BRIDGEPORT

INDEPENDENT SCHOOL DISTRICT

WISE COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2021



BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2021

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CERTIFICATE OF BOARD

Bridgeport Independent School District	Wise	249903
Name of School District	County	County – District Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) ✓ approved _____ disapproved for the year ended **August 31, 2021,** at a meeting of the Board of Trustees of such school district on the **4th** day of **January, 2022**.

Signature of Board Secretary

Signature of Board President

If the Board of Trustees disapproved of the auditor's report, the reason(s) for disapproving it (are):
(Attach list as necessary)

James E. Rodgers and Company, P.C.

Certified Public Accountants

20 Southwest Third Street • PO Box 669 • Hamlin, Texas 79520 • Tel: 325-576-2356 • Fax: 325-576-3525
E-mail: rodgerscpa@att.net
Member of Texas Society of CPA's and American Institute of CPA's
Richard E. Rodgers CPA • Gerald L. Rodgers CPA

January 4, 2022

Unmodified Report on Financial Statements Issued in Accordance with Government Auditing Standards and a Single Audit Accompanied by Required Supplementary Information, Supplementary Information, and Other Information

Independent Auditor's Report

To the Board of Trustees
Bridgeport Independent School District
Bridgeport, Texas 76426

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bridgeport Independent School District (the District) as of and for the year ended August 31, 2021, and the related notes to the financial statements. We were not engaged to audit the financial statements of the aggregate discretely presented component unit. These financial statements collectively comprise the Bridgeport Independent School District's basic financial statements as listed in the table of contents.

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

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Because of the matter described in the "Basis for Disclaimer of Opinion" paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the aggregate discretely presented component unit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Except for the matter described in the "Basis for Disclaimer of Opinion on the Aggregate Discretely Presented Component Unit" paragraph, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. Therefore, the opinion on the financial statements of the District (excluding BEF) is unmodified and presents fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended August 31, 2021.

Basis for Disclaimer of Opinion on the Aggregate Discretely Presented Component Unit

The financial statements of the Bridgeport Education Foundation (BEF) have not been audited, and we were not engaged to audit the BEF financial statements as part of our audit of the District's basic financial statements. BEF financial activities are included in the District's basic financial statements as a discretely presented component unit and represent 100 percent of the assets, net position, and revenues, respectively, of the District's aggregate discretely presented component units.

Disclaimer of Opinion

Because of the significance of the matter described in the "Basis for Disclaimer of Opinion on the Aggregate Discretely Presented Component Unit" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the aggregate discretely presented component unit of the Bridgeport Independent School District. Accordingly, we do not express an opinion on these financial statements of the Bridgeport Education Foundation (BEF).

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Bridgeport Independent School District, as of August 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Therefore, the opinion on the financial statements of the District (excluding Bridgeport Education Foundation (BEF)) is unmodified and presents fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended August 31, 2021.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and GASB 68 and 75 schedules for pension and OPEB liabilities and contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

AICPA Governmental Audit Quality Center

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bridgeport Independent School District's basic financial statements. The combining and individual nonmajor fund financial statements, and the Texas Education Agency required information in conformity with laws and regulations of the State of Texas in Exhibits J-1 through J-4, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Texas Education Agency required information in conformity with laws and regulations of the state of Texas in Exhibits J-1 through J-4, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the Texas Education Agency required information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2022, on our consideration of the Bridgeport Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Bridgeport Independent School 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 Bridgeport Independent School District's internal control over financial reporting and compliance.

Respectfully submitted,

James E. Rodgers and Company

James E. Rodgers and Company, P.C.

AICPA Governmental Audit Quality Center

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

2107 15TH Street
Bridgeport, Texas 76426

Phone: 940-683-5124 * Fax: 940-683-4268

MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the Annual Financial and Compliance Report, we, the administration of **Bridgeport Independent School District**, discuss and analyze the District's financial performance for the fiscal year ended August 31, 2021. Please read it in conjunction with the independent auditor's report and the District's Basic Financial Statements.

FINANCIAL HIGHLIGHTS

The District's summary financial information for the current fiscal year is as follows:

Highlights of Current Fiscal Year Finances

District's Total Net Position at the End of the Year	**$ 21,026,063**
Total District Revenues for the Current Fiscal Year	**$ 29,868,938**
Total District Expenses for the Current Fiscal Year	**$ 28,649,868**
Fund Balance in the General Fund at the End of Year	**$ 10,342,439**

Changes in the District's Finances from the Previous Fiscal Year

	Increase (Decrease)	
	$	%
Change in Net Position:		
Change in the District's Total Net Position	**$ 1,219,070**	**6.15%**
Revenue Changes:		
Change in the District's Total Revenues	**(574,282)**	**-1.89%**
Change in the District's Property Tax Revenues	**(587,748)**	**-3.51%**
Change in the District's State Aid Formula Grants	**716,120**	**15.18%**
Change in Operating Grants and Contributions	**(580,138)**	**-9.69%**
Expense Changes:		
Change in the District's Total Expenses	**$ (459,853)**	**-1.58%**
Other Information:		
Change in the District's General Fund Balance	**$ 224,445**	**-100.00%**
Excess (Deficit) of Actual Revenue over Budgeted Revenue	**$ 223,354**	**1.17%**

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. These statements 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 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 provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining statements for non-major funds contain even more information about the District's individual funds. These are not required by TEA. The sections labeled TEA Required Schedules and Federal Awards 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 the Statement of Net Position (Exhibit A-1). 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 includes all the District's assets and liabilities at the end of the year while the Statement of Activities includes all 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 and grants provided by the U.S. Department of Education to assist children with disabilities from disadvantaged backgrounds (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.

These two statements report the District's Net Position and changes in them. The District's Net Position (the difference between assets, deferred outflows, liabilities, and deferred inflows) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's Net Position are 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 have presented two types of activities:

- Governmental activities–All 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 does not maintain business type activities at present.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin with the Governmental Funds Balance Sheet (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 "No Child Left Behind" 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 the 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 a reconciliation schedule following each of the fund financial statements.

Proprietary funds–The District's only proprietary type activities for which it charges users (whether outside customers or other units of the District) are the worker's compensation internal service fund. In those types of funds, the same accounting methods employed in the Statement of Net Position and the Statement of Activities is used. The internal service fund (the other category of proprietary funds in Exhibits D-1, D-2 and D-3) reports activities that provide supplies and services for the District's other programs and activities–such as the District's self-insurance program for Worker's Compensation insurance.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

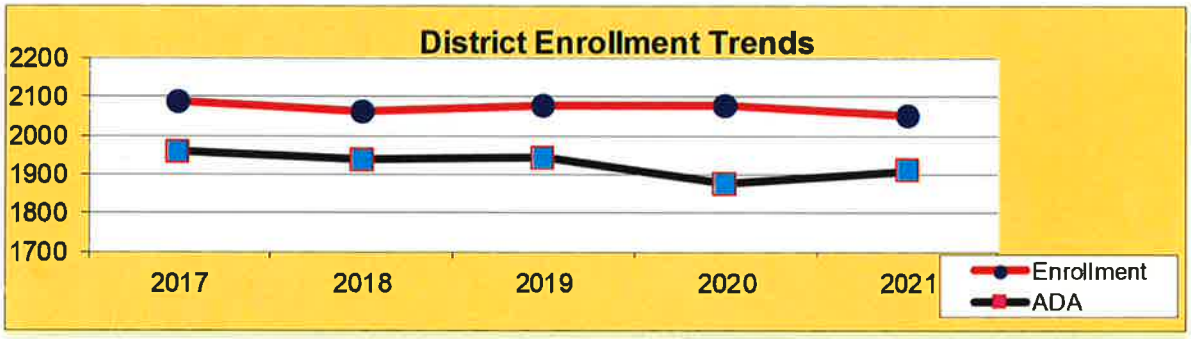
The District is the trustee, or fiduciary, for money raised by student activities and alumni scholarship programs. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position (Exhibit E-1). We exclude these resources from the District's other financial statements 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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

State funding in Texas is based upon the District's average daily attendance, thus the District's revenue is highly dependent on enrollment trends. The District receives additional weighted funding for students enrolled in career and technology coursework, gifted and talented, special, bilingual, and compensatory education programs. The demographics of the District and the types of coursework students pursue are continuing to evolve in the District. The following chart details the enrollment trends of the District.

ENROLLMENT TRENDS

Year	Enrollment	ADA
2017	2088	1959.1
2018	2062	1937.5
2019	2078	1941.7
2020	2077	1873.9
2021	2051	1907.8



The following table indicates the Net Position of the District at the end of the previous and current years.

Table I
BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2020	2021	2020	2021	2020	2021
Current and other assets	$ 14,538,732	$ 15,703,728	$ -	$ -	$ 14,538,732	$ 15,703,728
Capital assets	42,923,916	41,281,373	-	-	42,923,916	41,281,373
Deferred Outflows to TRS	4,680,951	3,923,807			4,680,951	3,923,807
Total assets & deferred outflows	**$ 62,143,599**	**$ 60,908,908**	**$ -**	**$ -**	**$ 62,143,599**	**$ 60,908,908**
Long-term liabilities	$ 19,406,899	$ 16,929,856	$ -	$ -	$ 19,406,899	$ 16,929,856
Other liab & unearned revenues	1,335,502	1,846,172	-	-	1,335,502	1,846,172
Net pension liability	7,319,715	7,073,667	-	-	7,319,715	7,073,667
Net OBEP liability	8,989,170	7,310,920	-	-	8,989,170	7,310,920
Deferred Inflows Related to TRS	5,285,320	6,722,230	-	-	5,285,320	6,722,230
Total liabilities & deferred inflows	**$ 42,336,606**	**$ 39,882,845**	**$ -**	**$ -**	**$ 42,336,606**	**$ 39,882,845**
Net Position:						
Net Investment in capital assets	$ 23,561,535	$ 24,388,679	$ -	$ -	$ 23,561,535	$ 24,388,679
Restricted	2,590,593	3,099,226	-	-	2,590,593	3,099,226
Unrestricted	(6,345,135)	(6,461,842)	-	-	(6,345,135)	(6,461,842)
Total net position	**$ 19,806,993**	**$ 21,026,063**	**$ -**	**$ -**	**$ 19,806,993**	**$ 21,026,063**

The following table indicates the changes in Net Position of the District during the previous and current years.

