07665% | 0.04874% |
| District's proportionate share of net pension liability | \$ 15,194,444 | \$ 31,317,777 | 37,329,639 | \$ 39,753,257 | \$ 22,909,050 | \$ 27,533,250 | \$ 27,094,755 | \$ 13,017,820 |
| State's proportionate share of the net pension liability associated with the District | 29,062,098 | 62,800,381 | 57,977,643 | 63,388,503 | 38,885,427 | 48,542,407 | 46,073,448 | 40,432,025 |
| Totals | \$ 44,256,542 | \$ 94,118,158 | \$ 95,307,282 | \$ 103,141,760 | \$ 61,794,477 | \$ 76,075,657 | \$ 73,168,203 | \$ 53,449,845 |
| District's covered payroll | \$ 83,558,934 | \$ 82,559,521 | \$ 80,967,583 | \$ 79,008,268 | \$ 78,186,792 | \$ 78,244,552 | \$ 75,523,372 | \$ 73,897,210 |
| District's proportionate share of net pension liability as a percentage of its covered payroll | 18.18% | 37.93% | 46.10% | 50.32% | 29.30% | 35.19% | 35.88% | 17.62% |
| 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% |

Note: The information disclosed for each fiscal year is reported as of the measurement date of the net pension liability with is August 31 of the preceding fiscal year.

Note: Plan information was unavailable prior to 2015.

San Angelo Independent School District
Schedule of District's Contributions – Teacher Retirement System of Texas (Exhibit G-3)
Year Ended August 31, 2022

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Contractually required contributions | \$ 2,939,214 | \$ 2,545,923 | \$ 2,412,676 | \$ 2,513,474 | \$ 2,432,983 | \$ 2,348,191 | \$ 2,314,992 | \$ 2,269,639 |
| Contribution in relation to the contractually required contributions | (2,939,214) | (2,545,923) | (2,412,676) | (2,513,474) | (2,432,983) | (2,348,191) | (2,314,992) | (2,269,639) |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered payroll | \$ 83,542,715 | \$ 83,558,934 | \$ 82,559,521 | \$ 80,967,583 | \$ 79,008,268 | \$ 78,186,792 | \$ 78,244,552 | \$ 75,523,372 |
| Contributions as a percentage of covered payroll | 3.52% | 3.05% | 2.92% | 3.10% | 3.08% | 3.00% | 2.96% | 3.01% |

Note: The information disclosed for each fiscal year is reported as of the District's fiscal year-end date.

Note: Plan information was unavailable prior to 2015.

San Angelo Independent School District
Schedule of District's Proportionate Share of the Net OPEB Liability (Exhibit G-4)
Year Ended August 31, 2022

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|----------------------|----------------------|-----------------------|-----------------------|-----------------------|
| District's proportion of the net OPEB liability | 0.090429727% | 0.091812086% | 0.100464098% | 0.102037369% | 0.099479686% |
| District's proportionate share of net OPEB liability | \$ 34,882,612 | \$ 34,901,920 | \$ 47,510,702 | \$ 50,948,192 | \$ 43,259,984 |
| State's proportionate share of the net OPEB liability associated with the District | 46,734,926 | 46,899,814 | 63,131,096 | 63,840,103 | 57,836,255 |
| Totals | <u>\$ 81,617,538</u> | <u>\$ 81,801,734</u> | <u>\$ 110,641,798</u> | <u>\$ 114,788,295</u> | <u>\$ 101,096,239</u> |
| District's covered payroll | \$ 83,558,934 | \$ 82,559,521 | \$ 80,967,583 | \$ 79,008,268 | \$ 78,186,792 |
| District's proportionate share of net OPEB liability as a percentage of its covered payroll | 41.75% | 42.27% | 58.68% | 64.48% | 55.33% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 6.18% | 4.99% | 2.66% | 1.57% | 0.91% |

Note: The information disclosed for each fiscal year is reported as of the measurement date of the net OPEB liability which is August 31 of the preceding fiscal year.

Note: Plan information was unavailable prior to 2018.

San Angelo Independent School District
Schedule of District's Contributions to the OPEB Plan (Exhibit G-5)
Year Ended August 31, 2022

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|------------------|------------------|------------------|------------------|------------------|
| Contractually required contributions | \$ 738,234 | \$ 706,436 | \$ 697,836 | \$ 713,017 | \$ 703,899 |
| Contribution in relation to the contractually required contributions | <u>(738,234)</u> | <u>(706,436)</u> | <u>(697,836)</u> | <u>(713,017)</u> | <u>(703,899)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered payroll | \$ 83,542,715 | \$ 83,558,934 | \$ 82,559,521 | \$ 80,967,583 | \$ 79,008,268 |
| Contributions as a percentage of covered payroll | 0.88% | 0.85% | 0.85% | 0.88% | 0.89% |

Note: The information disclosed for each fiscal year is reported as of the District's fiscal year-end date.

Note: Plan information was unavailable prior to 2018.

Note A - Budget

Budgetary Information

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the general fund, debt service fund, and the National School Breakfast and Lunch Program special revenue fund. The Texas Education Code requires the budget to be prepared not later than August 20 and adopted by August 31 of each year. The budgets are prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles.

The following procedures are followed in establishing the budgetary data reflected in the fund financial schedules:

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. 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.
3. Prior to September 1, the budget is formally approved and adopted by the Board.

Once a budget is approved, it can be amended by 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 Director of Financial Services. Budget amounts are as amended by the Board. All budget appropriations lapse at year end.

Note B - Pension

Changes of Benefit Terms

There were no changes to benefit terms that affected the measurement of the total pension liability during the measurement period.

Changes in the Size or Composition of the Population Covered by the Benefit Terms

There are no changes in the size or composition of the population covered by the benefit terms during the measurement period.

Changes of Assumptions

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

Note C - OPEB

Changes of Benefit Terms

There were minor benefit revisions that have been adopted since the prior measurement date. These changes are not expected to have a significant impact on plan costs.

Changes in the Size or Composition of the Population Covered by the Benefit Terms

There were no changes in the size or composition of the population covered by the benefit terms during the measurement period.

Changes of Assumptions

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

- The discount rate changed from 2.33% as of August 31, 2020 to 1.95% as of August 31, 2021. This change increased the Total OPEB liability.



Other Supplementary Information
August 31, 2022

San Angelo Independent School District

COMBINING AND OTHER STATEMENTS

Included in this section are combining nonmajor funds financial statements.

GOVERNMENTAL FUNDS

Following is a description of the purposes of governmental funds.

REPORTED AS MAJOR FUNDS IN THE BASIC FINANCIAL STATEMENTS

- General Fund is the District's primary operating fund. It is used to account for all financial resources not required to be reported in another fund. It is always a major fund.
- ESSER II Fund is the fund to account for the receipt and expenditure of the federally funded program. Revenues are generally recognized to the extent of eligible expenditures.
- ESSER III Fund is the fund to account for the receipt and expenditure of the federally funded program. Revenues are generally recognized to the extent of eligible expenditures.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

- Funds 200 through 289 are used to account for the receipt and expenditure of federally funded programs. Revenues are generally recognized to the extent of eligible expenditures.
- Funds 380 through 429 are used to account for the State of Texas funded programs. Revenues are generally recognized to the extent of eligible expenditures.
- Funds 460 through 499 are used to account for the receipt and expenditure of local and intermediate source funded programs.

Debt Service Fund - to account for the accumulation of resources and payment of principal and interest on general obligation bonds. Resources are provided by an annual ad valorem tax levy and State of Texas Foundation Program revenues. Proceeds of refunding bond issues are also accounted for in this fund.

ENTERPRISE FUNDS

A brief description of the purpose of each enterprise fund follows.

Concession Fund – to account for the concession operations at athletic events.

JumboTron Fund – to account for advertising revenues and operating costs of an electronic scoreboard installed at San Angelo Stadium.

CUSTODIAL FUND

Student Activity Accounts - to account for funds which belong to student groups.

San Angelo Independent School District
Combining Balance Sheet – Nonmajor Governmental Funds (Exhibit H-1)
August 31, 2022

| Data Control Codes | 211 ESEA I, A Improving Basic Program | 224 IDEA Part B Formula | 225 IDEA Part B Preschool |
|--------------------------------------|--|----------------------------------|------------------------------------|
| Assets | | | |
| 1110 | Cash and cash equivalents | \$ - | \$ - |
| 1220 | Property taxes - delinquent | - | - |
| 1230 | Allowance for uncollectible taxes (credit) | - | - |
| 1240 | Due from other governments | 547,181 | 13,377 |
| 1250 | Accrued interest | - | - |
| 1290 | Other receivables | - | - |
| 1300 | Inventories | - | - |
| 1910 | Long-term investments | - | - |
| 1000 | Total assets | 547,181 | 13,377 |
| 1000a | Total assets and deferred outflows | \$ 547,181 | \$ 13,377 |
| Liabilities | | | |
| 2110 | Accounts payable | \$ 53,128 | \$ - |
| 2170 | Due to other funds | 494,053 | 13,377 |
| 2180 | Due to other governments | - | - |
| 2300 | Unearned revenues | - | - |
| 2000 | Total liabilities | 547,181 | 13,377 |
| Deferred Inflows of Resources | | | |
| 2601 | Unavailable revenue - property taxes | - | - |
| 2600 | Total inflows of resources | - | - |
| Fund Balances | | | |
| 3410 | Nonspendable - inventories | - | - |
| 3450 | Restricted - federal or state funds grant | - | - |
| 3480 | Restricted - retirement of long-term debt | - | - |
| 3545 | Committed - other | - | - |
| 3000 | Total fund balances | - | - |
| 4000 | Total liabilities, deferred inflows and fund balances | \$ 547,181 | \$ 13,377 |

San Angelo Independent School District
Combining Balance Sheet – Nonmajor Governmental Funds (Exhibit H-1)
August 31, 2022

| 240 | 242 | 244 | 255 | 263 |
|--|------------------------------|--|--|--|
| National Breakfast and Lunch Program | Summer Feeding Program | Career and Technical - Basic Grant | ESEA II, A Training and Recruiting | Title III, A English Lang. Acquisition |
| \$ 1,976,393 | \$ 1,580,036 | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| - | - | - | - | - |
| 355,935 | - | 35,059 | 62,191 | 27,462 |
| - | - | - | - | - |
| 48,093 | - | - | - | - |
| 853,279 | - | - | - | - |
| - | - | - | - | - |
| <u>3,233,700</u> | <u>1,580,036</u> | <u>35,059</u> | <u>62,191</u> | <u>27,462</u> |
| <u>\$ 3,233,700</u> | <u>\$ 1,580,036</u> | <u>\$ 35,059</u> | <u>\$ 62,191</u> | <u>\$ 27,462</u> |
| \$ 85,943 | \$ - | \$ - | \$ 21 | \$ 13,144 |
| - | - | 35,059 | 62,170 | 14,318 |
| - | - | - | - | - |
| 224,474 | - | - | - | - |
| <u>310,417</u> | <u>-</u> | <u>35,059</u> | <u>62,191</u> | <u>27,462</u> |
| - | - | - | - | - |
| - | - | - | - | - |
| 853,279 | - | - | - | - |
| 2,070,004 | 1,580,036 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>2,923,283</u> | <u>1,580,036</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ 3,233,700</u> | <u>\$ 1,580,036</u> | <u>\$ 35,059</u> | <u>\$ 62,191</u> | <u>\$ 27,462</u> |

San Angelo Independent School District
Combining Balance Sheet – Nonmajor Governmental Funds (Exhibit H-1)
August 31, 2022

| Data Control Codes | | 280 ARP Act Homeless II Education for Homeless | 284 IDEA Part B Formula ARP Act | 289 Other Federal Special Revenue Funds |
|-------------------------------|--|--|---|--|
| Assets | | | | |
| 1110 | Cash and cash equivalents | \$ - | \$ - | \$ - |
| 1220 | Property taxes - delinquent | - | - | - |
| 1230 | Allowance for uncollectible taxes (credit) | - | - | - |
| 1240 | Due from other governments | 2,352 | 41,343 | 532,030 |
| 1250 | Accrued interest | - | - | - |
| 1290 | Other receivables | - | - | - |
| 1300 | Inventories | - | - | - |
| 1910 | Long-term investments | - | - | - |
| 1000 | Total assets | <u>2,352</u> | <u>41,343</u> | <u>532,030</u> |
| 1000a | Total assets and deferred outflows | <u>\$ 2,352</u> | <u>\$ 41,343</u> | <u>\$ 532,030</u> |
| Liabilities | | | | |
| 2110 | Accounts payable | \$ - | \$ 14,107 | \$ 31,100 |
| 2170 | Due to other funds | 2,352 | 27,236 | 497,364 |
| 2180 | Due to other governments | - | - | - |
| 2300 | Unearned revenues | - | - | - |
| 2000 | Total liabilities | <u>2,352</u> | <u>41,343</u> | <u>528,464</u> |
| Deferred Inflows of Resources | | | | |
| 2601 | Unavailable revenue - property taxes | - | - | - |
| 2600 | Total inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances | | | | |
| 3410 | Nonspendable - inventories | - | - | - |
| 3450 | Restricted - federal or state funds grant | - | - | 3,566 |
| 3480 | Restricted - retirement of long-term debt | - | - | - |
| 3545 | Committed - other | - | - | - |
| 3000 | Total fund balances | <u>-</u> | <u>-</u> | <u>3,566</u> |
| 4000 | Total liabilities, deferred inflows and fund balances | <u>\$ 2,352</u> | <u>\$ 41,343</u> | <u>\$ 532,030</u> |

San Angelo Independent School District
Combining Balance Sheet – Nonmajor Governmental Funds (Exhibit H-1)
August 31, 2022

| 397 | 410 | 429 | 461 | 499 |
|-------------------------------|-----------------------------------|-----------------------------------|----------------------|-----------------------------------|
| Advanced Placement Incentives | Instructional Materials Allotment | Other State Special Revenue Funds | Campus Activity Fund | Other Local Special Revenue Funds |
| \$ 60,372 | \$ - | \$ 82 | \$ 548,693 | \$ 178,122 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 137,413 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | 12,113 |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>60,372</u> | <u>137,413</u> | <u>82</u> | <u>548,693</u> | <u>190,235</u> |
| <u>\$ 60,372</u> | <u>\$ 137,413</u> | <u>\$ 82</u> | <u>\$ 548,693</u> | <u>\$ 190,235</u> |
| \$ - | \$ 308 | \$ - | \$ 12,377 | \$ 2,873 |
| - | 137,105 | - | 44,579 | 7,693 |
| - | - | - | - | - |
| - | - | - | 13,674 | - |
| <u>-</u> | <u>137,413</u> | <u>-</u> | <u>70,630</u> | <u>10,566</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| - | - | - | - | - |
| 60,372 | - | 82 | - | - |
| - | - | - | - | - |
| - | - | - | 478,063 | 179,669 |
| <u>60,372</u> | <u>-</u> | <u>82</u> | <u>478,063</u> | <u>179,669</u> |
| <u>\$ 60,372</u> | <u>\$ 137,413</u> | <u>\$ 82</u> | <u>\$ 548,693</u> | <u>\$ 190,235</u> |

San Angelo Independent School District
Combining Balance Sheet – Nonmajor Governmental Funds (Exhibit H-1)
August 31, 2022

| Data Control Codes | | Total Nonmajor Special Revenue Funds | 599 Debt Service Fund | Total Nonmajor Governmental Funds |
|--------------------------------------|--|--|-----------------------------|--|
| Assets | | | | |
| 1110 | Cash and cash equivalents | \$ 4,343,698 | \$ 3,531,056 | \$ 7,874,754 |
| 1220 | Property taxes - delinquent | - | 242,537 | 242,537 |
| 1230 | Allowance for uncollectible taxes (credit) | - | (55,615) | (55,615) |
| 1240 | Due from other governments | 2,365,123 | - | 2,365,123 |
| 1250 | Accrued interest | - | 698 | 698 |
| 1290 | Other receivables | 60,206 | 38,211 | 98,417 |
| 1300 | Inventories | 853,279 | - | 853,279 |
| 1910 | Long-term investments | - | 230,339 | 230,339 |
| 1000 | Total assets | <u>7,622,306</u> | <u>3,987,226</u> | <u>11,609,532</u> |
| 1000a | Total assets and deferred outflows | <u>\$ 7,622,306</u> | <u>\$ 3,987,226</u> | <u>\$ 11,609,532</u> |
| Liabilities | | | | |
| 2110 | Accounts payable | \$ 230,337 | \$ - | \$ 230,337 |
| 2170 | Due to other funds | 1,928,750 | - | 1,928,750 |
| 2180 | Due to other governments | - | 10,293 | 10,293 |
| 2300 | Unearned revenues | 238,148 | - | 238,148 |
| 2000 | Total liabilities | <u>2,397,235</u> | <u>10,293</u> | <u>2,407,528</u> |
| Deferred Inflows of Resources | | | | |
| 2601 | Unavailable revenue - property taxes | - | 162,790 | 162,790 |
| 2600 | Total inflows of resources | <u>-</u> | <u>162,790</u> | <u>162,790</u> |
| Fund Balances | | | | |
| 3410 | Nonspendable - inventories | 853,279 | - | 853,279 |
| 3450 | Restricted - federal or state funds grant | 3,714,060 | - | 3,714,060 |
| 3480 | Restricted - retirement of long-term debt | - | 3,814,143 | 3,814,143 |
| 3545 | Committed - other | 657,732 | - | 657,732 |
| 3000 | Total fund balances | <u>5,225,071</u> | <u>3,814,143</u> | <u>9,039,214</u> |
| 4000 | Total liabilities, deferred inflows and fund balances | <u>\$ 7,622,306</u> | <u>\$ 3,987,226</u> | <u>\$ 11,609,532</u> |

San Angelo Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental
Funds (Exhibit H-2)
Year Ended August 31, 2022

| Data Control Codes | 211 ESEA I, A Improving Basic Program | 224 IDEA Part B Formula | 225 IDEA Part B Preschool |
|---------------------------------------|---|----------------------------------|------------------------------------|
| Revenues | | | |
| 5700 | \$ - | \$ - | \$ - |
| 5800 | - | - | - |
| 5900 | 3,261,649 | 3,028,171 | 92,179 |
| 5020 | <u>3,261,649</u> | <u>3,028,171</u> | <u>92,179</u> |
| Expenditures | | | |
| Current | | | |
| 0011 | 2,741,795 | 1,768,861 | 91,363 |
| 0012 | 5,806 | - | - |
| 0013 | - | - | - |
| | 210,000 | 24,330 | - |
| 0021 | 182,464 | 7,767 | - |
| 0023 | 78,219 | - | - |
| 0031 | - | 1,170,866 | 816 |
| 0033 | - | 56,347 | - |
| 0035 | - | - | - |
| 0041 | - | - | - |
| 0051 | - | - | - |
| 0052 | - | - | - |
| 0061 | 43,365 | - | - |
| Debt service | | | |
| 0071 | - | - | - |
| 0072 | - | - | - |
| 0073 | - | - | - |
| 6030 | <u>3,261,649</u> | <u>3,028,171</u> | <u>92,179</u> |
| 1100 | - | - | - |
| Other financing sources (Uses) | | | |
| 7915 | - | - | - |
| 8911 | - | - | - |
| 7080 | - | - | - |
| 1200 | - | - | - |
| 0100 | - | - | - |
| 3000 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

San Angelo Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental
Funds (Exhibit H-2)
Year Ended August 31, 2022

| 240 | 242 | 244 | 255 | 263 |
|--|------------------------------|--|--|--|
| National Breakfast and Lunch Program | Summer Feeding Program | Career and Technical - Basic Grant | ESEA II, A Training and Recruiting | Title III, A English Lang. Acquisition |
| \$ 829,639 | \$ 560 | \$ - | \$ - | \$ - |
| 208,738 | - | - | - | - |
| <u>9,179,424</u> | <u>47,470</u> | <u>173,813</u> | <u>402,384</u> | <u>66,016</u> |
| <u>10,217,801</u> | <u>48,030</u> | <u>173,813</u> | <u>402,384</u> | <u>66,016</u> |
| - | - | 107,010 | 203,045 | 60,216 |
| - | - | - | - | - |
| - | - | 23,730 | 90,010 | 5,500 |
| - | - | 1,500 | 100,719 | 300 |
| - | - | - | - | - |
| - | - | 41,573 | - | - |
| - | - | - | - | - |
| 8,331,609 | 40,523 | - | - | - |
| - | - | - | - | - |
| 143,814 | 912 | - | - | - |
| - | - | - | - | - |
| - | - | - | 8,610 | - |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>8,475,423</u> | <u>41,435</u> | <u>173,813</u> | <u>402,384</u> | <u>66,016</u> |
| <u>1,742,378</u> | <u>6,595</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 47 | - | - | - | - |
| - | - | - | - | - |
| <u>47</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 1,742,425 | 6,595 | - | - | - |
| <u>1,180,858</u> | <u>1,573,441</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ 2,923,283</u> | <u>\$ 1,580,036</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

San Angelo Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental
Funds (Exhibit H-2)
Year Ended August 31, 2022

| Data Control Codes | 280 ARP Act Homeless II Education for Homeless | 284 IDEA Part B Formula ARP Act | 289 Other Federal Special Revenue Funds |
|---------------------------------------|--|---|--|
| Revenues | | | |
| 5700 | \$ - | \$ - | \$ - |
| 5800 | - | - | - |
| 5900 | 2,095 | 119,869 | 668,913 |
| 5020 | <u>2,095</u> | <u>119,869</u> | <u>668,913</u> |
| Expenditures | | | |
| Current | | | |
| 0011 | - | 104,069 | 433,858 |
| 0012 | - | - | - |
| 0013 | - | - | - |
| | - | 15,800 | 166,931 |
| 0021 | - | - | - |
| 0023 | - | - | - |
| 0031 | - | - | - |
| | - | - | - |
| 0033 | - | - | - |
| 0035 | - | - | - |
| 0041 | - | - | - |
| 0051 | - | - | 45,732 |
| 0052 | - | - | 13,860 |
| 0061 | 2,095 | - | 9,578 |
| Debt service | | | |
| 0071 | - | - | - |
| 0072 | - | - | - |
| 0073 | - | - | - |
| 6030 | <u>2,095</u> | <u>119,869</u> | <u>669,959</u> |
| 1100 | - | - | (1,046) |
| Other financing sources (Uses) | | | |
| 7915 | - | - | - |
| 8911 | - | - | - |
| 7080 | - | - | - |
| 1200 | - | - | (1,046) |
| 0100 | - | - | 4,612 |
| 3000 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,566</u> |

San Angelo Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental
Funds (Exhibit H-2)
Year Ended August 31, 2022

| 397 | 410 | 429 | 461 | 499 |
|-------------------------------------|---|---|----------------------------|---|
| Advanced Placement Incentives | Instructional Materials Allotment | Other State Funded Special Revenue Funds | Campus Activity Fund | Other Local Special Revenue Funds |
| \$ - | \$ - | \$ - | \$ 629,938 | \$ 97 |
| 564 | 449,569 | 478 | - | 24,226 |
| - | - | - | - | - |
| <u>564</u> | <u>449,569</u> | <u>478</u> | <u>629,938</u> | <u>24,323</u> |
| - | 237,840 | 3,905 | 315,051 | - |
| - | - | - | - | - |
| - | 211,729 | 368 | 4 | - |
| - | - | - | 13,398 | - |
| - | - | - | 247,862 | - |
| - | - | 724 | - | - |
| - | - | - | - | - |
| - | - | - | 437 | - |
| - | - | - | 4,407 | 8,903 |
| - | - | - | - | 2,500 |
| - | - | - | - | 11,276 |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>-</u> | <u>449,569</u> | <u>4,997</u> | <u>581,159</u> | <u>22,679</u> |
| <u>564</u> | <u>-</u> | <u>(4,519)</u> | <u>48,779</u> | <u>1,644</u> |
| - | - | - | - | - |
| - | (25,000) | - | - | - |
| - | (25,000) | - | - | - |
| <u>564</u> | <u>(25,000)</u> | <u>(4,519)</u> | <u>48,779</u> | <u>1,644</u> |
| <u>59,808</u> | <u>25,000</u> | <u>4,601</u> | <u>429,284</u> | <u>178,025</u> |
| <u>\$ 60,372</u> | <u>\$ -</u> | <u>\$ 82</u> | <u>\$ 478,063</u> | <u>\$ 179,669</u> |

San Angelo Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental
Funds (Exhibit H-2)
Year Ended August 31, 2022

| Data Control Codes | Total Nonmajor Special Revenue Funds | 599 Debt Service Fund | Total Nonmajor Governmental Funds |
|---------------------------------------|---|-----------------------|-----------------------------------|
| Revenues | | | |
| 5700 | Local and intermediate sources | \$ 1,460,234 | \$ 9,734,019 |
| 5800 | State program revenues | 683,575 | 976,255 |
| 5900 | Federal program revenues | 17,041,983 | 17,041,983 |
| 5020 | Total revenues | <u>19,185,792</u> | <u>27,752,257</u> |
| Expenditures | | | |
| Current | | | |
| 0011 | Instruction | 6,067,013 | 6,067,013 |
| 0012 | Instructional resources and media services | 5,806 | 5,806 |
| 0013 | Curriculum and instructional staff development | 748,402 | 748,402 |
| 0021 | Instructional leadership | 306,148 | 306,148 |
| 0023 | School leadership | 326,081 | 326,081 |
| 0031 | Guidance, counseling, and evaluation services | 1,213,979 | 1,213,979 |
| 0033 | Health services | 56,347 | 56,347 |
| 0035 | Food services | 8,372,132 | 8,372,132 |
| 0041 | General administration | 437 | 437 |
| 0051 | Facilities maintenance and operations | 203,768 | 203,768 |
| 0052 | Security and monitoring services | 16,360 | 16,360 |
| 0061 | Community services | 74,924 | 74,924 |
| Debt service | | | |
| 0071 | Principal on long term debt | - | 5,590,000 |
| 0072 | Interest on long term debt | - | 2,737,997 |
| 0073 | Bond issuance cost and fees | - | 2,526 |
| 6030 | Total expenditures | <u>17,391,397</u> | <u>25,721,920</u> |
| 1100 | Excess (deficiency) of revenues over (under) expenditures | <u>1,794,395</u> | <u>2,030,337</u> |
| Other financing sources (Uses) | | | |
| 7915 | Transfers in | 47 | 47 |
| 8911 | Transfers out | (25,000) | (25,000) |
| 7080 | Total other financing sources (uses) | <u>(24,953)</u> | <u>(24,953)</u> |
| 1200 | Net change in fund balance | 1,769,442 | 2,005,384 |
| 0100 | Fund balances, beginning | 3,455,629 | 7,033,830 |
| 3000 | Fund balance, August 31 (Ending) | <u>\$ 5,225,071</u> | <u>\$ 9,039,214</u> |

San Angelo Independent School District
Combining Statement of Net Position – Enterprise Funds (Exhibit H-6)
August 31, 2022

| Data Control Codes | 711 Concession Fund | 712 JumboTron Fund | Total Nonmajor Enterprise Funds |
|-------------------------------|------------------------|-----------------------|--|
| Assets | | | |
| Current assets | | | |
| 1110 | \$ 104,598 | \$ 17,765 | \$ 122,363 |
| | <u>104,598</u> | <u>17,765</u> | <u>122,363</u> |
| Noncurrent assets | | | |
| Capital assets: | | | |
| 1530 | - | 856,089 | 856,089 |
| 1573 | - | (599,262) | (599,262) |
| | <u>-</u> | <u>256,827</u> | <u>256,827</u> |
| 1000 | <u>104,598</u> | <u>274,592</u> | <u>379,190</u> |
| Liabilities | | | |
| Current liabilities | | | |
| 2110 | 488 | - | 488 |
| 2123 | - | 6,121 | 6,121 |
| 2200 | - | 30,973 | 30,973 |
| 2122 | - | 82,027 | 82,027 |
| | <u>488</u> | <u>119,121</u> | <u>119,609</u> |
| Noncurrent liabilities | | | |
| 2520 | - | 186,867 | 186,867 |
| | <u>-</u> | <u>186,867</u> | <u>186,867</u> |
| 2000 | <u>488</u> | <u>305,988</u> | <u>306,476</u> |
| Net Position | | | |
| 3900 | <u>104,110</u> | <u>(31,396)</u> | <u>72,714</u> |
| 3000 | <u>\$ 104,110</u> | <u>\$ (31,396)</u> | <u>\$ 72,714</u> |

San Angelo Independent School District
Combining Statement of Revenues, Expenses, and Changes in Net Position – Enterprise Funds (Exhibit H-7)
Year Ended August 31, 2022

| Data Control Codes | 711 Concession Fund | 712 JumboTron Fund | Total Nonmajor Enterprise Funds |
|----------------------------------|------------------------|-----------------------|--|
| Operating revenues | | | |
| 5700 | \$ 60,119 | \$ 116,041 | \$ 176,160 |
| 5020 | 60,119 | 116,041 | 176,160 |
| Operating expenses | | | |
| 6100 | 20,178 | - | 20,178 |
| 6200 | 475 | - | 475 |
| 6300 | 32,915 | - | 32,915 |
| 6400 | 410 | 42,975 | 43,385 |
| 6440 | - | 85,609 | 85,609 |
| 6030 | 53,978 | 128,584 | 182,562 |
| | 6,141 | (12,543) | (6,402) |
| Nonoperating revenues (expenses) | | | |
| 6523 | - | (24,760) | (24,760) |
| 8030 | - | (24,760) | (24,760) |
| Other financing sources (uses) | | | |
| 8911 | (47) | - | (47) |
| | (47) | - | (47) |
| 1300 | 6,094 | (37,303) | (31,209) |
| 0100 | 98,016 | 5,907 | 103,923 |
| 3300 | \$ 104,110 | \$ (31,396) | \$ 72,714 |

San Angelo Independent School District
Combining Statement of Cash Flows – Enterprise Funds (Exhibit H-8)
Year Ended August 31, 2022

| | 711 Concession Fund | 712 JumboTron Fund | Total Nonmajor Enterprise Funds |
|--|---------------------------|--------------------------|--|
| Operating activities | | | |
| Cash received from user charges | \$ 60,119 | \$ 116,041 | \$ 176,160 |
| Cash payments to employees for services | (20,178) | - | (20,178) |
| Cash payments for other operating costs | (410) | - | (410) |
| Cash payments for suppliers | (41,768) | (43,068) | (84,836) |
| Net cash (used for) from operating activities | <u>(2,237)</u> | <u>72,973</u> | <u>70,736</u> |
| Noncapital financing activities | | | |
| Operating transfer out | (47) | - | (47) |
| Net cash used for noncapital financing activities | <u>(47)</u> | <u>-</u> | <u>(47)</u> |
| Capital and related financing activities | | | |
| Retirement of long-term debt | - | (75,254) | (75,254) |
| Interest paid on long-term debt | - | (24,760) | (24,760) |
| Net cash used for capital and related financial activities | <u>-</u> | <u>(100,014)</u> | <u>(100,014)</u> |
| Net change in cash and cash equivalents | (2,284) | (27,041) | (29,325) |
| Cash and cash equivalents - beginning of the year | <u>106,882</u> | <u>44,806</u> | <u>151,688</u> |
| Cash and cash equivalents - end of the year | <u>\$ 104,598</u> | <u>\$ 17,765</u> | <u>\$ 122,363</u> |
| Reconciliation of operating income (loss) to net cash (used for) from operating activities | | | |
| Operating income (loss) | \$ 6,141 | \$ (12,543) | \$ (6,402) |
| Depreciation | - | 85,609 | 85,609 |
| Adjustments to reconcile operating income (loss) to net cash from operating activities | | | |
| Change in assets and liabilities | | | |
| Accounts payable | (8,378) | - | (8,378) |
| Other liabilities | - | 6,121 | 6,121 |
| Accrued expenses | - | (6,214) | (6,214) |
| Net cash (used for) from operating activities | <u>\$ (2,237)</u> | <u>\$ 72,973</u> | <u>\$ 70,736</u> |