Table II
BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
Changes in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2020	2021	2020	2021	2020	2021
Program Revenues:						
Charges for Services	$ 2,346,219	$ 2,396,857	$ -	$ -	$ 2,346,219	$ 2,396,857
Operating grants & contributions	5,988,619	5,408,481	-	-	5,988,619	5,408,481
General Revenues:						
Maintenance & operations taxes	13,793,463	13,884,787	-	-	13,793,463	13,884,787
Debt service taxes	2,952,701	2,273,629	-	-	2,952,701	2,273,629
State aid - formula grants	4,716,892	5,433,012	-	-	4,716,892	5,433,012
Investment earnings	187,165	13,595	-	-	187,165	13,595
Miscellaneous	458,161	458,577	-	-	458,161	458,577
Total Revenues	**$ 30,443,220**	**$ 29,868,938**	**$ -**	**$ -**	**$ 30,443,220**	**$ 29,868,938**
Expenses						
Instruction, curriculum & media services	$ 15,691,787	$ 15,598,343	$ -	$ -	$ 15,691,787	$ 15,598,343
Instructional & school leadership	2,001,109	2,017,856	-	-	2,001,109	2,017,856
Student support services	2,685,246	2,588,472	-	-	2,685,246	2,588,472
Food Services	1,184,401	1,103,981	-	-	1,184,401	1,103,981
Extracurricular activities	1,140,928	1,176,330	-	-	1,140,928	1,176,330
General administration & data processing	1,441,941	1,316,094	-	-	1,441,941	1,316,094
Plant maintenance & security	3,222,365	3,369,497	-	-	3,222,365	3,369,497
Debt Services	837,689	511,246	-	-	837,689	511,246
Contracted instructional services between schools	-	-	-	-	-	-
Shared services arrangements	652,656	714,893	-	-	652,656	714,893
Other intergovernmental charges	251,599	253,156	-	-	251,599	253,156
Total Expenses	**$ 29,109,721**	**$ 28,649,868**	**$ -**	**$ -**	**$ 29,109,721**	**$ 28,649,868**
Increase in net position before transfers and special items	**$ 1,333,499**	**$ 1,219,070**	**$ -**	**$ -**	**$ 1,333,499**	**$ 1,219,070**
Transfers	-	-	-	-	-	-
Net position at 9/1	18,473,494	19,806,993	-	-	18,473,494	19,806,993
Total Net Position	**$ 19,806,993**	**$ 21,026,063**	**$ -**	**$ -**	**$ 19,806,993**	**$ 21,026,063**

Analysis of Change in Net Position for Governmental Activities

Excess of Revenues Over Expenditures for Governmental Funds	**$ 696,637**
Current Year Purchases of Capital Assets	**-**
Current Year Debt Principal Payments	**2,155,626**
Depreciation	**(1,642,543)**
Reclassification of bond and long term debt proceeds as increase in debt	**-**
Other Modified to Full Accrual Revenue Adjustments	**279,106**
GASB 68 Adjustments	**(456,721)**
GASB 75 Adjustments	**186,965**
Change in Net Position of Governmental Activities	**$ 1,219,070**

THE DISTRICT'S FUNDS

A financial summary of the District's funds for the current year is as follows:

Governmental Fund Financial Statements				
	General Fund	Special Revenue Funds	Debt Service Fund	Total
Revenues	$ 21,237,430	$ 6,080,270	$ 2,321,415	$ 29,639,115
Expenditures	(21,051,834)	(5,746,787)	(2,182,706)	(28,981,327)
Other Financing Sources	43,203	-	-	43,203
Other Financing Uses	(4,354)	-	-	(4,354)
Net Change in Fund Balance	$ 224,445	$ 333,483	$ 138,709	$ 696,637
Beginning Fund Balance	10,117,994	1,003,554	1,545,102	12,666,650
Ending Fund Balance All Governmental Funds	$ 10,342,439	$ 1,337,037	$ 1,683,811	$ 13,363,287

The District did modify its budget during the year resulting in a change in budgeted expenditures between the original and final budget in the District's General Fund. The significant amendments are identified in Exhibit G-1.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the current year, the District had invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This year's major additions and the net change in total capital assets are as follows:

None	$ -
	-
TOTAL	$ -
Total Additions	$ -
Total Deletions	-
Net Change	$ -

The District's adopted capital outlay budget for the next fiscal year does not include significant expenditures.

Debt

The District's long-term debt at the end of the current year is as follows:

	Interest Rate on Issue	Amounts Original Issue	Interest Current Year	Outstanding 8/31/2021	Next Year's Total Principal and Interest Requirement
Series 2020 Tax Refunding Bonds	5.00%	$ 14,560,000	$ 627,250	$ 10,990,000	$ 2,179,500
Series 2013 Maintenance Tax Notes	5.11%	5,900,000	186,004	3,245,000	580,820
Spirit of Texas Capital Improvement Loan	3.59%	633,704	16,977	320,698	169,037
2018 Apple Capital Lease	1.49%	210,589	1,976	-	-
		-	-	-	-
Totals		$ 21,304,293	$ 832,207	$ 14,555,698	$ 2,929,357

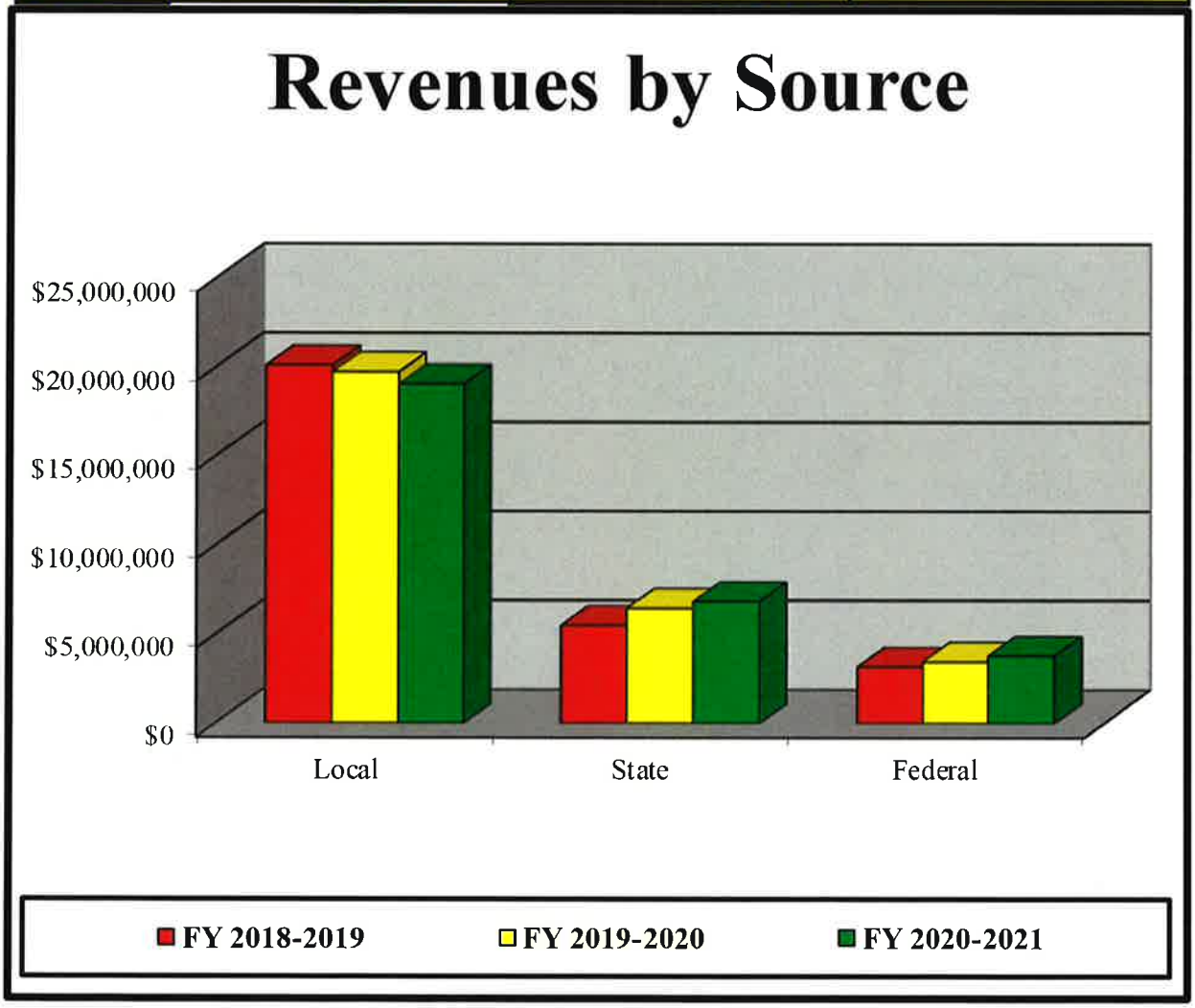
ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's elected and appointed officials considered many factors when setting the next fiscal year budget and tax rates. Those factors included a stable local economy, changes in property tax valuations, and a changing student population as per enrollment trends. These indicators were taken into account when adopting the General Fund budget for next year. A summary of the next fiscal year budget for funds that are legally required to be budgeted under the Texas Education Code is as follows:

Fiscal Year 2021 - 2022 Adopted Budget				
	General Fund	Child Nutrition Fund	Debt Service Fund	TOTALS
Revenues	$ 21,109,899	$ 1,025,210	$ 2,151,385	$ 24,286,494
Expenditures	(21,393,073)	(1,079,723)	(2,181,000)	(24,653,796)
Other Financing Sources	-	-	-	-
Other Financing Uses	-	-	-	-
Net Change in Fund Balance	$ (283,174)	$ (54,513)	$ (29,615)	$ (367,302)
Beginning of Year Fund Balance	10,342,439	702,309	1,683,811	12,728,559
Projected End of Year Fund Balance	$ 10,059,265	$ 647,796	$ 1,654,196	$ 12,361,257