Required TEA Schedules
August 31, 2022

San Angelo Independent School District

San Angelo Independent School District
Schedule of Delinquent Taxes Receivable (Exhibit J-1)
Year Ended August 31, 2022

| <u>Last Ten Years Ended August 31,</u> | Tax Rates | | 3 Assessed/ Appraised Value for School Tax Purposes |
|--|--------------------|---------------------|--|
| | 1 | 2 | |
| | <u>Maintenance</u> | <u>Debt Service</u> | |
| 2013 (and prior years) | \$ Various | \$ Various | \$ Various |
| 2014 | 1.040000 | 0.220000 | 3,881,035,694 |
| 2015 | 1.040000 | 0.200000 | 4,295,874,565 |
| 2016 | 1.040000 | 0.195000 | 4,542,852,960 |
| 2017 | 1.040000 | 0.180000 | 4,702,034,461 |
| 2018 | 1.040000 | 0.170000 | 4,970,459,071 |
| 2019 | 1.040000 | 0.170000 | 5,077,423,013 |
| 2020 | 0.970000 | 0.160000 | 5,326,658,942 |
| 2021 | 0.962900 | 0.157480 | 5,721,176,796 |
| 2022 (school year under audit) | 0.961400 | 0.138210 | 5,873,842,517 |
| 1000 Totals | | | |

San Angelo Independent School District
Schedule of Delinquent Taxes Receivable (Exhibit J-1)
Year Ended August 31, 2022

| 10 | 20 | 31 | 32 | 40 | 50 |
|--|---------------------------------|-------------------------------------|--------------------------------------|---------------------------------|---|
| Beginning Balance September 1, 2021 | Current Year's Total Levy | Maintenance Total Collections | Debt Service Total Collections | Entire Year's Adjustments | Ending Balance August 31, 2022 |
| \$ 348,898 | \$ - | \$ 8,883 | \$ 1,246 | \$ (54,263) | \$ 284,506 |
| 17,937 | - | 1,828 | 387 | - | 15,722 |
| 40,721 | - | (11,278) | (2,169) | (28,557) | 25,611 |
| 36,840 | - | (22,875) | (4,289) | (35,482) | 28,522 |
| 70,273 | - | 770 | 133 | (21,582) | 47,788 |
| 111,166 | - | 12,538 | 2,049 | (33,734) | 62,845 |
| 188,102 | - | 50,918 | 8,323 | (33,525) | 95,336 |
| 335,093 | - | 237,582 | 39,189 | 95,950 | 154,272 |
| 840,737 | - | 587,402 | 96,068 | 152,720 | 309,987 |
| - | 64,974,374 | 56,012,417 | 8,052,293 | (39,618) | 870,046 |
| <u>\$ 1,989,767</u> | <u>\$ 64,974,374</u> | <u>\$ 56,878,185</u> | <u>\$ 8,193,230</u> | <u>\$ 1,909</u> | <u>\$ 1,894,635</u> |

San Angelo Independent School District
 Budgetary Comparison Schedule – Child Nutrition Program (Exhibit J-2)
 Year Ended August 31, 2022

| Data Control Codes | | Budgeted Amounts | | Actual Amounts (GAAP Basis) | Variance with Final Budget Positive (Negative) |
|--------------------|---|------------------|-------------|--------------------------------|--|
| | | Original | Final | | |
| | Revenues | | | | |
| 5700 | Local and intermediate sources | \$ 698,936 | \$ 698,936 | \$ 829,639 | \$ 130,703 |
| 5800 | State program revenues | 33,000 | 33,000 | 208,738 | 175,738 |
| 5900 | Federal program revenues | 8,047,760 | 8,047,760 | 9,179,424 | 1,131,664 |
| 5020 | Total revenues | 8,779,696 | 8,779,696 | 10,217,801 | 1,438,105 |
| | Expenditures | | | | |
| | Current | | | | |
| 0035 | Food services | 7,973,058 | 7,973,058 | 8,331,609 | (358,551) |
| 0051 | Facilities maintenance and operations | 151,000 | 151,000 | 143,814 | 7,186 |
| 6030 | Total expenditures | 8,124,058 | 8,124,058 | 8,475,423 | (351,365) |
| 1100 | Excess (deficiency) of revenues over (under) expenditures | 655,638 | 655,638 | 1,742,378 | 1,086,740 |
| | Other financing sources (uses) | | | | |
| 7915 | Transfers in | - | - | 47 | 47 |
| 7080 | Total other financing sources (uses) | - | - | 47 | 47 |
| 1200 | Net change in fund balances | 655,638 | 655,638 | 1,742,425 | 1,086,787 |
| 0100 | Fund balance, September 1 (Beginning) | 1,180,858 | 1,180,858 | 1,180,858 | - |
| 3000 | Fund balance, August 31 (Ending) | \$1,836,496 | \$1,836,496 | \$ 2,923,283 | \$ 1,086,787 |

San Angelo Independent School District
 Budgetary Comparison Schedule – Debt Service Fund (Exhibit J-3)
 Year Ended August 31, 2022

| Data Control Codes | | Budgeted Amounts | | Actual Amounts (GAAP Basis) | Variance with Final Budget - Positive (Negative) |
|--------------------|--|--------------------|---------------------|--------------------------------|---|
| | | Original | Final | | |
| Revenues | | | | | |
| 5700 | Local and intermediate sources | \$8,198,400 | \$ 8,306,400 | \$ 8,273,785 | \$ (32,615) |
| 5800 | State program revenues | 287,000 | 308,000 | 292,680 | (15,320) |
| 5020 | Total revenues | <u>8,485,400</u> | <u>8,614,400</u> | <u>8,566,465</u> | <u>(47,935)</u> |
| Expenditures | | | | | |
| Debt service | | | | | |
| 0071 | Principal on long term debt | 5,590,000 | 5,590,000 | 5,590,000 | - |
| 0072 | Interest on long term debt | 2,770,000 | 2,770,000 | 2,737,997 | 32,003 |
| 0073 | Bond issuance costs and fees | - | - | 2,526 | (2,526) |
| 6030 | Total expenditures | <u>8,360,000</u> | <u>8,360,000</u> | <u>8,330,523</u> | <u>29,477</u> |
| 1100 | Excess (deficiency) of revenues over (under) expenditures | <u>125,400</u> | <u>254,400</u> | <u>235,942</u> | <u>(18,458)</u> |
| 1200 | Net change in fund balances | 125,400 | 254,400 | 235,942 | (18,458) |
| 0100 | Fund balance, September 1 (Beginning) | <u>3,578,201</u> | <u>3,578,201</u> | <u>3,578,201</u> | - |
| 3000 | Fund balance, August 31 (Ending) | <u>\$3,703,601</u> | <u>\$ 3,832,601</u> | <u>\$ 3,814,143</u> | <u>\$ (18,458)</u> |

San Angelo Independent School District

Use of Funds (Exhibit J-4)
Year Ended August 31, 2022

| <u>Data Control Codes</u> | | <u>Responses</u> |
|---|---|------------------|
| <u>Section A: Compensatory Education Programs</u> | | |
| 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. | \$ 13,442,691 |
| 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) | \$ 10,245,723 |
| <u>Section B: Bilingual Education Programs</u> | | |
| 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. | \$ 423,441 |
| AP8 | List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35) | \$ 491,909 |

STATISTICAL SECTION

STATISTICAL SECTION

(UNAUDITED - for Analytical Purposes Only)

The statistical section of San Angelo Independent School District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

| TABLE | CONTENTS |
|--|--|
| Financial Trends | |
| <i>These schedules contain trend information to assist in understanding how the District's financial performance and position have changed over time.</i> | |
| Entity-wide information: | |
| 1 | Net position by component, last ten fiscal years |
| 2 | Changes in net position, last ten fiscal years |
| Governmental Funds Information: | |
| 3 | Fund balances, last ten fiscal years |
| 4 | Changes in fund balances, last ten fiscal years |
| Revenue Capacity | |
| <i>These schedules contain information to help assess the factors affecting the District's most significant local revenue source, the property tax.</i> | |
| 5 | Assessed value and actual value of taxable property, last ten fiscal years |
| 6 | Allocation of property tax rates and tax levies, last ten fiscal years |
| 7 | Direct and overlapping property tax rates, last ten fiscal years |
| 8 | Property use categories at gross appraised market value, tax year 2021 |
| 9 | Principal property taxpayers, current year and nine years ago |
| 10 | Property tax levies and collections, last ten fiscal years |
| Debt Capacity | |
| <i>These schedules present information to assist in assessing the affordability of the District's current levels of outstanding debt and ability to issue additional debt in the future.</i> | |
| 11 | Ratios of outstanding debt by type, last ten fiscal years |
| 12 | Ratios of net general bonded debt outstanding, last ten fiscal years; and statement of legal debt margin |
| 13 | Direct and overlapping governmental activities debt as of August 31, 2021 |
| 14 | Pledged revenue coverage, last five fiscal years |
| Demographic and Economic Information | |
| <i>These schedules offer demographic and economic indicators to help in understanding the environment in which the District's financial activities operate and to facilitate comparisons over time.</i> | |
| 15 | Demographic and economic statistics, last ten calendar years |
| 16 | Principal employers, current year and nine years ago |
| Operating Information | |
| <i>These schedules contain information about the District's operations and resources to help understand how the District's financial information relates to the services the District provides and activities it performs.</i> | |
| 17 | Staff information, last ten fiscal years |
| 18 | Student information, last ten fiscal years |
| 19 | Operating statistics, last ten fiscal years |
| 20 | Capital assets information, last ten fiscal years |

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT,
LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

| | <u>2021-22</u> | <u>2020-21</u> | <u>2019-20</u> | <u>2018-19</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Governmental Activities: | | | | |
| Net Investment in Capital Assets | \$ 105,909,918 | \$ 108,206,952 | \$ 108,936,803 | \$ 101,247,577 |
| Restricted | 8,431,171 | 7,127,665 | 5,143,110 | 6,399,823 |
| Unrestricted | (21,512,155) | (44,393,114) | (54,084,501) | (45,336,461) |
| Total Governmental Activities Net Position | <u>\$ 92,828,934</u> | <u>\$ 70,941,503</u> | <u>\$ 59,995,412</u> | <u>\$ 62,310,939</u> |
| Business-Type Activities: | | | | |
| Net Investment in Capital Assets | \$ - | \$ - | \$ 15,326 | \$ 37,124 |
| Unrestricted | 72,714 | 103,923 | 104,569 | 87,401 |
| Total Business-Type Activities Net Position | <u>\$ 72,714</u> | <u>\$ 103,923</u> | <u>\$ 119,895</u> | <u>\$ 124,525</u> |
| Primary Government: | | | | |
| Net Investment in Capital Assets | \$ 105,909,918 | \$ 108,206,952 | \$ 108,952,129 | \$ 101,284,701 |
| Restricted | 8,431,171 | 7,127,665 | 5,143,110 | 6,399,823 |
| Unrestricted | (21,439,441) | (44,289,191) | (53,979,932) | (45,249,060) |
| Total Primary Government Net position | <u>\$ 92,901,648</u> | <u>\$ 71,045,426</u> | <u>\$ 60,115,307</u> | <u>\$ 62,435,464</u> |

Net Position includes prior period adjustments in fiscal year 2015

Net Position at 2013 has been restated to reflect the expense of bond issuance costs in 2006 & 2009 in compliance with GASB 65

Net Position at 2018 reflects a prior period adjustment due to the implementation of GASB 75.

TABLE 1

| Fiscal Year | | | | | |
|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
| \$ 100,353,298 | \$ 97,955,870 | \$ 90,140,840 | \$ 86,764,060 | \$ 81,778,241 | \$ 76,142,025 |
| 6,089,743 | 6,863,019 | 6,861,596 | 6,283,407 | 5,350,037 | 4,775,658 |
| (37,933,567) | 21,555,112 | 28,242,791 | 25,114,945 | 33,870,166 | 30,269,027 |
| <u>\$ 68,509,474</u> | <u>\$ 126,374,001</u> | <u>\$ 125,245,227</u> | <u>\$ 118,162,412</u> | <u>\$ 120,998,444</u> | <u>\$ 111,186,710</u> |
| \$ 61,311 | \$ 66,107 | \$ 109,382 | \$ 113,000 | \$ (13,743) | \$ (27,899) |
| 103,727 | 66,676 | 62,690 | 71,368 | 22,067 | 7,761 |
| <u>\$ 165,038</u> | <u>\$ 132,783</u> | <u>\$ 172,072</u> | <u>\$ 184,368</u> | <u>\$ 8,324</u> | <u>\$ (20,138)</u> |
| \$ 100,414,609 | \$ 98,021,977 | \$ 90,250,222 | \$ 86,877,060 | \$ 81,764,498 | \$ 76,114,126 |
| 6,089,743 | 6,863,019 | 6,861,596 | 6,283,407 | 5,350,037 | 4,775,658 |
| (37,829,840) | 21,621,788 | 28,305,481 | 25,186,313 | 33,892,233 | 30,276,788 |
| <u>\$ 68,674,512</u> | <u>\$ 126,506,784</u> | <u>\$ 125,417,299</u> | <u>\$ 118,346,780</u> | <u>\$ 121,006,768</u> | <u>\$ 111,166,572</u> |

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 CHANGES IN NET POSITION,
 LAST TEN FISCAL YEARS
 (UNAUDITED - accrual basis of accounting)

| Expenses | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental Activities: | | | | |
| Instruction | \$ 75,719,701 | \$ 82,965,952 | \$ 86,853,916 | \$ 82,687,563 |
| Instructional resources and media services | 1,573,572 | 1,677,402 | 1,774,739 | 1,612,730 |
| Curriculum and instructional staff development | 3,055,976 | 2,571,843 | 2,132,162 | 1,961,160 |
| Instructional leadership | 1,988,650 | 2,132,056 | 2,329,207 | 2,200,484 |
| School leadership | 7,589,923 | 7,923,389 | 8,283,136 | 8,605,223 |
| Guidance, counseling and evaluation services | 5,529,695 | 5,895,841 | 5,959,387 | 5,469,420 |
| Social work services | 689,244 | 610,283 | 711,783 | 783,298 |
| Health services | 1,611,800 | 1,507,445 | 1,532,218 | 1,072,014 |
| Student (pupil) transportation | 4,071,151 | 4,140,404 | 4,097,618 | 4,202,486 |
| Food Services | 8,350,812 | 7,404,649 | 7,728,560 | 8,159,075 |
| Cocurricular / extracurricular activities | 6,332,231 | 5,704,004 | 6,141,030 | 6,209,293 |
| General Administration | 3,117,534 | 3,241,926 | 3,349,615 | 3,117,518 |
| Facilities maintenance and operation | 14,207,224 | 15,294,751 | 15,840,350 | 15,364,938 |
| Security and monitoring services | 729,485 | 760,706 | 900,968 | 890,969 |
| Data processing services | 3,216,035 | 3,511,338 | 3,563,043 | 3,559,359 |
| Community services | 166,438 | 246,216 | 236,514 | 381,899 |
| Debt Service - Interest on ong term debt | 2,265,405 | 2,432,130 | 9,466,000 | 5,296,911 |
| Bond Issuance cost and fees | - | - | - | 7,500 |
| Facilities acquisition and construction | 1,308,422 | 1,180,392 | 67,564 | 144,290 |
| Other Governmental Charges (Appraisal District) | 1,072,257 | 1,063,339 | 1,070,036 | 1,031,123 |
| Total Governmental Activities Expenses | 142,595,555 | 150,264,066 | 162,037,846 | 152,757,253 1 |
| Business-Type Activities: | | | | |
| Concessions | 53,978 | 40,270 | 50,558 | 65,608 |
| Jumbo-tron (FY 2005-06 first year of operations) | 153,344 | 138,900 | 153,469 | 164,399 |
| Total Business-Type Activities Expenses | 207,322 | 179,170 | 204,027 | 230,007 |
| Total Primary Government Expenses | \$ 142,802,877 | \$ 150,443,236 | \$ 162,241,873 | \$ 152,987,260 |
| Program Revenues | | | | |
| Governmental Activities: | | | | |
| Charges for services: | | | | |
| Instruction | \$ 3,724,798 | \$ 2,478,040 | \$ 3,187,381 | \$ 1,267,634 |
| Instructional leadership | - | - | - | - |
| School leadership | - | - | - | - |
| Health services | - | - | - | - |
| Food services | 826,921 | 685,365 | 1,210,456 | 1,764,661 |
| Cocurricular / extracurricular activities | 1,040,653 | 408,590 | 319,618 | 375,278 |
| General administration | - | - | - | - |
| Facilities maintenance and operations | 267,785 | 227,308 | 238,105 | 145,737 |
| Security and monitoring & data processing | - | - | - | - |
| Operating grants and contributions | 35,636,110 | 30,115,820 | 25,918,571 | 28,081,346 |
| Total Governmental Activities Program Revenues | 41,496,267 | 33,915,123 | 30,874,131 | 31,634,656 1 |
| Business-Type Activities: | | | | |
| Concessions | 60,119 | 37,116 | 74,120 | 57,168 |
| Jumbo-tron (FY 2005-06 first year of operations) | 116,041 | 132,500 | 159,004 | 159,004 |
| Total Business-Type Activities Program Revenues | 176,160 | 169,616 | 233,124 | 216,172 |
| Total Primary Government Program Revenues | \$ 41,672,427 | \$ 34,084,739 | \$ 31,107,255 | \$ 31,850,828 |

(Continued)

TABLE 2

| | | Fiscal Year | | | | | | | | | |
|----|-------------|-------------|-------------|---------|-------------|---------|-------------|----|-------------|----|-------------|
| | | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 | | | | |
| \$ | 51,556,903 | \$ | 77,999,154 | \$ | 79,329,970 | \$ | 74,059,072 | \$ | 71,629,182 | \$ | 66,826,951 |
| | 1,264,120 | | 1,647,322 | | 1,632,171 | | 1,577,545 | | 1,509,404 | | 1,517,811 |
| | 1,435,773 | | 1,716,081 | | 1,309,828 | | 1,106,285 | | 1,104,738 | | 1,161,151 |
| | 1,506,818 | | 2,213,468 | | 2,304,859 | | 2,123,211 | | 1,941,920 | | 1,876,257 |
| | 5,202,016 | | 8,114,827 | | 7,922,842 | | 7,191,122 | | 6,808,788 | | 6,690,570 |
| | 3,319,490 | | 5,045,874 | | 5,124,249 | | 4,623,658 | | 4,652,230 | | 4,648,827 |
| | 476,751 | | 850,650 | | 831,773 | | 690,344 | | 685,493 | | 642,501 |
| | 659,390 | | 842,485 | | 820,322 | | 703,002 | | 695,736 | | 674,661 |
| | 2,525,348 | | 3,365,482 | | 3,436,964 | | 3,141,761 | | 3,026,966 | | 2,934,984 |
| | 6,291,319 | | 8,170,182 | | 8,320,309 | | 7,664,481 | | 7,808,904 | | 7,633,433 |
| | 4,920,402 | | 5,919,093 | | 6,050,147 | | 5,621,490 | | 5,241,302 | | 4,938,248 |
| | 2,217,761 | | 2,951,580 | | 2,865,429 | | 3,522,185 | | 2,749,765 | | 2,510,566 |
| | 11,899,225 | | 13,489,583 | | 13,853,266 | | 12,917,386 | | 12,830,874 | | 13,316,353 |
| | 887,986 | | 533,421 | | 537,672 | | 580,352 | | 535,578 | | 440,045 |
| | 2,274,922 | | 3,053,492 | | 2,768,960 | | 2,946,972 | | 2,455,921 | | 2,414,907 |
| | 241,135 | | 321,991 | | 292,545 | | 286,510 | | 260,514 | | 266,562 |
| | 4,856,957 | | 5,190,095 | | 5,236,192 | | 3,480,046 | | 5,887,537 | | 6,032,495 |
| | - | | - | | - | | - | | - | | - |
| | - | | - | | - | | - | | - | | - |
| | 1,007,138 | | 984,554 | | 979,498 | | 954,466 | | 826,793 | | 846,240 |
| | 102,543,454 | 1 | 142,409,334 | | 143,616,996 | | 133,189,888 | | 130,651,645 | | 125,372,562 |
| | 65,857 | | 93,902 | | 105,647 | | 74,871 | | 49,420 | | 95,177 |
| | 149,660 | | 170,999 | | 158,860 | | 51,423 | | 115,663 | | 88,037 |
| | 215,517 | | 264,901 | | 264,507 | | 126,294 | | 165,083 | | 183,214 |
| \$ | 102,758,971 | \$ | 142,674,235 | \$ | 143,881,503 | \$ | 133,316,182 | \$ | 130,816,728 | \$ | 125,555,776 |
| \$ | 616,375 | \$ | 635,127 | \$ | 615,065 | \$ | 553,237 | \$ | 486,921 | \$ | 515,623 |
| | 13,899 | | 12,457 | | 6,097 | | 5,846 | | 5,264 | | 5,863 |
| | 284,925 | | 255,372 | | 280,450 | | 303,999 | | 273,724 | | 257,965 |
| | 36,446 | | - | | - | | - | | - | | - |
| | 1,600,561 | | 1,659,254 | | 1,640,888 | | 1,969,013 | | 1,905,270 | | 1,931,106 |
| | 452,762 | | 430,594 | | 401,525 | | 296,563 | | 329,071 | | 219,150 |
| | - | | - | | - | | - | | - | | - |
| | 155,591 | | 490,177 | | 613,012 | | 691,442 | | 477,168 | | 538,180 |
| | 14,579 | | 9,660 | | 6,062 | | 6,792 | | 4,316 | | - |
| | 3,516,901 | 1 | 23,892,431 | | 23,562,972 | | 23,709,543 | | 23,897,070 | | 21,106,992 |
| | 6,692,039 | | 27,385,072 | | 27,126,071 | | 27,536,435 | | 27,378,804 | | 24,574,879 |
| | 108,240 | | 102,177 | | 102,737 | | 79,420 | | 109,156 | | 110,157 |
| | 144,864 | | 144,265 | | 144,265 | | 115,663 | | 81,788 | | 82,584 |
| | 253,104 | | 246,442 | | 247,002 | | 195,083 | | 190,944 | | 192,741 |
| \$ | 6,945,143 | \$ | 27,631,514 | \$ | 27,373,073 | \$ | 27,731,518 | \$ | 27,569,748 | \$ | 24,767,620 |

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 CHANGES IN NET POSITION,
 LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

| Expenses | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| Net (Expense) / Revenue | | | | |
| Governmental Activities | \$ (101,099,288) | \$ (116,348,943) | \$ (131,163,715) | \$ (121,122,597) |
| Business-Type Activities | (31,162) | (9,554) | 29,097 | (13,835) |
| Total Primary Government Net Expense | <u>\$ (101,130,450)</u> | <u>\$ (116,358,497)</u> | <u>\$ (131,134,618)</u> | <u>\$ (121,136,432)</u> |
| General Revenues and Other Changes in Net Position | | | | |
| Governmental Activities: | | | | |
| Property taxes | \$ 64,908,787 | \$ 64,488,060 | \$ 62,279,325 | \$ 60,440,001 |
| State aid - formula grants not restricted | 58,559,070 | 56,582,774 | 62,902,647 | 50,299,398 |
| Grants and contributions not restricted | 2,154,876 | 1,198,629 | 979,040 | 587,685 |
| Investment earnings | (216,476) | 86,597 | 817,118 | 1,409,116 |
| Miscellaneous | 999,519 | 1,510,391 | 2,212,319 | 2,207,779 |
| Special items | (3,416,630) | 3,345,065 | - | (46,595) |
| Transfers in (out) | 47 | 6,418 | 33,727 | 26,678 |
| Total Governmental Activities | <u>122,989,193</u> | <u>127,217,934</u> | <u>129,224,176</u> | <u>114,924,062</u> |
| Business-Type Activities: | | | | |
| Transfers | (47) | (6,418) | (33,727) | (26,678) |
| Total Primary Government | <u>\$ 122,989,146</u> | <u>\$ 127,211,516</u> | <u>\$ 129,190,449</u> | <u>\$ 114,897,384</u> |
| Extraordinary Item / Prior Period Adjustment | \$ - | \$ 77,100 | \$ (371,648) | |
| Change in Net Position Current Year Transactions | | | | |
| Governmental Activities | \$ 21,889,905 | \$ 10,946,091 | \$ (2,311,187) | \$ (6,198,535) |
| Business-Type Activities | (31,209) | (15,972) | (4,630) | (40,513) |
| Total Primary Government | <u>\$ 21,858,696</u> | <u>\$ 10,930,119</u> | <u>\$ (2,315,817)</u> | <u>\$ (6,239,048)</u> |

1) Changes reflect the implementation of GASB 75

TABLE 2

| Fiscal Year | | | | | |
|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
| \$ (95,850,200) | \$ (115,024,262) | \$ (115,024,262) | \$ (116,490,925) | \$ (105,653,453) | \$ (103,272,841) |
| 37,587 | (18,459) | (18,459) | (17,505) | 68,789 | 25,861 |
| <u>\$ (95,812,613)</u> | <u>\$ (115,042,721)</u> | <u>\$ (115,042,721)</u> | <u>\$ (116,508,430)</u> | <u>\$ (105,584,664)</u> | <u>\$ (103,246,980)</u> |
| | | | | | |
| \$ 59,730,056 | \$ 57,105,830 | \$ 55,799,787 | \$ 53,143,786 | \$ 48,741,279 | \$ 46,231,283 |
| 52,577,418 | 57,564,524 | 65,582,875 | 63,735,611 | 63,225,151 | 57,369,244 |
| - | - | - | - | - | - |
| 782,475 | 539,120 | 356,437 | 198,903 | 219,106 | 189,976 |
| 781,210 | 922,732 | 1,839,850 | 745,617 | 894,303 | 756,568 |
| (34,698) | - | - | (150,000) | - | - |
| 5,332 | 20,830 | (5,209) | (107,255) | 4,735 | 3,584 |
| <u>113,841,793</u> | <u>116,153,036</u> | <u>123,573,740</u> | <u>117,566,662</u> | <u>113,084,574</u> | <u>104,550,655</u> |
| | | | | | |
| (5,332) | (20,830) | 5,209 | 107,255 | (4,735) | (3,584) |
| <u>\$ 113,836,461</u> | <u>\$ 116,132,206</u> | <u>\$ 123,578,949</u> | <u>\$ 117,673,917</u> | <u>\$ 113,079,839</u> | <u>\$ 104,547,071</u> |
| | | | | | |
| \$ 17,991,593 | \$ 1,128,774 | \$ 8,549,478 | \$ 1,075,737 | \$ 7,431,121 | \$ 1,277,814 |
| 32,255 | (39,289) | (13,250) | 89,750 | 64,054 | 22,277 |
| <u>\$ 18,023,848</u> | <u>\$ 1,089,485</u> | <u>\$ 8,536,228</u> | <u>\$ 1,165,487</u> | <u>\$ 7,495,175</u> | <u>\$ 1,300,091</u> |

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS
(UNAUDITED - modified accrual basis of accounting)

| | <u>2021-22</u> | <u>2020-21</u> | <u>2019-20</u> | <u>2018-19</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| General Fund: | | | | |
| Non Spendable Fund Balance | | | | |
| Inventory | \$ - | \$ 33,545 | \$ 83,555 | \$ - |
| Prepaid Expenditures | 679,955 | 646,054 | 1,536,543 | 375,664 |
| Total Non Spendable Fund Balance | <u>679,955</u> | <u>679,599</u> | <u>1,620,098</u> | <u>375,664</u> |
| Restricted Fund Balance | | | | |
| Retirement of LT Debt | - | 634,105 | 666,544 | 689,724 |
| Other Restricted | - | - | - | - |
| Total Restricted Fund Balance | <u>-</u> | <u>634,105</u> | <u>666,544</u> | <u>689,724</u> |
| Committed Fund Balance | | | | |
| Construction | 5,650,000 | 5,600,000 | - | 3,150,000 |
| Capital Expenditures for Equipment | 455,000 | 365,000 | - | 6,250,000 |
| Other Committed | 1,514,544 | 500,000 | 250,000 | 250,000 |
| Other Assigned | 612,808 | 500,000 | 250,000 | 250,000 |
| Total Committed Fund Balance | <u>8,232,352</u> | <u>6,465,000</u> | <u>250,000</u> | <u>9,650,000</u> |
| Unassigned Fund Balance | <u>53,653,774</u> | <u>40,215,535</u> | <u>35,445,092</u> | <u>26,515,728</u> |
| Total General Fund | <u>\$ 62,566,081</u> | <u>\$ 47,994,239</u> | <u>\$ 37,981,734</u> | <u>\$ 37,231,116</u> |
| All Other Governmental Funds: | | | | |
| Non Spendable Fund Balance | | | | |
| Inventory | \$ 853,279 | \$ 356,259 | \$ 576,398 | \$ 645,705 |
| Prepaid Expenditures | - | 25,000 | - | 473,899 |
| Total Non Spendable Fund Balance | <u>853,279</u> | <u>381,259</u> | <u>576,398</u> | <u>1,119,604</u> |
| Restricted Fund Balance | | | | |
| Retirement of Long Term Debt | 3,814,143 | 3,578,201 | 3,273,167 | 3,137,150 |
| Federal or State Funds and Grant Restrictions | 3,714,060 | 2,467,061 | 1,199,636 | 2,646,388 |
| Capital Acquisition and Contractual Obligations | - | - | - | - |
| Total Restricted Fund Balance | <u>7,528,203</u> | <u>6,045,262</u> | <u>4,472,803</u> | <u>5,783,538</u> |
| Committed Fund Balance | | | | |
| Construction | - | - | - | - |
| Campus Activity Funds | - | - | - | - |
| Committed Other | 657,732 | 607,309 | 522,175 | 423,157 |
| Assigned Other | - | - | - | 275,468 |
| Unassigned Fund Balance | - | - | - | - |
| Total Other Governmental Funds: | <u>\$ 9,039,214</u> | <u>\$ 7,033,830</u> | <u>\$ 5,571,376</u> | <u>\$ 7,601,767</u> |
| All Governmental Funds: | | | | |
| Non Spendable | 1,533,234 | 1,060,858 | 2,196,496 | 1,495,268 |
| Restricted | 7,528,203 | 6,679,367 | 5,139,347 | 6,473,262 |
| Committed | 8,890,084 | 7,072,309 | 772,175 | 10,348,625 |
| Unassigned | 53,653,774 | 40,215,535 | 35,445,092 | 26,515,728 |
| Total All Governmental Funds | <u>\$ 71,605,295</u> | <u>\$ 55,028,069</u> | <u>\$ 43,553,110</u> | <u>\$ 44,832,883</u> |

Note: Fund balances 2009-2014 reflect issue and spend down of school building bonds.