The following graph indicates the District's revenues by source for the last three years.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT			
REVENUES BY SOURCE			
	FY 2018-2019	FY 2019-2020	FY 2020-2021
ADA	1941.707	1873.927	1907.797
Local	$20,077,789	$19,701,561	$19,026,553
State	5,479,085	6,445,785	6,826,603
Federal	3,169,333	3,445,242	3,785,959
Total	$28,726,207	$29,592,588	$29,639,115

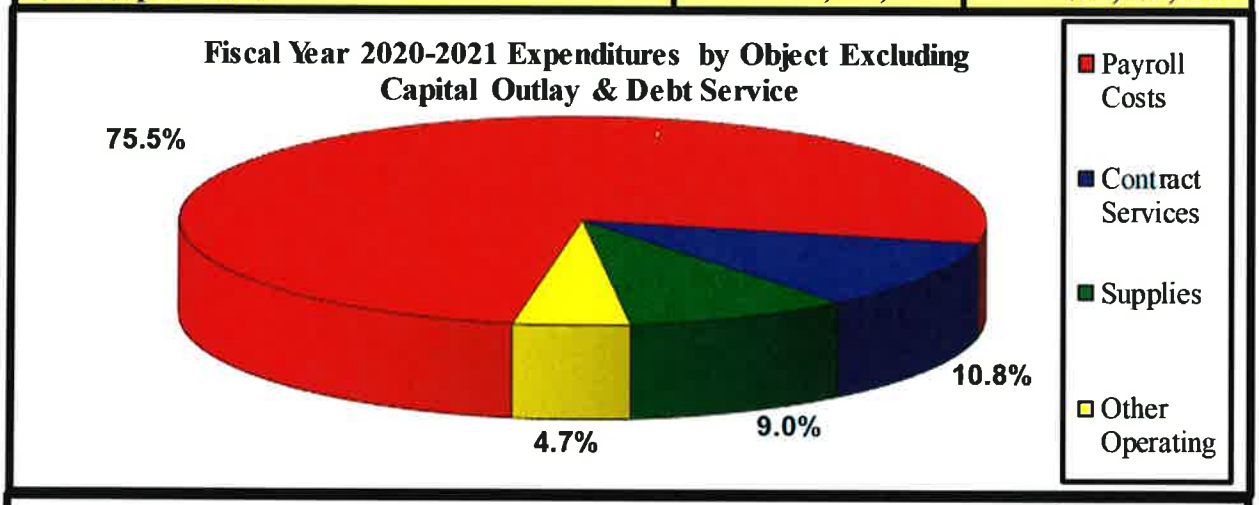


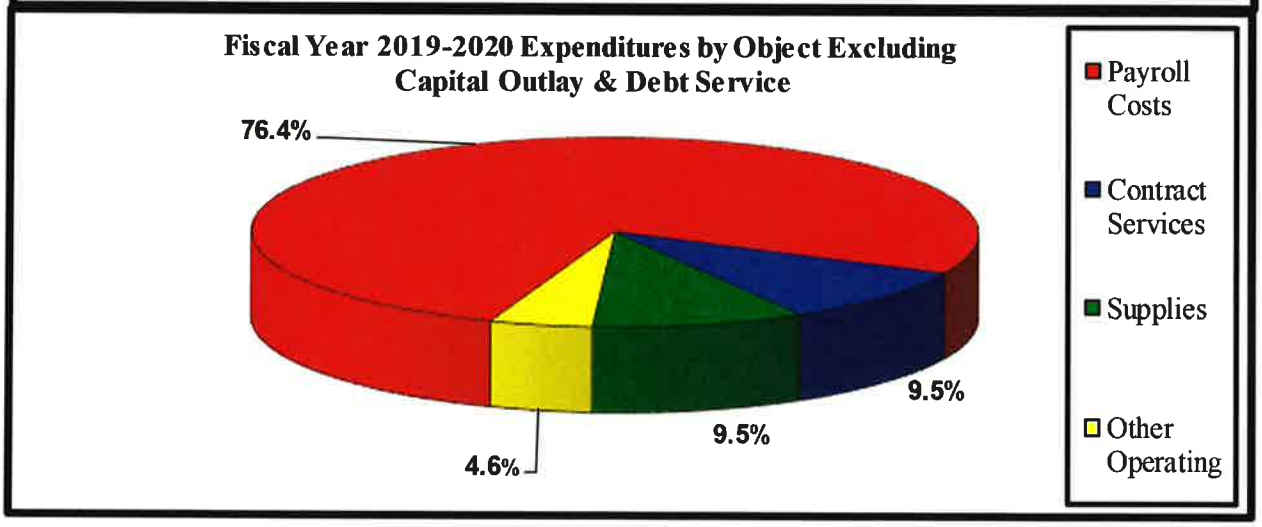
The following graph indicates the percent of operating expenditures by object code for the last two years.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

EXPENDITURES BY TYPE

	FY 2019-2020	FY 2020-2021
Total Staff	334.34	333.10
Payroll Costs	$18,962,105	$19,634,263
Contract Services	2,363,566	2,794,766
Supplies	2,353,600	2,342,924
Other Operating	1,134,729	1,221,085
Total Expenditures	$24,814,000	$25,993,038





CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and 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 **Bridgeport Independent School District, 2107 15th Street, Bridgeport, Texas 76426.**

BASIC FINANCIAL STATEMENTS

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2021

Data Control Codes		Primary Government: Governmental Activities
ASSETS		
1110	Cash and Cash Equivalents	$ 3,797,873
1120	Current Investments	10,446,981
1220	Property Taxes - Delinquent	659,025
1230	Allowance for Uncollectible Taxes	(164,756)
1240	Due from Other Governments	961,093
1267	Due from Fiduciary Funds	3,512
	Capital Assets:	
1510	Land	1,050,353
1520	Buildings, Net	38,478,764
1530	Furniture and Equipment, Net	1,752,256
1000	Total Assets	56,985,101
DEFERRED OUTFLOWS OF RESOURCES		
1705	Deferred Outflow Related to TRS Pension	2,518,285
1706	Deferred Outflow Related to TRS OPEB	1,405,522
1700	Total Deferred Outflows of Resources	3,923,807
LIABILITIES		
2110	Accounts Payable	225,561
2150	Payroll Deductions and Withholdings	10,695
2160	Accrued Wages Payable	1,012,754
2180	Due to Other Governments	124,373
2200	Accrued Expenses	37,733
2300	Unearned Revenue	435,056
	Noncurrent Liabilities:	
2501	Due Within One Year: Loans, Note, Leases, etc.	2,239,683
	Due in More than One Year:	
2502	Bonds, Notes, Leases, etc.	14,690,173
2540	Net Pension Liability (District's Share)	7,073,667
2545	Net OPEB Liability (District's Share)	7,310,920
2000	Total Liabilities	33,160,615
DEFERRED INFLOWS OF RESOURCES		
2605	Deferred Inflow Related to TRS Pension	1,368,763
2606	Deferred Inflow Related to TRS OPEB	5,353,467
2600	Total Deferred Inflows of Resources	6,722,230
NET POSITION		
3200	Net Investment in Capital Assets	24,388,679
	Restricted:	
3820	Restricted for Federal and State Programs	1,159,001
3850	Restricted for Debt Service	1,762,189
3870	Restricted for Campus Activities	178,036
3900	Unrestricted	(6,461,842)
3000	Total Net Position	$ 21,026,063

The notes to the financial statements are an integral part of this statement.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes		1	Program Revenues 3	4	Net (Expense) Revenue and Changes in Net Position 6
		Expenses	Charges for Services	Operating Grants and Contributions	Primary Gov. Governmental Activities
Primary Government:					
	GOVERNMENTAL ACTIVITIES:				
11	Instruction	$ 15,231,522	$ 1,641,984	$ 2,417,616	$ (11,171,922)
12	Instructional Resources and Media Services	151,882	-	11,111	(140,771)
13	Curriculum and Instructional Staff Development	214,939	-	12,399	(202,540)
21	Instructional Leadership	208,982	-	11,672	(197,310)
23	School Leadership	1,808,874	487,600	236,810	(1,084,464)
31	Guidance, Counseling, and Evaluation Services	1,287,000	21,200	889,263	(376,537)
33	Health Services	276,314	-	18,009	(258,305)
34	Student (Pupil) Transportation	1,025,158	-	56,878	(968,280)
35	Food Services	1,103,981	61,257	1,410,041	367,317
36	Extracurricular Activities	1,176,330	135,816	47,508	(993,006)
41	General Administration	828,277	-	112,672	(715,605)
51	Facilities Maintenance and Operations	3,194,432	49,000	133,126	(3,012,306)
52	Security and Monitoring Services	175,065	-	27,176	(147,889)
53	Data Processing Services	487,817	-	24,200	(463,617)
72	Debt Service - Interest on Long-Term Debt	510,790	-	-	(510,790)
73	Debt Service - Bond Issuance Cost and Fees	456	-	-	(456)
93	Payments Related to Shared Services Arrangements	714,893	-	-	(714,893)
99	Other Intergovernmental Charges	253,156	-	-	(253,156)
[TP]	TOTAL PRIMARY GOVERNMENT:	$ 28,649,868	$ 2,396,857	$ 5,408,481	(20,844,530)

Data Control Codes	General Revenues:	
	Taxes:	
MT	Property Taxes, Levied for General Purposes	13,884,787
DT	Property Taxes, Levied for Debt Service	2,273,629
SF	State Aid - Formula Grants	5,433,012
IE	Investment Earnings	13,595
MI	Miscellaneous Local and Intermediate Revenue	415,374
FR	Gain on Disposal of Property	43,203
TR	Total General Revenues & Transfers	22,063,600
CN	Change in Net Position	1,219,070
NB	Net Position - Beginning	19,806,993
NE	Net Position - Ending	$ 21,026,063

The notes to the financial statements are an integral part of this statement.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2021

Data Control Codes		10 General Fund	Major SSA-IDEA - Part B Formula	50 Debt Service Fund
	ASSETS			
1110	Cash and Cash Equivalents	$ 1,722,855	$ 407,002	$ 419,968
1120	Investments - Current	8,828,785	-	1,266,652
1220	Property Taxes - Delinquent	554,522	-	104,503
1230	Allowance for Uncollectible Taxes	(138,630)	-	(26,126)
1240	Due from Other Governments	366,261	90,813	-
1260	Due from Other Funds	424,950	-	-
1000	Total Assets	$ 11,758,743	$ 497,815	$ 1,764,997
	LIABILITIES			
2110	Accounts Payable	$ 92,191	$ -	$ -
2150	Payroll Deductions and Withholdings Payable	10,695	-	-
2160	Accrued Wages Payable	760,028	39,022	-
2170	Due to Other Funds	-	52,984	-
2180	Due to Other Governments	121,564	-	2,809
2200	Accrued Expenditures	15,934	4,306	-
2300	Unearned Revenue	-	401,503	-
2000	Total Liabilities	1,000,412	497,815	2,809
	DEFERRED INFLOWS OF RESOURCES			
2601	Unavailable Revenue - Property Taxes	415,892	-	78,377
2600	Total Deferred Inflows of Resources	415,892	-	78,377
	FUND BALANCES			
	Restricted Fund Balance:			
3450	Federal or State Funds Grant Restriction	-	-	-
3480	Retirement of Long-Term Debt	-	-	1,683,811
3490	Other Restricted Fund Balance	-	-	-
	Committed Fund Balance:			
3510	Construction	891,965	-	-
3525	Retirement of Loans or Notes Payable	2,740,642	-	-
3540	Self Insurance	175,000	-	-
3600	Unassigned Fund Balance	6,534,832	-	-
3000	Total Fund Balances	10,342,439	-	1,683,811
4000	Total Liabilities, Deferred Inflows & Fund Balances	$ 11,758,743	$ 497,815	$ 1,764,997

The notes to the financial statements are an integral part of this statement.

Other Funds	Total Governmental Funds
$ 1,217,114	$ 3,766,939
351,544	10,446,981
-	659,025
-	(164,756)
504,019	961,093
2,743	427,693
$ 2,075,420	$ 16,096,975
$ 133,370	$ 225,561
-	10,695
213,704	1,012,754
347,608	400,592
-	124,373
10,148	30,388
33,553	435,056
738,383	2,239,419
-	494,269
-	494,269
702,309	702,309
-	1,683,811
634,728	634,728
-	891,965
-	2,740,642
-	175,000
-	6,534,832
1,337,037	13,363,287
$ 2,075,420	$ 16,096,975

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
AUGUST 31, 2021

EXHIBIT C-2

	Total Fund Balances - Governmental Funds	$	13,363,287
1	The District uses internal service funds to charge the costs of certain activities, such as self-insurance, 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 (decrease) net position.		-
2	Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was $67,896,036 and the accumulated depreciation was $24,972,120. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase (decrease) net position.		23,517,017
3	Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68. The net position related to TRS included a deferred resource outflow in the amount of $2,518,285, a deferred resource inflow in the amount of $1,368,763, and a net pension liability in the amount of $7,073,667. This resulted in a decrease in net position.		(5,924,145)
4	Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75. The net position related to TRS included a deferred resource outflow in the amount of $1,405,522, a deferred resource inflow in the amount of $5,353,467, a net OPEB liability in the amount of $7,310,920. This resulted in a decrease in net position.		(11,258,865)
5	Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the current year capital outlays and debt principal payments is to increase net position.		2,155,626
6	The current year depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.		(1,642,543)
7	Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to the full accrual basis of accounting. These include recognizing unearned revenue as revenue, eliminating interfund transactions, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase (decrease) net position.		815,686
19	**Net Position of Governmental Activities**	$	21,026,063

The notes to the financial statements are an integral part of this statement.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes		10 General Fund	Major SSA- IDEA - Part B Formula	50 Debt Service Fund
	REVENUES:			
5700	Total Local and Intermediate Sources	$ 14,461,856	$ -	$ 2,283,339
5800	State Program Revenues	6,535,588	-	38,076
5900	Federal Program Revenues	239,986	1,155,306	-
5020	Total Revenues	21,237,430	1,155,306	2,321,415
	EXPENDITURES:			
	Current:			
0011	Instruction	10,766,124	293,350	-
0012	Instructional Resources and Media Services	148,658	-	-
0013	Curriculum and Instructional Staff Development	210,293	-	-
0021	Instructional Leadership	204,749	-	-
0023	School Leadership	1,262,784	-	-
0031	Guidance, Counseling, and Evaluation Services	357,174	861,956	-
0033	Health Services	269,941	-	-
0034	Student (Pupil) Transportation	867,665	-	-
0035	Food Services	-	-	-
0036	Extracurricular Activities	1,113,783	-	-
0041	General Administration	775,306	-	-
0051	Facilities Maintenance and Operations	2,697,829	-	-
0052	Security and Monitoring Services	130,989	-	-
0053	Data Processing Services	472,907	-	-
	Debt Service:			
0071	Principal on Long-Term Debt	600,626	-	1,555,000
0072	Interest on Long-Term Debt	204,957	-	627,250
0073	Bond Issuance Cost and Fees	-	-	456
	Intergovernmental:			
0093	Payments to Fiscal Agent/Member Districts of SSA	714,893	-	-
0099	Other Intergovernmental Charges	253,156	-	-
6030	Total Expenditures	21,051,834	1,155,306	2,182,706
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	185,596	-	138,709
	OTHER FINANCING SOURCES (USES):			
7912	Sale of Real and Personal Property	43,203	-	-
8949	Other (Uses)	(4,354)	-	-
7080	Total Other Financing Sources (Uses)	38,849	-	-
1200	Net Change in Fund Balances	224,445	-	138,709
0100	Fund Balance - September 1 (Beginning)	10,117,994	-	1,545,102
3000	Fund Balance - August 31 (Ending)	$ 10,342,439	$ -	$ 1,683,811

The notes to the financial statements are an integral part of this statement.

	Other Funds	Total Governmental Funds
$	2,281,358	$ 19,026,553
	252,939	6,826,603
	2,390,667	3,785,959
	4,924,964	29,639,115
	2,908,140	13,967,614
	-	148,658
	-	210,293
	-	204,749
	508,431	1,771,215
	29,229	1,248,359
	-	269,941
	595	868,260
	1,077,481	1,077,481
	5,299	1,119,082
	3,503	778,809
	32,693	2,730,522
	26,110	157,099
	-	472,907
	-	2,155,626
	-	832,207
	-	456
	-	714,893
	-	253,156
	4,591,481	28,981,327
	333,483	657,788
	-	43,203
	-	(4,354)
	-	38,849
	333,483	696,637
	1,003,554	12,666,650
$	1,337,037	$ 13,363,287

Total Net Change in Fund Balances - Governmental Funds	$	696,637
The District uses internal service funds to charge the costs of certain activities, such as self-insurance to appropriate functions in other funds. The net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase (decrease) net position.		-
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the current year capital outlays and debt principal payments is to increase (decrease) net position.		2,155,626
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position.		(1,642,543)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to the full accrual basis of accounting. These include recognizing unearned revenue as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, eliminating interfund transactions, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase (decrease) net position.		279,106
GASB 68 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by $557,481. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. This caused a decrease in the change in net position totaling $545,145. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense decreased the change in net position by $469,057. The net result is a decrease in the change in net position.		(456,721)
GASB 75 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by $146,881. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net OPEB liability. This caused a decrease in the change in net position totaling $146,176. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense increased the change in net position by $186,260. The net result is an increase (decrease) in the change in net position.		186,965
Change in Net Position of Governmental Activities	$	1,219,070

The notes to the financial statements are an integral part of this statement.

EXHIBIT D-1

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2021

	Governmental Activities - Total Internal Service Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	$ 30,934
Due from Other Funds	1,624
Total Assets	32,558
LIABILITIES	
Current Liabilities:	
Due to Other Funds	25,213
Accrued Expenses	7,345
Total Liabilities	32,558
NET POSITION	
Unrestricted Net Position	-
Total Net Position	$ -

The notes to the financial statements are an integral part of this statement.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

	Governmental Activities - Total Internal Service Funds
OPERATING REVENUES:	
Local and Intermediate Sources	$ 3,974
Total Operating Revenues	3,974
OPERATING EXPENSES:	
Other Operating Costs	3,974
Total Operating Expenses	3,974
Operating Income	-
Total Net Position - September 1 (Beginning)	-
Total Net Position - August 31 (Ending)	$ -

The notes to the financial statements are an integral part of this statement.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

EXHIBIT D-3

	Governmental Activities - Total Internal Service Funds
Cash Flows from Operating Activities:	
Cash Received from Assessments - Other Funds	$ 58
Cash Payments for Other Operating Expenses	(137)
Net Cash Used for Operating Activities	(79)
Net Decrease in Cash and Cash Equivalents	(79)
Cash and Cash Equivalents at Beginning of Year	31,013
Cash and Cash Equivalents at End of Year	$ 30,934
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:	
Operating Income (Loss):	$ -
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Receivables	620
Increase (decrease) in Accrued Expense	(3,573)
Increase (decrease) in Due to Other Funds	2,874
Net Cash Used for Operating Activities	$ (79)
Reconciliation of Total Cash and Cash Equivalents:	
Cash and Cash Equivalents on Balance Sheet	$ 30,934

The notes to the financial statements are an integral part of this statement.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2021