TABLE 3

| Fiscal Year | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 350,605 | 511,256 | 577,644 | 539,955 | 804,326 | 977,720 |
| <u>350,605</u> | <u>511,256</u> | <u>577,644</u> | <u>539,955</u> | <u>804,326</u> | <u>977,720</u> |
| 999,713 | 952,593 | 1,020,034 | 1,052,186 | 1,017,649 | 1,075,374 |
| - | - | 9,000 | 70,869 | 114,756 | 187,520 |
| <u>999,713</u> | <u>952,593</u> | <u>1,029,034</u> | <u>1,123,055</u> | <u>1,132,405</u> | <u>1,262,894</u> |
| 2,050,000 | 1,175,000 | 3,979,500 | 7,000,000 | 1,800,000 | 775,000 |
| 1,900,000 | 9,000,000 | 7,500,000 | 4,700,000 | 2,000,000 | 1,500,000 |
| 1,550,000 | 500,000 | 500,000 | 500,000 | 1,155,051 | 2,147,421 |
| 1,550,000 | 500,000 | 500,000 | 500,000 | 1,155,051 | 2,147,421 |
| <u>5,500,000</u> | <u>10,675,000</u> | <u>11,979,500</u> | <u>12,200,000</u> | <u>4,955,051</u> | <u>4,422,421</u> |
| 32,513,383 | 25,080,869 | 28,345,279 | 22,792,153 | 24,977,806 | 21,781,089 |
| <u>\$ 39,363,701</u> | <u>\$ 37,219,718</u> | <u>\$ 41,931,457</u> | <u>\$ 36,655,163</u> | <u>\$ 31,869,588</u> | <u>\$ 28,444,124</u> |
| \$ 768,136 | \$ 794,840 | \$ 724,064 | \$ 743,492 | \$ 867,340 | \$ 840,098 |
| - | - | - | - | - | - |
| <u>768,136</u> | <u>794,840</u> | <u>724,064</u> | <u>743,492</u> | <u>867,340</u> | <u>840,098</u> |
| 3,509,900 | 3,844,236 | 4,143,962 | 3,683,852 | 3,322,654 | 2,611,930 |
| 2,579,843 | 3,018,783 | 2,708,634 | 2,528,686 | 1,912,627 | 1,976,208 |
| - | - | - | 1,765 | 1,765 | 3,602,405 |
| <u>6,089,743</u> | <u>6,863,019</u> | <u>6,852,596</u> | <u>6,214,303</u> | <u>5,237,046</u> | <u>8,190,543</u> |
| - | - | - | - | - | 61,063 |
| - | - | - | - | 296,761 | 255,626 |
| 395,167 | 349,942 | 447,182 | 417,745 | 138,517 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 7,253,046</u> | <u>\$ 8,007,801</u> | <u>\$ 8,023,842</u> | <u>\$ 7,375,540</u> | <u>\$ 6,539,664</u> | <u>\$ 9,347,330</u> |
| 1,118,741 | 1,306,096 | 1,301,708 | 1,283,447 | 1,671,666 | 1,817,818 |
| 7,089,456 | 7,815,612 | 7,881,630 | 7,337,358 | 6,369,451 | 9,453,437 |
| 5,895,167 | 11,024,942 | 12,426,682 | 12,617,745 | 5,390,329 | 4,739,110 |
| 32,513,383 | 25,080,869 | 28,345,279 | 22,792,153 | 24,977,806 | 21,781,089 |
| <u>\$ 46,616,747</u> | <u>\$ 45,227,519</u> | <u>\$ 49,955,299</u> | <u>\$ 44,030,703</u> | <u>\$ 38,409,252</u> | <u>\$ 37,791,454</u> |

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS
(UNAUDITED - modified accrual basis of accounting)

| | <u>2021-22</u> | <u>2020-21</u> | <u>2019-20</u> | <u>2018-19</u> |
|---|----------------------|----------------------|-----------------------|-----------------------|
| Revenues | | | | |
| Local and intermediate sources: | | | | |
| Property taxes, penalty and interest | \$ 65,654,409 | \$ 64,747,030 | \$ 62,720,203 | \$ 61,468,121 |
| Tuition and fees | 165,736 | 118,352 | 106,750 | 171,600 |
| Food services | 826,921 | 685,365 | 1,210,456 | 1,764,661 |
| Co-curricular and enterprising activities | 411,808 | 265,055 | 319,618 | 375,278 |
| Investment earnings | (216,476) | 86,325 | 808,573 | 1,400,649 |
| Gifts and bequests | 25,962 | 20,998 | 174 | 14,337 |
| Other revenues | 1,329,346 | 1,165,415 | 1,903,287 | 1,782,770 |
| Total local and intermediate sources | <u>68,197,706</u> | <u>67,088,540</u> | <u>67,069,061</u> | <u>66,977,416</u> |
| State program revenues | 65,448,298 | 64,738,251 | 71,652,261 | 57,174,061 |
| Federal program revenues | 35,408,697 | 23,465,820 | 16,502,954 | 19,196,518 |
| Total revenues | <u>169,054,701</u> | <u>155,292,611</u> | <u>155,224,276</u> | <u>143,347,995</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction | 76,610,667 | 77,353,995 | 75,014,878 | 73,202,381 |
| Instructional resources and media services | 1,530,290 | 1,521,505 | 1,528,741 | 1,404,283 |
| Curriculum and instructional staff development | 3,103,101 | 2,509,666 | 1,990,069 | 1,860,197 |
| Instructional leadership | 1,931,069 | 1,882,649 | 1,929,632 | 1,854,211 |
| School leadership | 8,082,303 | 7,618,052 | 7,355,605 | 7,861,753 |
| Guidance, counseling and evaluation services | 5,932,005 | 5,691,910 | 5,387,919 | 5,032,980 |
| Social work services | 655,536 | 518,161 | 571,154 | 663,488 |
| Health services | 1,738,165 | 1,468,762 | 1,380,562 | 995,949 |
| Student (pupil) transportation | 3,525,093 | 3,613,076 | 3,576,980 | 3,999,687 |
| Food Services | 8,555,863 | 7,195,537 | 7,683,912 | 8,230,240 |
| Cocurricular / extracurricular activities | 6,015,672 | 5,017,914 | 6,236,121 | 5,523,563 |
| General Administration | 3,288,491 | 3,155,614 | 3,053,576 | 2,890,004 |
| Facilities maintenance and operation | 14,457,963 | 14,873,244 | 14,964,090 | 14,468,181 |
| Security and monitoring services | 528,856 | 556,668 | 686,813 | 2,192,253 |
| Data processing services | 3,258,593 | 3,237,335 | 3,340,923 | 3,220,123 |
| Community services | 172,971 | 243,376 | 222,936 | 367,781 |
| Debt service: | | | | |
| Principal | 5,843,175 | 6,230,000 | 3,579,982 | 4,675,000 |
| Interest and fees | 2,756,348 | 2,904,188 | 6,205,642 | 4,464,375 |
| Capital outlay | - | 586,904 | 11,027,236 | 1,174,370 |
| Intergovernmental: tax appraisal and collection | 1,072,257 | 1,063,339 | 1,070,036 | 1,031,123 |
| Total expenditures | <u>149,058,418</u> | <u>147,241,895</u> | <u>156,806,807</u> | <u>145,111,942</u> |
| Excess revenues over (under) expenditures | <u>19,996,283</u> | <u>8,050,716</u> | <u>(1,582,531)</u> | <u>(1,763,947)</u> |
| Other financing sources (uses) | | | | |
| Debt issued | - | - | 66,684,994 | - |
| Sale of real and personal property | - | - | - | - |
| Premium or (discount) on issuance of bonds | - | - | 10,483,071 | - |
| Transfers in | 25,047 | 390,689 | 726,523 | 792,564 |
| Special Item | 69,989 | 7,315,005 | - | 150,000 |
| Transfers out | (25,000) | (384,271) | (692,796) | (765,886) |
| Other Uses | (3,486,619) | (3,969,940) | (14,000) | (196,595) |
| Payment to bond refunding escrow agent | - | - | (76,517,726) | - |
| Total other financing sources (uses) | <u>(3,416,583)</u> | <u>3,351,483</u> | <u>670,066</u> | <u>(19,917)</u> |
| Extraordinary Item (use) | - | - | (371,648) | - |
| Restatement of beginning fund balance | - | 77,100 | - | - |
| Net change in fund balances | <u>\$ 16,579,700</u> | <u>\$ 11,479,299</u> | <u>\$ (1,284,113)</u> | <u>\$ (1,783,864)</u> |
| Debt service as a percentage of noncapital expenditures | 5.8% | 6.2% | 6.7% | 6.3% |

TABLE 4

| Fiscal Year | | | | | |
|---------------|----------------|---------------|---------------|---------------|-----------------|
| 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
| \$ 60,370,767 | \$ 57,831,827 | \$ 56,283,800 | \$ 53,552,652 | \$ 49,537,938 | \$ 46,862,208 |
| 194,748 | 231,798 | 225,355 | 224,136 | 213,619 | 190,635 |
| 1,600,561 | 1,659,690 | 1,640,888 | 1,969,013 | 1,905,903 | 1,932,674 |
| 1,131,570 | 1,044,900 | 1,005,138 | 895,712 | 901,948 | 791,357 |
| 815,066 | 552,440 | 359,460 | 199,106 | 218,948 | 190,109 |
| 28,840 | 113,544 | 134,995 | 57,625 | 42,820 | 46,200 |
| 455,796 | 667,064 | 734,156 | 792,365 | 527,580 | 656,701 |
| 64,597,348 | 62,101,263 | 60,383,792 | 57,690,609 | 53,348,756 | 50,669,884 |
| 58,586,747 | 61,407,774 | 67,268,946 | 68,580,461 | 67,728,981 | 60,247,743 |
| 18,804,054 | 18,969,884 | 19,331,793 | 18,864,239 | 19,392,931 | 18,227,547 |
| 141,988,149 | 142,478,921 | 146,984,531 | 145,135,309 | 140,470,668 | 129,145,174 |
| 69,386,687 | 71,092,471 | 71,380,540 | 70,073,414 | 67,378,105 | 64,151,797 |
| 1,474,314 | 1,479,302 | 1,447,992 | 1,455,745 | 1,411,714 | 1,436,517 |
| 1,642,696 | 1,656,211 | 1,255,589 | 1,075,202 | 1,067,412 | 1,123,135 |
| 1,992,070 | 1,940,582 | 2,035,845 | 1,945,918 | 1,829,588 | 1,810,826 |
| 7,692,242 | 7,723,820 | 7,401,004 | 7,101,710 | 6,655,089 | 6,543,699 |
| 4,895,235 | 4,800,938 | 4,812,066 | 4,603,429 | 4,636,835 | 4,602,952 |
| 660,177 | 735,417 | 720,293 | 662,779 | 627,879 | 603,006 |
| 960,327 | 809,041 | 775,995 | 703,989 | 688,197 | 665,682 |
| 3,339,107 | 3,233,055 | 3,252,201 | 3,132,733 | 3,058,749 | 2,927,093 |
| 8,047,245 | 7,825,896 | 7,963,012 | 7,626,807 | 7,743,714 | 7,457,015 |
| 5,122,385 | 5,328,089 | 5,710,564 | 5,759,136 | 5,549,188 | 5,124,341 |
| 2,873,253 | 2,876,563 | 2,794,252 | 2,609,530 | 2,697,994 | 2,454,881 |
| 14,206,772 | 13,307,696 | 13,610,153 | 12,854,485 | 15,695,471 | 12,624,624 |
| 1,440,935 | 515,486 | 492,515 | 529,843 | 476,085 | 424,236 |
| 2,932,466 | 2,666,125 | 2,528,416 | 2,753,712 | 3,220,412 | 2,978,716 |
| 344,411 | 314,627 | 281,010 | 287,370 | 258,475 | 264,101 |
| 4,761,271 | 4,475,000 | 4,825,000 | 4,910,000 | 4,320,000 | 4,180,000 |
| 4,677,950 | 4,883,800 | 5,087,395 | 6,325,787 | 6,035,326 | 6,182,511 |
| 3,174,590 | 10,618,289 | 4,760,726 | 4,898,029 | 5,773,255 | 24,386,376 |
| 1,007,138 | 984,554 | 979,498 | 954,466 | 826,793 | 846,240 |
| 140,631,271 | 147,266,962 | 142,114,066 | 140,264,084 | 139,950,281 | 150,787,748 |
| 1,356,878 | (4,788,041) | 4,870,465 | 4,871,225 | 520,387 | (21,642,574) |
| - | - | - | 99,939,982 | - | - |
| 61,716 | 39,431 | 1,059,340 | 92,276 | 73,315 | 63,783 |
| - | - | - | 14,770,863 | - | - |
| 33,473 | 45,428 | 5,768 | 5,745 | 35,321 | 78,152 |
| - | - | - | - | - | - |
| (28,141) | (24,598) | (10,977) | (113,000) | (11,225) | (74,568) |
| - | - | - | - | - | - |
| - | - | - | (113,795,640) | - | - |
| 67,048 | 60,261 | 1,054,131 | 900,226 | 97,411 | 67,367 |
| (34,698) | - | - | (150,000) | - | - |
| - | - | - | - | - | - |
| \$ 1,389,228 | \$ (4,727,780) | \$ 5,924,596 | \$ 5,621,451 | \$ 617,798 | \$ (21,575,207) |
| 6.9% | 6.8% | 7.2% | 8.3% | 7.7% | 8.2% |

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS;
 AND TAX BASE DISTRIBUTION, LAST TWO TAX YEARS
 (UNAUDITED)

| Fiscal Year | Tax Year | Actual Value | | | | Less: Exemptions | Net Assessed Taxable Value |
|---|----------|------------------|-------------------|--------------|------------------|-------------------------|----------------------------|
| | | Real Property | Personal Property | Minerals | Total | | |
| 2012-13 | 2012 | \$ 3,960,104,305 | \$ 650,656,498 | \$ 1,007,260 | \$ 4,611,768,063 | \$ 938,218,977 | \$ 3,673,549,086 |
| 2013-14 | 2013 | 4,033,087,635 | 776,290,319 | 1,025,980 | 4,810,403,934 | 929,368,240 | 3,881,035,694 |
| 2014-15 | 2014 | 4,540,479,994 | 846,992,690 | 828,400 | 5,388,301,084 | 1,092,426,519 | 4,295,874,565 |
| 2015-16 | 2015 | 4,898,701,375 | 1,000,476,170 | 376,080 | 5,899,553,625 | 1,356,700,665 | 4,542,852,960 |
| 2016-17 | 2016 | 5,190,440,400 | 924,336,790 | 326,370 | 6,115,103,560 | 1,413,069,099 | 4,702,034,461 |
| 2017-18 | 2017 | 5,449,465,714 | 959,433,783 | 724,990 | 6,409,624,487 | 1,439,165,416 | 4,970,459,071 |
| 2018-19 | 2018 | 5,519,560,076 | 977,440,660 | 1,860,620 | 6,498,861,356 | 1,421,438,343 | 5,077,423,013 |
| 2019-20 | 2019 | 5,684,850,162 | 1,208,658,040 | 1,250,350 | 6,894,758,552 | 1,372,520,326 | 5,522,238,226 |
| 2020-21 | 2020 | 5,880,727,416 | 1,224,436,690 | 327,020 | 7,105,491,126 | 1,384,314,330 | 5,721,176,796 |
| 2021-22 | 2021 | 6,075,626,859 | 1,187,729,260 | 221,040 | 7,263,577,159 | 1,389,734,642 | 5,873,842,517 |
| Tax Base Distribution | | | | | | | |
| | | | | | | <u>2021 Tax Roll</u> | <u>2020 Tax Roll</u> |
| Property Type: | | | | | | | |
| Real Property | | | | | | \$ 6,075,626,859 | \$ 5,880,727,416 |
| Personal Property | | | | | | 1,187,729,260 | 1,224,436,690 |
| Minerals | | | | | | 221,040 | 327,020 |
| Total Gross Values | | | | | | <u>7,263,577,159</u> | <u>7,105,491,126</u> |
| Less Exemptions: | | | | | | | |
| Agricultural Productivity | | | | | | 122,191,180 | 120,734,410 |
| Freeport | | | | | | 37,731,346 | 46,651,905 |
| Pollution Control | | | | | | 6,370,376 | 5,715,286 |
| Mandatory Homestead | | | | | | 540,092,069 | 542,676,274 |
| Mandatory Over 65 | | | | | | 82,566,673 | 81,130,756 |
| Mandatory Disabled | | | | | | 9,752,920 | 9,894,180 |
| Mandatory Disabled Veteran | | | | | | 96,267,251 | 85,536,127 |
| Optional \$25,000 Disability | | | | | | 20,614,724 | 20,864,048 |
| Over 65 & Disabled Freeze Credits | | | | | | 399,937,068 | 396,357,351 |
| Prorations / Exempt | | | | | | 8,222,511 | 24,059,412 |
| Cap Credit (on Appraisals of Real Estate) | | | | | | 65,988,524 | 50,694,581 |
| Total Exemptions | | | | | | <u>1,389,734,642</u> | <u>1,384,314,330</u> |
| Total Net Valuation | | | | | | <u>\$ 5,873,842,517</u> | <u>\$ 5,721,176,796</u> |

Sources: Tom Green County (Texas) Appraisal District provides the District with appraised values for properties within the District's taxing authority. Actual value equals appraised value. Actual value less exemptions equals taxable assessed value.