	Custodial Fund	Fiduciary Component Units
ASSETS		
Cash and Cash Equivalents	$ 133,210	$ -
Restricted Assets	-	4,700
Long Term Investments	-	304,324
Total Assets	133,210	$ 309,024
LIABILITIES		
Due to Other Funds	3,512	-
Total Liabilities	3,512	-
NET POSITION		
Restricted for Campus Activities	129,698	-
Restricted for Other Purposes	-	309,024
Total Net Position	$ 129,698	$ 309,024

The notes to the financial statements are an integral part of this statement.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

	Custodial Fund	Fiduciary Component Units
ADDITIONS:		
Enterprising Services Revenue	$ 265,207	$ 41,489
Earnings from Temporary Deposits	-	1,124
Total Additions	265,207	42,613
DEDUCTIONS:		
Other Deductions	135,509	47,404
Total Deductions	135,509	47,404
Change in Fiduciary Net Position	129,698	(4,791)
Total Net Position - September 1 (Beginning)	-	313,815
Total Net Position - August 31 (Ending)	$ 129,698	$ 309,024

The notes to the financial statements are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bridgeport Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven-member Board of Trustees (the "Board") elected by registered voters of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board and other authoritative sources identified in ***Statement on Auditing Standards No. 56*** of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency's ***Financial Accountability System Resource Guide*** (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

A. REPORTING ENTITY

The Board of Trustees (the "Board") is elected by the public and has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by the Governmental Accounting Standards Board ("GASB") in its Statement No. 14, "The Financial Reporting Entity" and amended by GASB Statement No. 61. The only component unit included within the reporting entity is the Bridgeport Educational Foundation which is included as a fiduciary component unit.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the **Bridgeport Independent School District** non-fiduciary activities with most of the Inter-fund activities removed. *Governmental activities* include programs supported primarily by taxes, state foundation funds, grants and other intergovernmental revenues. *Business-type activities* include operations that rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. The "charges for services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include tuition paid by students not residing in the district, school lunch charges, etc. The "grants and contributions" column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If revenue is not program revenue, it is general revenue used to support all the District's functions. Taxes are always general revenues.

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

The fund financial statements provide reports on the financial condition and results of operations for three fund categories - governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide statements. The District considers some governmental and enterprise funds major and report their financial condition and results of operations in a separate column.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues result from providing goods and services in connection with a proprietary fund's principal ongoing operations; they usually come from exchange or exchange-like transactions. All other revenues are non-operating. Operating expenses can be tied specifically to the production of the goods and services, such as materials and labor and direct overhead. Other expenses are non-operating.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

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

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims, and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The District considers all revenues available if they are collectible within 60 days after year-end.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the "susceptible to accrual" concept, that is, when they are both measurable and available. The District considers them "available" if they will be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

The Proprietary Fund Types and Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues 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. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless these pronouncements conflict or contradict GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Position. The fund equity is segregated into invested in capital assets net of related debt, restricted net position, and unrestricted net position.

D. FUND ACCOUNTING

The District reports the following major governmental funds:

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

Special Revenue Fund – The District did maintain major special revenue governmental fund during the current year for Special Education.

Debt Service Fund – The District did maintain major debt service governmental fund during the current year.

The District does not report any major enterprise funds.

Additionally, the District reports the following fund type(s):

Governmental Funds:

Special Revenue Funds – The District accounts for resources restricted to, or designated for, specific purposes by the District or a grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a Special Revenue Fund and sometimes unused balances must be returned to the grantor at the close of specified project periods.

Debt Service Funds – The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund when applicable.

Capital Projects Funds – Proceeds from long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund when applicable.

Proprietary Funds:

Internal Service Funds – Revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis (such as workers' compensation) are accounted for in an internal service fund when applicable.

Fiduciary Funds:

Private Purpose Trust Funds – The District accounts for donations for which the donor has stipulated that both the principal and the income may be used for purposes that benefit parties outside the District. When applicable, the District maintains a private purpose trust fund to provide scholarships for students that have graduated from the District.

Custodial Funds – The District accounts for resources held for others in a custodial capacity in custodial funds including funds used to account for student activities.

The balances due to the internal service funds general fund and from the special education special revenue fund resulted from obligations made to maintain capital for the operation of each internal service fund for such activities as self-insurance; the balance is not scheduled to be collected in the subsequent year.

All remaining balances resulted from the time lag between the dates that (1) inter-fund goods and services are provided, or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

During the current year, the District did not make a one-time transfer of funds from the general fund to the debt service fund to subsidize, in part, the District's obligation of interest and sinking fund requirements.

E. OTHER ACCOUNTING POLICIES

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

2. The District reports inventories of supplies using the first-in, first-out inventory cost method. The supplies include consumable maintenance, instructional, office, athletic, and transportation items. Under the purchase method, supplies are recorded as expenditures when they are purchased. Inventories of food commodities are recorded at market values supplied by the Department of Agriculture. Although commodities are received at no cost, their fair market value is supplied by the Department of Agriculture and recorded as revenue and expenditures when received. Material inventories (if any) including food commodities are recorded as an asset and a corresponding amount of expenditures are reduced at year-end.

3. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. 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 premium or discount. Bond issuance costs are reported as expense in the year of issue.

   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.

4. It is the District's policy to permit some employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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

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

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

ASSETS	YEARS
Buildings	**40**
Buildings and Improvements	**40**
Infrastructure	**40**
Vehicles	**10**
Office Equipment	**10**
Computer Equipment	**10**

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

7. Restricted assets, if applicable, of the District are limited to cash and certificates of deposit which have been gifted to the District with the stipulation that only the earnings are available for current and future scholarship recipients.

8. The Districts that participate in self-funded workers' compensation programs execute inter-local agreements that define the responsibilities of the parties. The program, if applicable, provides statutory workers' compensation benefits to its members and their injured employees.

9. Net Position and Fund Balances:

   Government-wide and Proprietary Fund Net Position:

   Government-wide and proprietary fund net position is divided into three components:

   - Net investment in capital assets—consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
   - Restricted net position—consist of assets that are restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
   - Unrestricted—all other net position is reported in this category.

Governmental Fund Balances:

In the governmental fund financial statements, fund balances are classified as follows:

- Non-spendable—Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
- Restricted—Amounts that can be spent only for specific purposes because of the District's state or federal laws, or externally imposed conditions by grantors or creditors.
- Committed—Amounts that can be used only for specific purposes determined by a formal action by Board of Trustees' ordinance.
- Assigned—Amounts that are designated by the Superintendent for a particular purpose but are not spendable until a budget ordinance is passed or there is a majority vote approval (for capital projects or debt service) by the Board of Trustees.
- Unassigned - All amounts not included in other spendable classifications.

10. Use of Restricted Resources: When an expenditure/expense is incurred that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expenditure/expense toward restricted resources and then toward unrestricted resources. In governmental funds, the District's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications—committed and then assigned fund balances before using unassigned fund balances.

11. The District has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

12. Investment income reported in one fund has not been assigned directly to another fund by the District.

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

14. **Deferred Outflows of Resources:**
The District reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The deferred outflow of resources reported in this year's governmental activities "Statement of Net Position" is related to the TRS GASB No. 68 pension and GASB No. 75 OPEB liabilities. No deferred outflows of resources affect the governmental funds financial statements in the current year.

15. **Deferred Inflows of Resources:**
The District's governmental funds report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net assets that applies to a future period(s). The District will not recognize the related revenues until a future event occurs. The District has only one type of item which occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the District's fiscal year) under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, deferred property taxes and grants are reported in the governmental funds balance sheet. The District did have deferred inflows of resources to report in its government-wide or proprietary fund financial statements for the current year related to the TRS GASB No. 68 and GASB 75 OPEB liabilities.

16. **Pensions:**

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

17. **TRS-Care Plan:**

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

Exhibit C-2 provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net position for governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported as liabilities in the funds. The details of capital assets and long-term debt at the beginning of the year were as follows:

Capital Assets at the Beginning of the Year	Historical Cost	Accumulated Depreciation	Net Value at Beginning of Year	Change in Net Position
Land	$ 1,050,353	$ -	$ 1,050,353	
Buildings and Improvements	60,632,447	20,935,496	$ 39,696,951	
Furniture and Equipment	6,213,236	4,036,624	$ 2,176,612	
Construction in Progress	-	-	$ -	
Change in Net Position				$ 42,923,916

Long-term Liabilities at the Beginning of the Year	Payable at Beginning of Year	
Bonds Payable	$ 12,545,000	
Add Unamortized Bond Premium / Discount	2,651,057	
Notes and Capital Leases Payable	4,166,324	
Accrued Interest - Bonds, Notes, and Capital Leases	44,518	
Change in Net Position		19,406,899
Net Adjustment to Net Position		**$ 23,517,017**

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

Exhibit C-4 provides reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances and the changes in net position of governmental activities as reported on the government-wide statement of activities. One element of that reconciliation explains that current year capital outlays and debt principal payments are expenditures in the fund financial statements, but should be shown as increases in capital assets and decreases in long-term debt in the government-wide statements. This adjustment affects both the net position balance and the change in net position shown in Exhibit C-2 and Exhibit C-4. The details of this adjustment are as follows:

	Amount	Adjustments To Changes in Net Position	Adjustments to Net Position
Current Year Capital Outlay			
Buildings & Improvements	$ -		
Furniture & Equipment	-		
Total Capital Outlay	-	-	-
Debt Principal Payments			
Bond Principal	1,555,000		
Note Principal Payments	547,060		
Capital Lease Payments	53,566		
Total Principal Payments	2,155,626	2,155,626	2,155,626
Total Adjustment to Net Position		$ 2,155,626	$ 2,155,626

Another element of the reconciliation on Exhibits C-2 and C-4 are described as various other reclassifications and eliminations necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. This adjustment is the result of several items. The details of this adjustment are as follows:

	Amount	Adjustments to Change in Net Position	Adjustments to Net Position
Adjustments to Revenue, Deferred Inflows, Beg. Net Position:			
Beg. of Year Unearned Tax Revenue/Internal Ser.	$ 536,580		$ 536,580
Property tax adjustments to convert from the modified accrual basis to the full accrual basis of accounting	$ (42,311)	$ (42,311)	(42,311)
Other Revenue/Expense Adjustments	$ -	-	-
New Bond Issue	$ -	-	-
Discount (Premium) on Issuance of Bonds	$ -	-	-
New Loans / Capital Leases Issued	$ -	-	-
Reclassify Certain Expenditures to Full Accrual From Modified Accrual:			
Adjust Interest Expense on Long-term Debt	$ 7,356	7,356	7,356
Amortization of Bond Premium (Discount)	$ 314,061	314,061	314,061
Basis on Disposition of Capital Assets	$ -	-	-
Totals		**$ 279,106**	**$ 815,686**

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY DATA

The Board of Trustees adopts an "appropriated budget" for the General Fund, Debt Service Fund (if applicable) and the Food Service Fund (which is included in the Special Revenue Funds). The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures. The General Fund Budget report appears in Exhibit G-1 and the other two reports are in the J Exhibits as reported in the required TEA Exhibits.