Notes: Property is assessed at full market value.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
ALLOCATION OF PROPERTY TAX RATES AND TAX LEVIES,
LAST TEN FISCAL YEARS
(UNAUDITED)

| Fiscal Year | District's Direct Tax Rates (Per \$100 of Assessed Value) | | | District's Tax Levies | | |
|-------------|--|-------------------|------------|-----------------------|-------------------|---------------------|
| | Maintenance and Operations | Debt Service Fund | Total | General Fund | Debt Service Fund | Original Levy Total |
| 2012-13 | \$ 1.04000 | \$ 0.22000 | \$ 1.26000 | \$ 38,194,755 | \$ 8,079,650 | \$ 46,274,405 |
| 2013-14 | 1.04000 | 0.22000 | 1.26000 | 40,362,770 | 8,538,280 | 48,901,050 |
| 2014-15 | 1.04000 | 0.20000 | 1.26000 | 44,677,097 | 8,591,748 | 53,268,845 |
| 2015-16 | 1.04000 | 0.19500 | 1.24000 | 47,245,656 | 8,858,578 | 56,104,234 |
| 2016-17 | 1.04000 | 0.18000 | 1.23500 | 48,901,157 | 8,463,663 | 57,364,820 |
| 2017-18 | 1.04000 | 0.17000 | 1.22000 | 51,692,773 | 8,449,782 | 60,142,555 |
| 2018-19 | 1.04000 | 0.17000 | 1.21000 | 52,805,197 | 8,631,621 | 61,436,818 |
| 2019-20 | 0.97000 | 0.16000 | 1.13000 | 53,565,712 | 8,835,580 | 62,401,292 |
| 2020-21 | 0.09629 | 0.15748 | 1.12038 | 55,495,415 | 9,153,883 | 64,649,298 |
| 2021-22 | 0.96140 | 0.13821 | 1.09961 | 56,559,230 | 9,250,127 | 64,974,374 |

Source: Tom Green County (Texas) Appraisal District.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 DIRECT AND OVERLAPPING PROPERTY TAX RATES,
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| Fiscal Year | Tax Year | District's Total Direct Rates | Overlapping Rates* | |
|----------------|----------|-------------------------------------|---------------------|-----------------------|
| | | | Tom Green County | City of San Angelo |
| 2012-13 | 2012 | \$ 1.26000 | \$ 0.52500 | \$ 0.77600 |
| 2013-14 | 2013 | 1.26000 | 0.52500 | 0.77600 |
| 2014-15 | 2014 | 1.26000 | 0.51500 | 0.77600 |
| 2015-16 | 2015 | 1.24000 | 0.51250 | 0.77600 |
| 2016-17 | 2016 | 1.23500 | 0.51250 | 0.77600 |
| 2017-18 | 2017 | 1.22000 | 0.53500 | 0.77600 |
| 2018-19 | 2018 | 1.21000 | 0.54500 | 0.77600 |
| 2019-20 | 2019 | 1.13000 | 0.55117 | 0.77600 |
| 2020-21 | 2020 | 1.12038 | 0.54980 | 0.77600 |
| 2021-22 | 2021 | 1.09961 | 0.54880 | 0.77600 |

* Includes rates for maintenance & operations and debt service.

Tax Due Dates and Penalties:

Tax statements are mailed in October and are considered delinquent on February 1. Penalties and interest begin to accrue on that date.

Source: Tom Green County (Texas) Appraisal District.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
PROPERTY USE CATEGORIES AT GROSS APPRAISED MARKET VALUE
TAX YEAR 2021
(UNAUDITED)

| Property Code | Property Use Category | Items | | Gross Appraised Market Value |
|---------------|----------------------------|-------------------|--------|------------------------------|
| | | Description | Number | |
| A | Single family residence | No. of properties | 31,681 | \$ 4,566,572,457 |
| B | Multifamily residence | No. of properties | 434 | 219,379,100 |
| C | Vacant lots/tracts | No. of properties | 3,782 | 88,593,365 |
| D-1 | Qualified ag land | No. of properties | 706 | 129,690,230 |
| D-2 | Non-qualified land | No. of properties | 107 | 2,987,470 |
| E | Farm & ranch improvements | No. of parcels | 462 | 37,127,590 |
| F-1 | Real: commercial | No. of properties | 2,535 | 936,142,228 |
| F-2 | Real: industrial | No. of properties | 53 | 36,374,940 |
| G-1 | Minerals: oil & gas | No. of leases | | 221,040 |
| J | Real & personal: utilities | No. of companies | 136 | 242,010,660 |
| L-1 | Personal: commercial | No. of properties | 3,978 | 495,249,330 |
| L-2 | Personal: industrial | No. of properties | 90 | 399,866,220 |
| M-1 | Mobile homes | No. of homes | 819 | 14,421,050 |
| M-2 | Aircraft | No. of planes | 2 | 37,300 |
| O | Real property: inventory | No. of properties | 689 | 14,955,615 |
| S | Special Inventory | No. of properties | 49 | 47,945,730 |
| X | Exempt properties | No. of accounts | 217 | 32,002,834 |
| Totals | | | | <u>\$ 7,263,577,159</u> |

Source: Tom Green County (Texas) Appraisal District.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

| Taxpayer | Type of Business | Fiscal Year 2021-22 | | | Fiscal Year 2012-13 | | |
|-------------------------------------|----------------------|-------------------------|------|---------------------------------|-------------------------|------|---------------------------------|
| | | Assessed Value | Rank | Percent of Total Assessed Value | Assessed Value | Rank | Percent of Total Assessed Value |
| AEP Texas Inc. | Utility | \$ 105,124,220 | 1 | 1.79% | \$ 35,016,450 | 3 | 0.95% |
| Ethicon | Manufacturing | 81,830,388 | 2 | 1.39% | 47,739,797 | 2 | 1.30% |
| Wal-Mart & Sam's | Retail | 76,192,550 | 3 | 1.30% | 57,298,520 | 1 | 1.56% |
| Nextier Completion Solutions | Petroleum | 65,433,520 | 4 | 1.11% | | | |
| CN SA Boulevard | Apartments | 39,000,000 | 5 | 0.66% | | | |
| Atmos Energy | Utility | 35,521,960 | 6 | 0.60% | | | |
| Hirschfeld Steel & Energy | Manufacturing | 35,410,080 | 7 | 0.60% | | | |
| Lithia Motors Inc | Automobile | 25,974,300 | 8 | 0.44% | | | |
| HEB Grocery Company LP | Retail | 24,800,230 | 9 | 0.42% | | | |
| Optimum | Communications | 24,031,040 | 10 | 0.41% | | | |
| San Angelo Community Medical Center | Medical | | | | 32,189,417 | 4 | 0.88% |
| Nabors Well Service | Petroleum | | | | 29,890,340 | 5 | 0.81% |
| Martifer Energy | Utility | | | | 27,005,690 | 6 | 0.74% |
| Verizon Southwest | Utility | | | | 24,638,108 | 7 | 0.67% |
| Sunset Mall | Real Estate | | | | 18,821,000 | 8 | 0.51% |
| Alexander Properties | Real Estate | | | | 16,975,186 | 9 | 0.46% |
| Suddenlink | Utility | | | | 14,607,068 | 10 | 0.40% |
| | Total | <u>\$ 513,318,288</u> | | <u>8.72%</u> | <u>\$ 304,181,576</u> | | <u>8.28%</u> |
| | Total Assessed Value | <u>\$ 5,873,842,517</u> | | | <u>\$ 3,673,549,086</u> | | |

Source: Tom Green County Appraisal District.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
(UNAUDITED)

| Fiscal Year | Taxes Levied for the Fiscal Year (Original Levy) | | Total Adjusted Levy | Collected within the Fiscal Year of Levy | | Collections in Subsequent Years | Total Collections to Date | |
|-------------|--|-------------|---------------------|--|--------|---------------------------------|---------------------------|--------|
| | Adjustments | Amount | | Percent of Original Levy | Amount | | Percent of Adjusted Levy | |
| 2012-13 | \$ 46,274,405 | \$ (33,484) | \$ 46,240,921 | \$ 45,551,446 | 98.44% | \$ 670,406 | \$ 46,221,852 | 99.96% |
| 2013-14 | 48,901,050 | (176,718) | 48,724,332 | 48,093,415 | 98.35% | 611,483 | 48,704,898 | 99.96% |
| 2014-15 | 53,268,845 | (155,266) | 53,113,578 | 52,410,963 | 98.39% | 570,256 | 52,981,219 | 99.75% |
| 2015-16 | 56,104,234 | (336,566) | 55,767,668 | 54,855,433 | 97.77% | 663,227 | 55,518,660 | 99.55% |
| 2016-17 | 57,364,820 | (282,160) | 57,082,660 | 56,278,844 | 98.11% | 576,823 | 56,855,667 | 99.60% |
| 2017-18 | 60,142,555 | (319,710) | 59,822,845 | 58,887,087 | 97.91% | 662,781 | 59,549,868 | 99.54% |
| 2018-19 | 61,436,818 | (221,112) | 61,215,707 | 60,280,514 | 98.12% | 622,361 | 60,902,875 | 99.49% |
| 2019-20 | 62,401,292 | (35,510) | 62,365,782 | 61,345,246 | 98.31% | 717,474 | 62,062,719 | 99.51% |
| 2020-21 | 64,034,842 | 80,985 | 64,115,827 | 63,113,533 | 98.56% | 615,276 | 63,728,809 | 99.40% |
| 2021-22 | 64,974,374 | (39,618) | 64,934,756 | 64,064,710 | 98.60% | - | 64,064,710 | 98.66% |

Source: Tom Green County (Texas) Appraisal District.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE,
LAST TEN FISCAL YEARS
(UNAUDITED)

| Fiscal Year | Governmental Activities | | | | Business- Type Activities | Total Primary Government | Percent of Personal Income | Per Capita |
|----------------|--------------------------------|----------------------------|------------------|---------|---------------------------------|--------------------------------|----------------------------------|---------------|
| | General Obligation Bonds | Contractual Obligations | Loans Payable | Leases | Cap. Lease or Debt | | | |
| 2012-13 | \$ 124,510,000 | - | - | - | \$ 130,441 | \$ 124,640,441 | 2.65% | \$ 1,074 |
| 2013-14 | 120,190,000 | - | - | - | 62,785 | 120,252,785 | 2.39% | 1,022.57 |
| 2014-15 | 115,129,981 | - | - | - | 743,089 | 115,873,070 | 2.10% | 970.90 |
| 2015-16 | 110,304,982 | - | - | - | 636,861 | 110,941,843 | 2.09% | 920.47 |
| 2016-17 | 105,829,982 | - | - | - | 587,951 | 106,417,933 | 2.08% | 881.43 |
| 2017-18 | 101,369,982 | - | - | - | 534,639 | 101,904,621 | 1.88% | 844.69 |
| 2018-19 | 96,694,982 | - | - | - | 476,529 | 97,171,511 | 1.64% | 801.45 |
| 2019-20 | 93,114,994 | - | - | - | 412,718 | 93,527,712 | 1.46% | 764.15 |
| 2020-21 | 86,884,994 | - | - | - | 344,148 | 87,229,142 | 1.26% | 709.12 |
| 2021-22 | 81,294,994 | - | - | 526,006 | 268,894 | 82,089,894 | 1.11% | 670.98 |

Notes: Details of the District's outstanding debt are in the notes to the financial statements.

Fiscal year 2008-09 general obligation bonds include \$117 million school building bonds issued in that fiscal year.

a See Table 15 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING,
LAST TEN FISCAL YEARS;
AND STATEMENT OF LEGAL DEBT MARGIN
(UNAUDITED)

| Fiscal Year | Net General Bonded Debt Outstanding | | | | Net General Bonded Debt | Percent of Actual Value of Taxable Property | Per Capita |
|-------------|-------------------------------------|-------------------------|---------------------------|-----------------------------------|-------------------------|---|------------|
| | General Obligation Bonds | Contractual Obligations | Total General Bonded Debt | Less: Amount in Debt Service Fund | | | |
| 2012-13 | \$124,510,000 | \$ - | \$124,510,000 | \$ 2,241,004 | \$122,268,996 | 2.65% | \$1,053.40 |
| 2013-14 | 120,190,000 | - | 120,190,000 | 2,611,930 | 117,578,070 | 2.44% | 999.82 |
| 2014-15 | 115,129,981 | - | 115,129,981 | 3,322,653 | 111,807,328 | 2.08% | 936.83 |
| 2015-16 | 110,304,982 | - | 110,304,982 | 3,683,882 | 106,621,100 | 1.81% | 884.62 |
| 2016-17 | 105,829,982 | - | 105,829,982 | 4,143,962 | 101,686,020 | 1.66% | 842.24 |
| 2017-18 | 101,369,982 | - | 101,369,982 | 3,844,236 | 97,525,746 | 1.52% | 808.40 |
| 2018-19 | 96,694,982 | - | 96,694,982 | 3,503,107 | 93,191,875 | 1.43% | 768.62 |
| 2019-20 | 93,114,994 | - | 93,114,994 | 3,137,150 | 89,977,844 | 1.31% | 735.14 |
| 2020-21 | 86,884,994 | - | 86,884,994 | 3,578,201 | 83,306,794 | 1.17% | 677.24 |
| 2021-22 | 81,294,994 | - | 81,294,994 | 3,814,351 | 77,480,644 | 1.07% | 633.30 |

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

a See Table 5 for property value data.

b See Table 15 for population data.

STATEMENT OF LEGAL DEBT MARGIN

The laws of the State of Texas do not prescribe any specific tax-supported debt limit for Texas school districts, therefore a statement of legal debt margin is not presented in this report. However, the Texas Education Code, Sec 45.0031, prescribes a limitation on issuance of such debt, as follows:

Before issuing bonds, the District must demonstrate to the Texas Attorney General that, with respect to the proposed issuance, the District has a projected ability to pay the principal of and interest on the proposed bonds and all previously issued bonds, other than bonds authorized to be issued at an election held on or before April 1, 1991, and issued before September 1, 1992, from a tax at a rate not to exceed \$0.50 per \$100 of valuation.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF AUGUST 31, 2021
(UNAUDITED)

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>As of</u> | <u>Estimated Percentage Applicable</u> a | <u>Estimated Share of Overlapping Debt</u> |
|---|-----------------------------|--------------|--|--|
| Debt Repaid With Property Taxes | | | | |
| City of San Angelo | \$ 61,967,538 | 9/30/2021 | 100.00% | \$ 61,967,538 |
| Tom Green County | 67,475,000 | 9/30/2021 | 73.88% | 49,850,530 |
| Other Debt | | | | |
| City of San Angelo: COs Serviced by 1/2 Cent Sales Tax | 12,665,998 | 9/30/2021 | 100.00% | 12,665,998 |
| Subtotal overlapping debt | | | | <u>124,484,066</u> |
| District direct debt | | | | b <u>86,884,994</u> |
| Total Direct & Overlapping Debt | | | | <u><u>\$ 211,369,060</u></u> |

Sources: Taxable value used to estimate applicable percentages provided by Tom Green County Appraisal District.
Outstanding debt data provided by each governmental unit.

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

a 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 taxable value.

b See Table 11 for details of the District's direct governmental activities debt.

This table reports values at year end 2021 because audited information for the City and County for year end 2022 is not available .

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 PLEDGED REVENUE COVERAGE,
 LAST TEN FISCAL YEARS
 (UNAUDITED)

| Fiscal Year | Jumbotron Lease Payable or Debt Payable | | | | | | Coverage |
|----------------|---|--------------------------------|-----------------------------|--------------|-----------|-----------|----------|
| | Advertising Service Charges | Less: Operating Expenses | Net Available Revenue | Debt Service | | Total | |
| | | | | Principal | Interest | | |
| 2012-13 | \$ 82,584 | \$ - | \$ 82,584 | \$ 35,588 | \$ 34,537 | \$ 70,125 | 118% |
| 2013-14 | 81,788 | - | 81,788 | 67,657 | 7,693 | 75,350 | 109% |
| 2014-15 | 115,663 | - | 115,663 | 62,784 | 2,382 | 65,166 | 177% |
| 2015-16 | 144,265 | - | 144,265 | 106,228 | 57,317 | 163,545 | 88% |
| 2016-17 | 144,265 | 32,474 | 111,791 | 48,910 | 52,916 | 101,826 | 110% |
| 2017-18 | 144,865 | 15,934 | 128,931 | 53,312 | 48,117 | 101,429 | 127% |
| 2018-19 | 159,004 | 30,673 | 128,331 | 58,110 | 42,888 | 100,998 | 127% |
| 2019-20 | 159,004 | 30,671 | 128,333 | 63,340 | 37,187 | 100,527 | 128% |
| 2020-21 | 132,500 | 21,334 | 111,166 | 69,041 | 31,957 | 100,998 | 110% |
| 2021-22 | 116,041 | 42,975 | 73,066 | 75,254 | 24,760 | 100,014 | 73% |

Notes: The Jumbo-tron scoreboard was acquired at the end of fiscal year 2004-05. Fiscal year 2005-06 was the first year of operations.

Revenues from advertising on the scoreboard are pledged for debt service payments on the lease.

Operating expenses do not include interest, depreciation, or amortization expenses.

The jumbotron was replaced with a new jumbotron at the end of fiscal 2015 under a similar agreement for the rights to advertising revenues being reported as debt.

Details of the District's outstanding debt are in the notes to the financial statements.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS,
 LAST TEN CALENDAR YEARS
(UNAUDITED)

| <u>Calendar Year</u> | <u>Population</u> | <u>Personal Income</u> | <u>Per Capita Income</u> | <u>Unemployment Rate</u> |
|--------------------------|-------------------|----------------------------|------------------------------|------------------------------|
| | a | [Calculated] | b | c |
| 2012 | 116,071 | \$ 4,702,384,423 | \$ 40,513 | 5.5% |
| 2013 | 117,599 | 5,031,826,012 | 42,788 | 5.2% |
| 2014 | 119,346 | 5,530,612,986 | 46,341 | 4.2% |
| 2015 | 120,527 | 5,308,732,242 | 44,046 | 4.2% |
| 2016 | 120,733 | 5,124,753,651 | 42,447 | 4.8% |
| 2017 | 120,641 | 5,411,352,055 | 44,855 | 3.7% |
| 2018 | 121,245 | 5,927,304,315 | 48,887 | 3.2% |
| 2019 | 122,395 | 6,412,151,655 | 52,389 | 3.2% |
| 2020 | 123,010 | 6,910,209,760 | 56,176 | 6.5% |
| 2021 | 122,344 | 7,363,518,328 | 60,187 | 5.0% |

Note: Information is for the City of San Angelo, Texas Metropolitan Statistical area, since the geographic area is approximately the same.

Calendar Year 2021 is the most recent available information.

Sources: **a** U.S. Bureau of Economic Analysis for
the San Angelo Metropolitan Statistical Area.
b U.S. Bureau of Economic Analysis for
the San Angelo Metropolitan Statistical Area.
c Bureau of Labor Statistics

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

| Employer | Fiscal Year 2020-21 | | | Fiscal Year 2011-12 | | |
|--|---------------------|------|-----------------------------|---------------------|------|-----------------------------|
| | Number of Employees | Rank | Percent of Total Employment | Number of Employees | Rank | Percent of Total Employment |
| Goodfellow Air Force Base | 5,333 | 1 | 11.37% | 4,998 | 1 | 11.77% |
| Shannon Health System | 4,896 | 2 | 10.44% | 2,615 | 2 | 6.16% |
| San Angelo Independent School District | 2,332 | 3 | 4.97% | 1,971 | 3 | 4.64% |
| Angelo State University | 1,323 | 4 | 2.82% | 1,626 | 4 | 3.83% |
| San Angelo Community Medical Center | 1,236 | 5 | 2.64% | 842 | 6 | 1.98% |
| Walmart | 1,079 | 6 | 2.30% | | | 0.00% |
| City of San Angelo | 995 | 7 | 2.12% | 875 | 5 | 2.06% |
| Stripes Convenience Stores | 882 | 8 | 1.88% | | | 0.00% |
| San Angelo State Supported Living Center | 770 | 9 | 1.64% | 840 | 7 | 1.98% |
| Ethicon (Johnson & Johnson) | 665 | 10 | 1.42% | 523 | 10 | 1.23% |
| Tom Green County | | | | 733 | 8 | 1.73% |
| Sitel, Inc | | | | 710 | 9 | 1.67% |
| Totals | <u>19,511</u> | | <u>41.60%</u> | <u>15,733</u> | | <u>37.05%</u> |
| Total City of San Angelo Employment | <u>46,890</u> | | | <u>42,474</u> | | |

Sources: Principal Employers - San Angelo Chamber of Commerce.

Total City of San Angelo Employment - San Angelo Economic Development Labor Force Statistics

Notes: Employer information is for the dates indicated:

Fiscal Year 2020-21: San Angelo Chamber of Commerce August 2018 (Most current data available)

Fiscal Year 2011-12: San Angelo Chamber of Commerce November 2011

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STAFF INFORMATION,
LAST TEN FISCAL YEARS
(UNAUDITED)

| | Fiscal Year | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2021-22 | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
| <u>Full-time-Equivalent Employees</u> | | | | | | | | | | |
| Professional Staff: | | | | | | | | | | |
| Teachers | 913.5 | 941.8 | 939.4 | 934.3 | 936.1 | 943.6 | 954.8 | 943.1 | 931.3 | 921.7 |
| Professional Support | 197.9 | 196.9 | 196.3 | 184.8 | 173.9 | 187.1 | 181.5 | 176.5 | 173.6 | 176.0 |
| Campus Administrators | 60.0 | 60.0 | 55.5 | 55.5 | 55.1 | 54.5 | 52.6 | 51.0 | 48.4 | 47.5 |
| Central Administrators | 26.5 | 28.0 | 28.0 | 26.0 | 25.1 | 27.0 | 24.0 | 25.0 | 23.0 | 18.0 |
| Educational Aides | 181.0 | 185.6 | 187.0 | 256.1 | 251.8 | 243.9 | 233.1 | 238.1 | 227.6 | 214.3 |
| Auxiliary Staff | 433.5 | 455.6 | 463.7 | 495.8 | 504.5 | 498.5 | 472.9 | 486.6 | 491.8 | 500.3 |
| Total Full-time-Equivalents | 1,812.4 | 1,867.9 | 1,869.9 | 1,952.5 | 1,946.5 | 1,954.6 | 1,918.9 | 1,920.3 | 1,895.7 | 1,877.8 |
| <u>Students per Teacher</u> | 15.1 | 14.9 | 15.4 | 15.5 | 15.6 | 15.4 | 15.3 | 15.5 | 15.6 | 15.7 |
| <u>Teachers by Years of Experience</u> | | | | | | | | | | |
| Beginning Teachers | 47.1 | 71.8 | 83.7 | 82.1 | 76.3 | 113.6 | 73.6 | 75.9 | 59.8 | 66.1 |
| 1-5 Years Experience | 289.9 | 287.9 | 291.3 | 283.0 | 282.9 | 238.4 | 251.7 | 226.0 | 225.1 | 201.2 |
| 6-10 Years Experience | 189.4 | 180.7 | 169.4 | 163.1 | 168.3 | 178.2 | 184.8 | 202.0 | 179.3 | 186.7 |
| 11-20 Years Experience | 229.8 | 239.8 | 235.5 | 239.6 | 240.5 | 243.9 | 267.1 | 254.7 | 276.5 | 281.4 |
| Over 20 Years Experience | 157.3 | 161.6 | 159.6 | 166.4 | 168.2 | 169.5 | 177.6 | 184.4 | 190.7 | 186.3 |
| <u>Average Teacher Salary by Years of Experience</u> | | | | | | | | | | |
| Beginning Teachers | \$ 42,671 | \$ 41,570 | \$ 39,121 | \$ 39,451 | \$ 37,486 | \$ 38,873 | \$ 37,981 | \$ 35,507 | \$ 36,220 | \$ 35,597 |
| 1-5 Years Experience | 45,885 | 43,830 | 43,631 | 42,680 | 41,910 | 41,063 | 40,270 | 39,423 | 39,155 | 38,924 |
| 6-10 Years Experience | 48,688 | 47,446 | 47,672 | 45,493 | 45,032 | 44,134 | 43,589 | 42,618 | 42,143 | 41,588 |
| 11-20 Years Experience | 55,911 | 54,774 | 54,473 | 49,723 | 48,980 | 48,234 | 47,610 | 46,827 | 45,934 | 45,504 |
| Over 20 Years Experience | 68,836 | 60,338 | 61,128 | 57,304 | 56,584 | 56,138 | 55,749 | 54,749 | 53,945 | 54,082 |
| <u>Turnover Rate for Teachers</u> | 18.4% | 15.0% | 19.0% | 17.7% | 18.1% | 16.5% | 15.1% | 15.4% | 13.6% | 16.7% |
| <u>Class Size Average:</u> | | | | | | | | | | |
| Elementary: | | | | | | | | | | |
| Kindergarten | 17.6 | 15.6 | 18.9 | 18.5 | 17.5 | 17.9 | 17.8 | 18.3 | 18.6 | 18.7 |
| Grade 1 | 18.3 | 16.0 | 19.5 | 18.6 | 18.4 | 17.5 | 18.1 | 19.1 | 19.0 | 19.1 |
| Grade 2 | 18.7 | 16.6 | 18.3 | 19.4 | 18.5 | 18.2 | 18.3 | 18.6 | 18.3 | 19.3 |
| Grade 3 | 18.5 | 16.2 | 18.5 | 19.0 | 18.8 | 18.9 | 19.0 | 18.4 | 18.5 | 18.9 |
| Grade 4 | 19.1 | 15.9 | 18.7 | 18.7 | 18.6 | 17.3 | 17.5 | 17.5 | 18.3 | 18.8 |
| Grade 5 | 20.6 | 17.2 | 20.6 | 20.0 | 19.9 | 19.5 | 19.1 | 19.6 | 20.2 | 20.7 |
| Grade 6 | 21.9 | 19.9 | 20.4 | 21.1 | 21.0 | 21.2 | 20.6 | 20.2 | 18.6 | 21.9 |
| Secondary: | | | | | | | | | | |
| English | 20.3 | 16.8 | 17.2 | 19.0 | 19.7 | 19.7 | 18.2 | 18.8 | 17.5 | 20.2 |
| Foreign Language | 21.2 | 20.7 | 21.4 | 21.1 | 20.2 | 19.5 | 18.9 | 21.9 | 21.8 | 21.0 |
| Mathematics | 22.5 | 17.9 | 17.2 | 20.9 | 20.8 | 20.4 | 18.3 | 18.8 | 18.7 | 19.9 |
| Science | 21.5 | 19.1 | 18.1 | 21.4 | 20.9 | 20.8 | 19.3 | 19.5 | 18.7 | 21.3 |
| Social Studies | 22.5 | 19.2 | 17.8 | 20.3 | 20.9 | 21.1 | 19.1 | 20.4 | 20.0 | 21.0 |

Source: TEA Academic Excellence Indicator System-PEIMS Data
TEA- Texas Academic Performance Report
N/A: Information not available

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STUDENT INFORMATION,
LAST TEN FISCAL YEARS
(UNAUDITED)

| Student Ethnic Distribution | Fiscal Year | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2021-22 | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
| African American | 484 | 504 | 554 | 545 | 574 | 614 | 600 | 614 | 639 | 673 |
| Hispanic | 8,400 | 8,527 | 8,726 | 8,649 | 8,687 | 8,585 | 8,623 | 8,598 | 8,515 | 8,413 |
| White | 4,325 | 4,423 | 4,672 | 4,762 | 4,777 | 4,903 | 4,982 | 4,990 | 4,984 | 4,958 |
| Asian/Pacific Islander | 169 | 190 | 202 | 204 | 192 | 183 | 149 | 141 | 159 | 156 |
| Native American | 34 | 38 | 40 | 52 | 51 | 43 | 43 | 44 | 39 | 38 |
| Two or more races | 386 | 361 | 320 | 308 | 286 | 244 | 232 | 239 | 214 | 189 |
| Total | 13,798 | 14,043 | 14,514 | 14,520 | 14,567 | 14,572 | 14,629 | 14,626 | 14,550 | 14,427 |
| Economically Disadvantaged | 8,701 | 7,775 | 8,328 | 8,094 | 8,452 | 8,762 | 8,785 | 8,483 | 8,716 | 8,700 |
| English Language Learners (ELL) | 75 | 690 | 719 | 713 | 684 | 694 | 764 | 748 | 699 | 643 |
| Students w/ disciplinary Placements | 167 | N/A | 271 | 261 | 272 | 191 | 234 | 212 | 205 | 188 |
| Percent of Students Eligible for Free or Reduced Meals | 39.8% | 47.1% | 55.0% | 59.2% | 57.9% | 60.1% | 60.1% | 58.0% | 59.9% | 60.3% |
| Retention Rates by Grade (Non-Special Educ. Rates) | | | | | | | | | | |
| Kindergarten | 1.2% | 1.1% | 0.7% | 1.1% | 1.9% | 2.9% | 3.5% | 2.3% | 3.0% | 2.9% |
| Grade 1 | 0.9% | 0.2% | 0.8% | 1.0% | 2.2% | 3.4% | 3.8% | 3.6% | 2.6% | 2.2% |
| Grade 2 | 0.5% | 0.3% | 0.1% | 0.0% | 0.8% | 2.5% | 2.1% | 1.4% | 1.8% | 1.3% |
| Grade 3 | 0.2% | 0.2% | 0.3% | 0.1% | 0.1% | 0.2% | 0.8% | 1.2% | 0.5% | 0.6% |
| Grade 4 | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.2% | 0.1% | 0.3% | 0.4% | 0.1% |
| Grade 5 | 0.1% | 0.0% | 0.1% | 0.2% | 0.0% | 0.1% | 0.4% | 0.5% | 0.5% | 0.1% |
| Grade 6 | 0.3% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.2% | 0.4% | 0.1% | 0.4% |
| Grade 7 | 0.1% | 0.2% | 0.1% | 0.1% | 0.2% | 0.4% | 0.3% | 0.2% | 0.4% | 0.2% |
| Grade 8 | 0.2% | 0.1% | 0.1% | 0.2% | 0.1% | 0.0% | 0.4% | 0.4% | 0.6% | 0.2% |
| Attendance Rate | 91.4% | N/A | 98.4% | 94.9% | 94.8% | 95.6% | 95.9% | 96.0% | 96.2% | 96.2% |
| Annual Dropout Rate Grades 7-8 - Method 1 | 0.4% | N/A | 0.5% | 0.2% | 0.5% | 0.4% | 0.3% | 0.8% | 0.2% | 0.7% |
| % Students Passing All Sections | | | | | | | | | | |
| All Grades STAAR percent at Phase-in Satisfactory Standard or above, beginning 2016-17 at approaches Grade Level or Above | | | | | | | | | | |
| Reading | 64.0% | 57.0% | N/A | 65.0% | 65.0% | 65.0% | 70.0% | 74.0% | 74.0% | 77.0% |
| Mathematics | 58.0% | 55.0% | N/A | 71.0% | 71.0% | 74.0% | 72.0% | 71.0% | 75.0% | 77.0% |
| Science | 65.0% | 61.0% | N/A | 73.0% | 73.0% | 74.0% | 76.0% | 76.0% | 77.0% | 80.0% |
| Social Studies | 65.0% | 64.0% | N/A | 71.0% | 68.0% | 68.0% | 75.0% | 73.0% | 71.0% | 74.0% |
| SAT/ACT % Tested | 65.8% | N/A | 81.0% | 63.1% | 60.8% | 61.7% | 54.6% | 59.6% | 57.3% | 54.3% |
| Mean SAT Score | 964 | N/A | 965 | 1080 | 1069 | 1065 | 1454 | 1430 | 1476 | 1503 |
| Mean ACT Score | 22.4 | N/A | 20 | 20 | 20.0 | 20.7 | 20.4 | 20.5 | 21.1 | 21.1 |