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

1. Prior to August 20, 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. At least ten days public notice of the meeting must be given.

3. Prior to September 1, the budget is legally enacted through passage of a resolution by the board. Once a budget is approved, it can only be amended at the function and fund level 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. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end. Because the District has a policy of careful budgetary control, several amendments were necessary during the year. **These amendments did not include additional appropriation for capital assets.**

4. Each budget is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as adopted and amended by the Board of Trustees. All budget appropriations lapse at year-end. A reconciliation of fund balances for both appropriated budget and non-appropriated budget special revenue funds is as follows:

	August 31, 2021 Fund Balance
Appropriated Budget Funds - Food Service Special Revenue Fund	$ 702,309
Non-appropriated Budget Funds	634,728
All Special Revenue Funds	$ 1,337,037

B. BUDGETARY STEWARDSHIP, COMPLIANCE and ACCOUNTABILITY

The District has disclosed budgetary stewardship, compliance, and accountability in Section C of the Notes to Required Supplementary Information.

C. DEFICIT FUND EQUITY

The District **did not** incur a deficit fund balance in any fund during the current school year.

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents

The carrying amount of the District's cash and temporary investments at the end of the fiscal year follows:

CASH AND CASH EQUIVALENTS BY ACCOUNT	8/31/2021
Cash Deposits in Bank	$ 3,928,403
Certificates of Deposit Maturity to 3 months	-
Cash on Hand	2,680
Restricted Cash Deposits in Bank	4,700
Total Cash and Cash Equivalents by Account Type	**$ 3,935,783**
CASH AND CASH EQUIVALENTS BY FUND	**8/31/2021**
Cash and Cash Equivalents:	
General Fund	$ 1,722,855
Major Governmental Funds	826,970
Non-Major Governmental Funds	1,217,114
Enterprise Funds	-
Internal Service Funds	30,934
Custodial Funds	133,210
Trust Funds	-
Other Funds	4,700
Total Cash and Cash Equivalents by Fund	**$ 3,935,783**

District Policies and Legal and Contractual Provisions Governing Deposits

Custodial Credit Risk for Deposits: State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. The District's cash deposits subject to custodial credit risk at the date of the highest cash balance and at year end were:

CUSTODIAL CREDIT RISK	HIGHEST CASH BALANCE	8/31/2021
Name of Depository Bank: First Financial Bank, Bridgeport, TX & First National Bank, Bridgeport, TX		
Total amount of FDIC Insurance (FDIC)	$ 530,112	$ 530,208
Amount of Bond or Securities Pledged	9,246,662	7,600,157
Total FDIC, Bond or Securities Pledged	$ 9,776,774	$ 8,130,365
Cash Deposits and Cash Investments in Bank	$ 8,219,973	$ 4,336,842
Excess or (Shortage) FDIC and Bond or Pledged Securities Pledged	**$ 1,556,800**	**$ 3,793,523**
The District's cash deposits were entirely covered by FDIC Insurance or by bond or pledged collateral by the Depository Bank	**YES**	**YES**

Foreign Currency Risk: The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit by limiting all deposits denominated in a foreign currency.

Investments

District Policies and Legal and Contractual Provisions Governing Investments

Compliance with the Public Funds Investment Act

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

Statutes authorize the entity to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas and its agencies; (2) guaranteed or secured certificates of deposit issued by state and national banks domiciled in Texas; (3) 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"; (4) No load money market funds with a weighted average maturity of 90 days or less; (5) fully collateralized repurchase agreements; (6) commercial paper having a stated maturity of 270 days or less 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; (7) secured corporate bonds rated not lower than "AA-" or the equivalent; (8) public funds investment pools; and (9) 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. The Act also requires the entity to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

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

Credit Risk: To limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations, the District limits investments in commercial paper, corporate bonds, and mutual bond funds to the top 2 or 3 ratings issued by nationally recognized statistical rating organizations (NRSROs). As of the current fiscal year, the district's investments were rated by Standard & Poor's, Fitch Ratings, etc.

Custodial Credit Risk for Investments: To limit the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in possession of an outside party the District requires counterparties to register the securities in the name of the district and hand them over to the District or its designated agent. This includes securities in securities lending transactions. All of the securities are in the District's name and held by the District or its agent.

Concentration of Credit Risk: To limit the risk of loss attributed to the magnitude of a government's investment in a single issuer, the District limits investments to less than 5% of its total investments.

The District further limits investments in a single issuer to 20% when they would cause investment risks to be significantly greater in the governmental and business-type activities, individual major funds, aggregate non-major funds and fiduciary fund types than they are in the primary government.

Interest Rate Risk: To limit the risk that changes in interest rates will adversely affect the fair value of investments, the District requires at least half of the investment portfolio to have maturities of less than one year on a weighted average maturity basis.

Foreign Currency Risk for Investments: The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment by avoiding all investments denominated in a foreign currency.

The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The *Texpool* investment pool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, the investment pool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pool transacts at a net asset value of $1.00 per share, has weighted average maturities of 60 days or less and weighted average lives of 120 days or less, investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. Texpool has a redemption notice period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity. Texpool is subject to regulatory oversight by the State Treasurer, although it is not registered with the Securities and Exchange Commission.

As of the end of the current fiscal year, the District had the following investments:

Investments	August 31, 2021 Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk
Investments measured at amortized cost -							
Investment pools:							
Texpool	$ 10,446,981	$ -	$ -	$ -	97.17%	37	AAAm*
Investments measured at net asset value (NAV)-							
Investment pools:							
LoneStar	-	-	-	-	0.00%	-	AAAm*
TexStar	-	-	-	-	0.00%	-	AAAm*
Investments measured by fair value level -							
U.S. Government Agency Securities:							
Federal Home Loan Bank	-	-	-	-	0.00%		AA+ to Aaa
Fannie Mae	-	-	-	-	0.00%		AAAm*
Money Market Mutual Funds	-	-	-	-	0.00%	-	Not rated
Certificates of Deposit	-	-	-	-	0.00%	-	BBB+ to AA-
Restricted Investments-	-	-	-	-	0.00%	-	BBB+ to AA-
Education Foundation-Certificates of Deposit	154,324	-	154,324	-	1.44%	-	BBB+ to AA-
Education Foundation Long-term Investments	150,000	-	150,000	-	1.40%	-	BBB+ to AA-
Total Investments	$ 10,751,305	$ -	$ 304,324	$ -	100.00%		

B. PROPERTY TAXES

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

C. DELINQUENT TAXES RECEIVABLE

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

D. INTERFUND BALANCES AND TRANSFERS

Inter-fund balances at year end consisted of the following amounts.

FUND	Due From Other Funds	Due To Other Funds
General Fund		
Major Governmental Funds	$ 52,984	$ -
Non-major Governmental Funds	$ 343,241	$ -
Internal Service Funds	25,213	-
All Others	3,512	-
Total General Fund	$ 424,950	$ -
Major Governmental Funds		
General Fund	$ -	$ 52,984
Non-major Governmental Funds	-	-
Internal Service Funds	-	-
All Others	-	-
Total Major Governmental Funds	$ -	$ 52,984
Non-major Governmental Funds		
General Fund	$ -	$ 343,241
Other Non-Major Governmental Funds	2,743	2,743
Internal Service Funds	-	1,624
Total Non-major Governmental Funds	$ 2,743	$ 347,608
Internal Service Funds		
General Fund	$ -	$ 25,213
Non-major Governmental Funds	1,624	-
Total Internal Service Funds	$ 1,624	$ 25,213
All Other Funds		
General Fund	$ -	$ -
Non-major Governmental Funds	-	3,512
Total All Other Funds	$ -	$ 3,512
Total Interfund Receivables / Payables	**$ 429,317**	**$ 429,317**

The balance of $396,225 due from special revenue funds and $25,213 due from the internal service funds resulted from obligations made for short-term loans to special revenue funds and to maintain capital for the operation of each internal service fund for such activities as self-insurance; $0 of the balance is not scheduled to be collected in the subsequent year. The $2,743 due from the special revenue funds to the internal service funds resulted from obligations to maintain capital for the operation of each internal service fund for such activities as self-insurance; $0 of the balance is not scheduled to be collected in the subsequent year.

Inter-fund transfers for the current year end consisted of the following individual amounts:

FUND	Transfers In	Transfers Out
General Fund		
Non-major Governmental Funds	$ -	$ -
Total General Fund	$ -	$ -
Non-major Governmental Funds		
General Fund	$ -	$ -
Total Non-major Governmental Funds	$ -	$ -
Total Interfund Transfers	$ -	$ -

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to cover operating deficits in funds such as the Food Service Funds.

During the current year, the District did not make a one-time transfer of funds from the general fund to the debt service fund to subsidize, in part, the District's obligation of interest and sinking fund requirements.