Source: Texas Academic Performance Report

N/A: Information not available

* Due to COVID-19, the STARR test was cancelled for the Spring of 2020

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS,
LAST TEN FISCAL YEARS
(UNAUDITED)

| Fiscal Year | Modified Accrual Basis | | | Accrual Basis | | | Pupil- Teacher Ratio a, b |
|----------------|---------------------------|------------------------|-------------------|----------------|------------------------|-------------------|------------------------------------|
| | Operating Expenditures | Cost per Pupil a | Percent Change | Expenses | Cost per Pupil a | Percent Change | |
| 2012-13 | \$ 113,850,387 | \$ 7,891 | -0.73% | \$ 125,372,562 | \$ 8,690 | -0.74% | 15.7 |
| 2013-14 | 117,864,334 | 8,101 | 2.65% | 130,651,645 | 8,979 | 3.33% | 15.6 |
| 2014-15 | 125,020,531 | 8,548 | 5.52% | 133,189,888 | 9,106 | 1.41% | 15.5 |
| 2015-16 | 125,137,262 | 8,554 | 0.07% | 143,616,996 | 9,817 | 7.81% | 15.3 |
| 2016-17 | 125,837,728 | 8,636 | 0.95% | 142,409,334 | 9,773 | -0.45% | 15.4 |
| 2017-18 | 125,451,013 | 8,612 | -0.27% | 102,543,454 | 7,039 | -27.97% | 15.6 |
| 2018-19 | 131,928,266 | 9,086 | 5.50% | 152,757,253 | 10,520 | 49.45% | 15.5 |
| 2019-20 | 134,271,825 | 9,251 | 1.82% | 162,037,846 | 11,164 | 6.12% | 15.4 |
| 2020-21 | 137,520,803 | 9,793 | 5.85% | 150,264,066 | 10,700 | -4.16% | 14.9 |
| 2021-22 | 139,493,493 | 10,110 | 3.24% | 142,595,555 | 10,335 | -3.42% | 15.1 |

Notes: Operating expenditures are total expenditures less debt service and capital outlays capitalized.

a See Table 18 for enrollment information.

b See Table 17 for teaching staff information.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
CAPITAL ASSET INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

| | Fiscal Year | | | | | | | | | |
|----------------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2021-22 | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
| Schools | | | | | | | | | | |
| Elementary: | | | | | | | | | | |
| Campuses | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 |
| Square feet | 986,234 | 986,234 | 986,234 | 986,234 | 986,234 | 933,461 | 924,378 | 924,378 | 924,378 | 809,850 |
| Capacity | 8,801 | 8,801 | 8,801 | 8,801 | 8,801 | 8,801 | 8,801 | 8,801 | 8,801 | 8,801 |
| Enrollment | 6,378 | 6,372 | 7,025 | 7,026 | 7,104 | 7,158 | 7,415 | 7,416 | 7,570 | 7,053 |
| Middle: | | | | | | | | | | |
| Campuses | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Square feet | 466,155 | 466,155 | 466,155 | 460,347 | 460,347 | 460,356 | 452,347 | 452,347 | 452,347 | 430,576 |
| Capacity | 3,169 | 3,169 | 3,169 | 3,115 | 3,115 | 3,115 | 3,115 | 3,115 | 3,115 | 3,115 |
| Enrollment | 3,146 | 3,188 | 3,389 | 3,331 | 3,251 | 3,190 | 3,148 | 3,204 | 3,095 | 3,109 |
| High: | | | | | | | | | | |
| Campuses | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Square feet | 803,265 | 803,265 | 803,265 | 803,265 | 803,265 | 793,022 | 785,672 | 785,672 | 785,789 | 800,979 |
| Capacity | 4,420 | 4,420 | 4,420 | 4,420 | 4,420 | 4,420 | 4,420 | 4,420 | 4,420 | 4,420 |
| Enrollment | 3,919 | 4,195 | 4,117 | 4,065 | 4,078 | 4,087 | 4,063 | 3,930 | 3,762 | 3,865 |
| Head Start: | | | | | | | | | | |
| Campuses | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Square feet | 106,114 | 106,114 | 106,114 | 106,114 | 106,114 | 98,901 | 98,901 | 98,901 | 98,901 | 98,901 |
| Capacity | 837 | 837 | 837 | 837 | 837 | 837 | 837 | 837 | 837 | 837 |
| Enrollment | - | - | - | 611 | 573 | 588 | 559 | 532 | 572 | 120 |
| Alternative Learning: | | | | | | | | | | |
| Campuses | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Square feet | 24,463 | 24,463 | 24,463 | 24,463 | 24,463 | 24,855 | 24,855 | 24,855 | 24,855 | 24,855 |
| Capacity | 230 | 230 | 230 | 230 | 230 | 230 | 230 | 230 | 230 | 230 |
| Enrollment | 89 | 129 | 64 | 47 | 46 | 48 | 54 | 52 | 53 | 51 |
| Idle Facilities: | | | | | | | | | | |
| Campuses | - | - | - | - | 1 | 1 | 1 | 1 | 1 | 1 |
| Square feet | - | - | - | - | 26,405 | 26,405 | 26,405 | 26,405 | 50,575 | 50,575 |
| Capacity | - | - | - | - | - | - | - | - | 1,124 | 1,124 |
| Administrative | | | | | | | | | | |
| Buildings | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Square feet | 42,295 | 42,295 | 42,295 | 42,295 | 42,295 | 42,295 | 42,295 | 42,295 | 42,295 | 42,295 |
| Transportation | | | | | | | | | | |
| Garages / buildings | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Buses | 91 | 91 | 93 | 93 | 95 | 85 | 85 | 85 | 84 | 80 |
| Warehouses, Storage, Etc: | | | | | | | | | | |
| Buildings | 13 | 13 | 13 | 13 | 13 | 8 | 8 | 8 | 8 | 8 |
| Square feet | 89,992 | 89,992 | 89,992 | 89,992 | 89,992 | 38,279 | 38,279 | 38,279 | 38,279 | 38,279 |
| Athletics | | | | | | | | | | |
| Stadium Field House | 3 | 3 | 3 | 3 | 3 | 1 | 1 | 1 | 1 | 1 |
| Football/Soccer fields | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Running tracks | 4 | 4 | 4 | 3 | 3 | 2 | 2 | 2 | 2 | 2 |
| Baseball / softball | 7 | 7 | 7 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Swimming pools | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Playgrounds | 30 | 30 | 30 | 30 | 30 | 31 | 31 | 31 | 31 | 31 |

Source: District records.

Notes:

- Pays campus (alternative learning) was opened in fy 2009. Student enrollment is still counted in the high schools.
- 2013-Bond project added square footage to Elementary and Middle Schools. Buildings demolished in bond renovations slightly reduced High Schools.
- In 2014 high schools added Lake View science wing and demolished Handel Hall. Demol some builds at Old Lincoln Idle campus, but science wing is storage
- Overall capacity has not been re-evaluated by the district after the 2008 bond project completions.
- 2017- added classrooms at Ft.Concho Elem, Glenn MS, and Tennis Dressing at CHS, and LVHS



Single Audit Section
August 31, 2022

San Angelo Independent School District



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

To the Board of Trustees of
San Angelo Independent School District
San Angelo, Texas

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, the business-type activities, each major fund, and the aggregate remaining fund information of San Angelo 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 District's basic financial statements, and have issued our report thereon dated January 12, 2023.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. 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 the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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

Abilene, Texas
January 12, 2023



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

To the Board of Trustees of
San Angelo Independent School District
San Angelo, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

Abilene, Texas
January 12, 2023

San Angelo Independent School District
Schedule of Expenditures of Federal Awards (Exhibit K-1)
Year Ended August 31, 2022

| Federal Grantor/Pass-Through Grantor/Program Title | Federal Financial Assistance Listing Number | Pass-Through Entity Identifying Number | Federal Expenditures |
|---|--|--|-------------------------|
| U.S. Department of Education | | | |
| Direct Program | | | |
| Impact Aid - P.L. 874 Title I | 84.041 | Not available | \$ 68,365 |
| Passed Through Texas Education Agency | | | |
| ESEA Title I, Part A - Improving Basic Programs | 84.010 | 22610101226903 | 2,439,890 |
| ESEA Title I, Part A - School Improvement | 84.010 | 21610141226903 | 671,795 |
| ESEA Title I, Part A - ESF Focus Support Grant | 84.010 | 226101577110019 | 292,075 |
| Total ALN 84.010 | | | <u>3,403,760</u> |
| Special Education Cluster | | | |
| IDEA-B Formula* | 84.027 | 226600012269036000 | 2,671,182 |
| IDEA-B Formula* | 84.027 | 216600012269036000 | 488,967 |
| IDEA-B Formula - ARP* | 84.027X | 225350012269035000 | 125,099 |
| Total ALN 84.027 | | | <u>3,285,248</u> |
| IDEA-B Preschool* | 84.173 | 226610012269036000 | 70,001 |
| IDEA-B Preschool* | 84.173 | 216610012269036000 | 26,193 |
| Total ALN 84.173 | | | <u>96,194</u> |
| Career and Technical Education - Basic Grants to States | 84.048 | 22420006226903 | 104,227 |
| Career and Technical Education - Basic Grants to States | 84.048 | 21420006226903 | 77,161 |
| Total ALN 84.048 | | | <u>181,388</u> |
| Title III, Part A - English Language Acquisition | 84.365 | 22671001226903 | 38,843 |
| Title III, Part A - English Language Acquisition | 84.365 | 21671001226903 | 27,239 |
| Title III, Part A - Immigrant | 84.365 | 21671003226903 | 2,817 |
| Total ALN 84.365 | | | <u>68,899</u> |
| Title II, Part A - Teacher, Principal, Training & Recruitment | 84.367 | 22694501226903 | 368,796 |
| Title II, Part A - Teacher, Principal, Training & Recruitment | 84.367 | 21694501226903 | 51,117 |
| Total ALN 84.367 | | | <u>419,913</u> |
| Title IV, Part A - Subpart I | 84.424 | 22680101226903 | 318,597 |
| Title IV, Part A - Subpart I | 84.424 | 21680101226903 | 10,782 |
| Total ALN 84.424 | | | <u>329,379</u> |
| LEP Summer School | 84.369A | 69552002 | 1,475 |
| COVID-19 Elementary and Secondary School Emergency Relief Fund | 84.425D | 21521001226903 | 6,786,968 |
| COVID-19 Elementary and Secondary School Emergency Relief Fund | 84.425U | 21528001226903 | 10,385,438 |
| COVID-19 American Rescue Plan (ARP) Act -Homeless II Education for Homeless Children and Youth Program | 84.425W | 21533002226903 | 2,352 |
| Total ALN 84.425 | | | <u>17,174,758</u> |
| Total Passed Through Texas Education Agency | | | <u>24,961,014</u> |
| Total U. S. Department of Education | | | <u>25,029,379</u> |

San Angelo Independent School District
Schedule of Expenditures of Federal Awards (Exhibit K-1)
Year Ended August 31, 2022

| Federal Grantor/Pass-Through Grantor/Program Title | Federal Financial Assistance Listing Number | Pass-Through Entity Identifying Number | Federal Expenditures |
|--|--|--|-------------------------|
| U.S. Department of Agriculture | | | |
| Direct Program | | | |
| Summer Feeding Program - Cash Assistance** | 10.559 | Not available | 47,470 |
| Passed Through Texas Education Agency: | | | |
| School Breakfast Program** | 10.553 | 71402201 | 2,520,392 |
| National School Lunch Program - cash assistance** | 10.555*** | 71302201 | 5,574,399 |
| Total Passed Through Texas Education Agency | | | <u>8,094,791</u> |
| Passed Through the Texas Department of Agriculture: | | | |
| National School Lunch Program -non cash assistance ** | 10.555*** | Not available | 695,819 |
| 2022 Supply Chain Assistance Grant** | 10.555*** | 6TX300400 | 377,050 |
| P-EBT Administrative Costs Grant | 10.649 | Not available | 11,764 |
| Total U. S. Department of Agriculture | | | <u>9,226,894</u> |
| U.S. Department of Defense | | | |
| Direct Program | | | |
| ROTC | 12.000 | Not available | 119,832 |
| Total U. S. Department of Defense | | | <u>119,832</u> |
| Federal Communications Commission | | | |
| Direct Program | | | |
| COVID-19 Emergency Connectivity Fund Program | 32.009 | Not available | 352,732 |
| Total Federal Communications Commission | | | <u>352,732</u> |
| Total Federal Financial Assistance | | | <u>\$ 34,728,837</u> |
| *Total Special Education Cluster | | | 3,381,442 |
| ** Total Child Nutrition Cluster | | | 9,215,130 |
| ***Total CFDA Number 10.555 | | | 6,647,268 |

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended August 31, 2022. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

Note B - Summary of Significant Accounting Policies

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All federal expenditures were accounted for in the General Fund and Special Revenue Funds, components of the Governmental Fund type. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Federal grants are considered to be earned to the extent of expenditures made under the provisions of the grant.

School health and related services revenues are considered earned income at the local government level and thus are not included in the Schedule of Expenditures of Federal Awards. The following is a reconciliation of Federal Revenues on Exhibit C-2 to the Schedule of Expenditures of Federal Awards:

| | |
|---|----------------------|
| Federal Awards per Schedule of Expenditures of Federal Awards | \$ 34,728,837 |
| School Health Related Services (SHARS) | 680,906 |
| Excess of expenses over revenue for other federal programs | <u>(1,046)</u> |
| Total federal program revenues - Exhibit C-2 | <u>\$ 35,408,697</u> |

Note C - Indirect Cost Rate

The District is not eligible to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance because the District has previously received a negotiated indirect cost rate for its federal awards.

Note D - Food Donation

Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. At August 31, 2022, the District had food commodities totaling \$853,279 in inventory.

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

| | |
|--|---------------|
| Type of auditor's report issued | Unmodified |
| Internal control over financial reporting: | |
| Material weaknesses identified | No |
| Significant deficiencies identified not considered to be material weaknesses | None Reported |
| Noncompliance material to financial statements noted? | No |

FEDERAL AWARDS

| | |
|--|---------------|
| Internal control over major programs: | |
| Material weaknesses identified | No |
| Significant deficiencies identified not considered to be material weaknesses | None Reported |
| Type of auditor's report issued on compliance for major programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516: | No |

Identification of major programs:

| Name of Federal Program | Federal Financial Assistance Listing/CFDA Number |
|---|--|
| Special Education Cluster | 84.027; 84.173 |
| COVID-19 Education Stabilization Fund | 84.425D; 84.425U; 84.425W |
| Dollar threshold used to distinguish between Type A and Type B programs | \$1,040,637 |
| Auditee qualified as low-risk auditee? | Yes |

Section II – Financial Statement Findings

The audit disclosed no findings required to be reported.

Section III – Federal Award Findings and Questioned Costs

The audit disclosed no findings and questioned costs required to be reported.

San Angelo Independent School District
Schedule of Required Responses to Selected School First Indicators (Exhibit L-1)
August 31, 2022

| <u>Data Control Codes</u> | | <u>Responses</u> |
|---------------------------|--|------------------|
| 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? | 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 | \$ 4,477,166 |