E. DISAGGREGATION OF RECEIVABLES AND PAYABLES

Receivables at year end were as follows:

	Property Taxes	Other Governments	Due From Other Funds	Other	Total Receivables
Governmental Activities:					
General Fund	$ 554,522	$ 366,261	$ 424,950	$ -	$ 1,345,733
Major Governmental Fund	104,503	90,813	-	-	195,316
Non-major Governmental Funds	-	504,019	2,743	-	506,762
Internal Service Funds	-	-	1,624	-	1,624
Total Governmental Activities	$ 659,025	$ 961,093	$ 429,317	$ -	2,049,435
Amounts not scheduled for collection during subsequent year	$ -	$ -	$ -	$ -	$ -

Payables at year end were as follows:

	Accounts Payable	Salaries Payable	Accrued Expenditures Payable	Due To Other Funds	Due To Other Govt.	Other	Total Payables
Governmental Activities:							
General Fund	$ 92,191	$ 760,028	$ 26,629	$ -	$ 121,564	$ -	$ 1,000,412
Major Governmental Fund	-	39,022	4,306	52,984	2,809	-	99,121
Non-major Governmental Funds	133,370	213,704	10,148	347,608	-	-	704,830
Internal Service Funds	-	-	7,345	25,213	-	-	32,558
Total Governmental Type Activities	$225,561	$ 1,012,754	$ 48,428	$ 425,805	$ 124,373	$ -	$ 1,836,921
Amounts not scheduled for payment during subsequent year	$ -	$ -	$ -	$ -	$ -	$ -	$ -

F. CAPITAL ASSET ACTIVITY

Capital asset activity for the District for the current year end was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Non-Depreciable Assets:				
Land	$ 1,050,353	$ -	$ -	$ 1,050,353
Construction In Progress	-	-	-	-
Depreciable Assets:				
Buildings and Improvements	60,632,447	-	-	60,632,447
Furniture and Equipment	6,213,236	-	150,516	6,062,720
Totals at Historic Cost	$ 67,896,036	$ -	$ 150,516	$ 67,745,520
Less Accumulated Depreciation for:				
Buildings and Improvements	$ 20,935,496	$ 1,218,187	$ -	$ 22,153,683
Furniture and Equipment	4,036,624	424,356	150,516	4,310,464
Total Accumulated Depreciation	$ 24,972,120	$ 1,642,543	$ 150,516	$ 26,464,147
Governmental Activities Capital Assets-Net	$ 42,923,916	$ (1,642,543)	$ -	$ 41,281,373

Depreciation expense was charged to governmental functions as follows:	
Instruction	$ 976,995
Student (Pupil) Transportation	142,635
Food Services	10,396
Cocurricular/Extracurricular Activities	41,379
General Administration	7,300
Plant Maintenance and Operations	437,051
Security and Monitoring Service	17,710
Data Processing Services	9,077
In addition, depreciation on capital assets held by the District's Internal Service Fund(s) is charged to the various functions based on their usage of the assets	-
Total Depreciation Expense	$ 1,642,543

The District has no capital assets other than land that are not being depreciated as of the current fiscal year end.

G. SHORT-TERM DEBT PAYABLE

The District accounts for short-term debts for maintenance purposes through the General Fund. Short-term debts include notes made in accordance with the provisions of the Texas Education Code Section 45.108. The proceeds from loans are shown in the governmental fund financial statements as Other Resources and principal payments are shown as Other Uses. The District had no short-term debt obligations at any time during the current fiscal year.

H. BONDS AND LONG-TERM NOTES PAYABLE

The following is a summary of the District's long-term debt for the year ended August 31, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
General Obligation Bonds	$ 12,545,000	$ -	$ 1,555,000	$ 10,990,000	$ 1,630,000
Premium on Bond Issuance	2,651,057	-	314,061	2,336,996	-
Maintenance Tax Notes	4,112,758	-	547,060	3,565,698	572,521
Capital Leases	53,566	-	53,566	-	-
Total Bonds and Notes Payable	$ 19,362,381	$ -	$ 2,469,687	$ 16,892,694	$ 2,202,521
Other Liabilities:					
Accretion Interest	$ -	$ -	$ -	-	$ -
Accrued Interest Payable	44,518	37,162	44,518	37,162	37,162
Total Other Liabilities	$ 44,518	$ 37,162	$ 44,518	$ 37,162	$ 37,162
Total Governmental Activities Long-Term Liabilities	$ 19,406,899	$ 37,162	$ 2,514,205	$ 16,929,856	$ 2,239,683

Debt Payable - Governmental Activities:

Description	Interest Rate	Original Issue	Interest Current Year	Beginning Balance 9/1/2020	Additions	Reductions	Ending Balance 8/31/2021
General Obligation Bonds Payable:							
U/L TAX REFUNDING BONDS 2020 SERIES	5.00-5.00%	$ 14,560,000	$ 627,250	$ 12,545,000	$ -	$ 1,555,000	$ 10,990,000
N/A	0.00 - 0.00%	$ -	-	-	-	-	-
N/A	0.00 - 0.00%	$ -	-	-	-	-	-
N/A	0.00 - 0.00%	$ -	-	-	-	-	-
N/A	0.00 - 0.00%	$ -	-	-	-	-	-
N/A	0.00 - 0.00%	$ -	-	-	-	-	-
N/A	0.00 - 0.00%	$ -	-	-	-	-	-
Total General Obligation Bonds			$ 627,250	$ 12,545,000	$ -	$ 1,555,000	$ 10,990,000
Premium on Bond Issuance				$ 2,651,057	$ -	$ 314,061	$ 2,336,996
Maintenance Tax Notes Payable:							
2013 QSCB MAINTENANCE TAX NOTES	5.11%	$ 5,900,000	$ 186,004	$ 3,640,000	$ -	$ 395,000	$ 3,245,000
SPIRIT OF TEXAS CAPITAL IMPROVEMENT BOND	3.59%	$ 633,704	16,977	472,758	-	152,060	320,698
Total Maintenance Tax Notes			$ 202,981	$ 4,112,758	$ -	$ 547,060	$ 3,565,698
Capital Leases Payable:							
APPLE FINANCIAL CAPITAL LEASE 2018	3.69-3.69%	$ 210,589	$ 1,976	$ 53,566	$ -	$ 53,566	$ -
N/A	0.00%	$ -	-	-	-	-	-
Total Capital Leases			$ 1,976	$ 53,566	$ -	$ 53,566	$ -
Total Debt Payable - Governmental Activities			$ 832,207	$ 19,362,381	$ -	$ 2,469,687	$ 16,892,694

The following table summarizes the annual debt service requirements of the District's Governmental Activities long-term debt August 31, 2021:

	General Obligation Bonds		Maintenance Tax Notes		Capital Leases		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 1,630,000	$ 549,500	$ 572,521	$ 177,336	$ -	$ -	$ 2,202,521	$ 726,836
2023	1,710,000	468,000	598,177	150,473	-	-	2,308,177	618,473
2024	1,800,000	382,500	460,000	122,385	-	-	2,260,000	504,885
2025	1,890,000	292,500	485,000	98,878	-	-	2,375,000	391,378
2026	715,000	198,000	510,000	74,095	-	-	1,225,000	272,095
2027-2031	3,245,000	415,250	940,000	68,729	-	-	4,185,000	483,979
2032-2036	-	-	-	-	-	-	-	-
2037-2041	-	-	-	-	-	-	-	-
2042-2046	-	-	-	-	-	-	-	-
2047-2051	-	-	-	-	-	-	-	-
Totals	$ 10,990,000	$ 2,305,750	$ 3,565,698	$ 691,896	$ -	$ -	$ 14,555,698	$ 2,997,646

On March 17, 2020, the District issued general obligation bonds (Series 2020 Unlimited Tax Refunding Bonds) of $14,560,000 (par value) with an interest rates ranging between 5.00% and 5.00%. The District issued the bonds to refund $8,925,000 of the 2010 Series Tax School Building Bonds and $7,765,000 of the 2010 Tax School Refunding Bonds with interest rates ranging between 3.0% and 4.3%. The refunding bonds were issued at par, and after receiving a premium of $2,396,613 and accrued interest of $32,356, paying issuance costs of $195,469, the net proceeds were $16,793,500. The net proceeds were used to retire the 2010 School Building Bonds and the 2010 Tax Refunding Bonds and accrued interest during the year ended August 31, 2020. As a result of the refunding, the District decreased its total debt service requirement by $2,181,421, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of $2,507,066 during the 2020 year. The District did not issue refunding debt during the current year ended August 31, 2021.

In prior years, the District has defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, trust account assets and liabilities for the defeased bonds are not included in the District's financial statements. The District currently has **$0** in bonds considered defeased and still outstanding.

There are a number of limitations and restrictions contained in the general obligation bond indenture. District administration has indicated that the District is in compliance with all significant limitations and restrictions at year end.

I. COMMITMENTS UNDER OPERATING LEASES

Commitments under operating (non-capitalized) lease agreements for facilities and equipment provide for minimum future rental payments at year end as follows (the imputed interest on the leases range from 4.50% to 5.25%:

Year Ending August 31		
2022	$	12,512
2023		-
Total Minimum Future Rentals	$	12,512
Rental Expenditures in Fiscal Year 2021	$	59,843

K. ACCUMULATED UNPAID VACATION AND SICK LEAVE BENEFITS

Upon retirement or death of certain employees, the District pays any accrued sick leave and vacation leave in "lump sum" cash payment to such employee or his/her estate. Individuals employed after October 1, 1985, are not eligible to receive the lump sum payments.

L. DEFINED BENEFIT PENSION PLAN

a. Plan Description

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

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

b. Pension Plan Fiduciary Net Position

Detail information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at http://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.

c. Benefits Provided

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

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

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

d. Contributions

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

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

	Contribution Rates	
	2020	2021
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	7.5%	7.5%
Employers	7.5%	7.5%

Current fiscal year employer contributions	$	557,481
Current fiscal year member contributions	$	1,225,314
2020 measurement year NECE on-behalf contributions	$	863,709
Payments made by the State On-Behalf of the District for Medicare, Part D:		
Fiscal year 2019 Medicare, Part D On-Behalf	$	57,204
Fiscal year 2020 Medicare, Part D On-Behalf	$	69,442
Fiscal year 2021 Medicare, Part D On-Behalf	$	72,459

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 percent of the state contribution rate for certain instructional or administrative employees; and 100 percent of the state contribution rate for all other employees.

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

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

e. Actuarial Assumptions

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

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term expected investment rate of return	7.25%
Municipal Bond Rate of of August 2019	2.33%. Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index"
Last year ending August 31 in Projection Period (100 years)	2119
Inflation	2.30%
Salary Increases including inflation	3.05 % to 9.05% including inflation
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. For a full description of these assumptions please see the actuarial valuation report dated November 14, 2019.

f. Discount Rate

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

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all 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 rate of return on pension plan investments is 7.25 percent. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2020, are summarized below:

Table 3.A.1: Asset Allocations

Asset Class	Target Allocation[1] %	Long-Term Expected Geometric Real Rate of Return[2]	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.0 %	3.9 %	0.99 %
Non-U.S. Developed	13.0	5.1	0.92
Emerging Markets	9.0	5.6	0.83
Private Equity	14.0	6.7	1.41
Stable Value			
Government Bonds	16.0 %	(0.7)%	(0.05)%
Absolute Return (Including Credit Sensitive Investments)	—	1.8	—
Stable Value Hedge Funds	5.0	1.9	0.11
Real Return			
Real Estate	15.0 %	4.6 %	1.02 %
Energy, Natural Resources, and Infrastructure	6.0	6.0	0.42
Commodities	—	0.8	—
Risk Parity			
Risk Parity	8.0 %	3.0 %	0.30 %
Asset Allocation Leverage			
Cash	2.0 %	(1.5)%	(0.03)%
Asset Allocation Leverage	(6.0)	(1.3)	0.08
Inflation Expectation			2.00 %
Volatility Drag[3]			(0.67)%
Expected Return	100.0 %		7.33 %

[1] Target allocations are based on the FY2020 policy model.

[2] Capital Market Assumptions come from Aon Hewitt (as of 08/31/2020).

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

g. Discount Rate Sensitivity Analysis

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

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
District's proportionate share of the net pension liability:	$ 10,907,468	$ 7,073,667	$ 3,958,788

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

At the current year ended August 31, the District reported a liability of $7,073,667 for its proportionate share of the TRS net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	$ 7,073,667
State's proportionate share that is associated with the District	11,211,409
Total	$ 18,285,076

The net pension liability was measured as of August 31, 2019, and rolled forward to August 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2019, thru August 31, 2020.

At the current year-end August 31, the employer's proportion of the collective net pension liability was 6.89% which was a decrease of 0.36% from its proportion measured as of August 31, 2019.

Changes Since the Prior Actuarial Valuation

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

For the current year ended August 31, the District recognized the following:

Year Ended August 31, 2021 pension expense	$ 2,362,686
Revenue for support provided by the State	$ 1,348,484

As of the current year ended August 31, the District reported its proportionate share of the TRS deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	$ 12,916	$ 197,407
Changes in actuarial assumptions	1,641,342	697,887
Differences between projected and actual investment earnings	143,201	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	163,345	473,469
Total as of August 31, 2020 measurement date	$ 1,960,804	$ 1,368,763
Contributions paid to TRS subsequent to the measurement date	557,481	
Total as of fiscal year-end	**$ 2,518,285**	**$ 1,368,763**

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

Fiscal year ended August 31,	Pension Expense
2022	$ 181,114
2023	267,439
2024	271,251
2025	29,897
2026	(138,071)
Thereafter	(19,589)

M. HEALTH CARE COVERAGE

The District provided health insurance coverage for employees under the provisions of the Teacher Retirement System of Texas (TRS) active care health insurance plan during the current year. The District paid premiums per month per employee to the plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. The plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

O. DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUE-GOVERNMENTAL FUNDS

Deferred Inflows and Unearned revenue at year-end consisted of the following:

	General Fund	Special Revenue Funds	Debt Service Fund	Total
Deferred Inflows: Unavailable Tax Revenue	$ 415,892	$ -	$ 78,377	$ 494,269
Unearned Revenue: State and Federal Grants	-	435,056	-	435,056
Total Deferred Inflows and Unearned Revenue	$ 415,892	$ 435,056	$ 78,377	$ 929,325

P. 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. Amounts due from federal and state governments at year end are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as "Due from State Agencies".

FUND	DUE FROM STATE-FOUNDATION ENTITLEMENTS	DUE FROM STATE-STATE & FEDERAL GRANTS	DUE FROM OTHER GOVERNMENTS	TOTAL
General	$ 366,261	$ -	$ -	$ 366,261
Special Revenue	-	594,832	-	594,832
Debt Service	-	-	-	-
Totals	$ 366,261	$ 594,832	$ -	$ 961,093

Q. REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

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

	General Fund	Special Revenue Fund	Debt Service Fund	Total
Property Taxes	$ 13,763,159	$ -	$ 2,255,062	$ 16,018,221
P&I & Other Tax-Related Income	155,861	-	26,645	182,506
Investment Income	10,197	1,767	1,632	13,596
Food Sales	-	61,257	-	61,257
Co-curricular Student Activities	68,798	67,018	-	135,816
Tuition & Fees	30,784	-	-	30,784
SSA Revenue Member Districts	-	2,120,000	-	2,120,000
Gifts & Bequests	49,000	-	-	49,000
Rent Income	49,000	-	-	49,000
Insurance Recovery & Other	335,057	31,316	-	366,373
Totals	$ 14,461,856	$ 2,281,358	$ 2,283,339	$ 19,026,553

R. LITIGATION

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is aware of pending exposure to claims related to these areas; however, legal counsel and the District do not expect any financial exposure to assets of the District.

S. CONSTRUCTION & OTHER SIGNIFICANT COMMITMENTS & CONTINGENCIES

The District at year end had not incurred or made any additional commitments and/or contingencies in connection with construction or other areas of significance.

T. JOINT VENTURE-SHARED SERVICE ARRANGEMENTS

The District is a member of various shared services arrangements (SSA's) that are accounted for using Model 3 in the Texas Education Agency (TEA) accounting guide for school districts. The SSA's provides services for member districts. Other districts or Bridgeport ISD serve as the fiscal agent for the SSA's. In addition to the District, other member districts participate in the shared services arrangements also. The fiscal agent for each SSA provides SSA services. The member districts provide the funds to the fiscal agent. According to guidance provided in the TEA's Resource Guide, the fiscal agent for each SSA has accounted for the fiscal agent's activities of the SSA in special revenue funds. The Shared Services Arrangements listed below have been accounted for using Model 3 in the SSA section of the Resource Guide. The District has accounted for the payments to the fiscal agent in the General Fund No. 199 as intergovernmental expenditures (function 93). A chart detailing the District's participation in those shared services arrangements follows:

Shared Services Arrangement	Type of Services	Fiscal Agent	Funding Source	Fiscal Agent Special Revenue Fund	District Special Revenue Fund	Program Expenditures Current Year
Wise County SSA	Special Education	Bridgeport ISD	State Special Education	437	N.A	$ 714,893
		TOTAL FUNCTION 93 EXPENDITURES				**$ 714,893**

The District also participates in shared service arrangements with other school districts for various educational activities. In addition to the District, other member districts participate in the educational cooperatives and the fiscal agent provides SSA services. The funding for each activity is received by the fiscal agent from the grantor agency. The fiscal agent then provides the funds to the member districts. According to guidance provided in TEA's Resource Guide, the Fiscal Agent has accounted for the fiscal agent's activities of the SSA in a Special Revenue Fund. The Shared Services Arrangements has been accounted for using Model 1 in the SSA section of the TEA Resource Guide. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent, nor does the district have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal exigencies that would give rise to a future additional benefit or burden to the District. The fiscal agent manager is responsible for all financial activities of the shared services arrangement. Presented below are the shared service arrangements in which the District participates, and the extent of funding received and expended under each program (No funds were paid to subrecipients during the year ended August 31, 2021).

U. SUBSEQUENT EVENTS

In preparing the basic financial statements, District administration has evaluated events and transactions for potential recognition or disclosure through **January 4, 2022**, the date this Annual Financial Report was issued. No material subsequent events had occurred in the period of August 31, 2021, through that date.

V. RELATED ORGANIZATIONS

The District at present does maintain an Educational Foundation (the "Foundation"). This entity was usually established as a not-for-profit entity to provide assistance and support for teachers and students to develop special programs and projects and other school district support activities. This entity is a "related organization" of the District as defined by ***Governmental Accounting Standards Board (GASB) Statement No. 14***. The members of the board of the Foundation are appointed by an outside taxpayer group however, the sole purpose of the organization is for the support for the District and due to the fact that the assets held by the Education Foundation are material, the assets, liabilities, net position, current year earnings and expense paid have been included in this report as a fiduciary component unit.

W. MAINTENANCE OF EFFORT

The District is in compliance with the maintenance of effort requirements in connection with health insurance. As such, no additional information is required for this district.

X. RELATED PARTY TRANSACTIONS

The District incurs related party transactions with businesses owned or employers for various members of the board of trustees. The District did not incur any material reportable related party transactions or balances as of and during the current year end.

Y. PRIOR PERIOD FUND BALANCE / NET POSITION ADJUSTMENTS

The District did not make a fund balance adjustment during the current year. Also, the District did not make a net position adjustment during the current year.

Governmental Fund Balance	General Fund	Debt Service Fund	Capital Projects Fund	Total
Increase (Decrease) Beginning of Year Fund Balance	$ -	$ -	$ -	$ -
Totals	$ -	$ -	$ -	$ -
Government Wide Net Position				
Increase (Decrease) Beg of Year Net Position:				
Prior Period Adjustments				$ -
Totals				$ -

Z. RISK FINANCING AND OTHER COVERAGE

Workers' Compensation Program

During the current year ended, the District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Inter-Local Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's workers' compensation program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Inter-Local Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members and their injured employees.

The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of $2.0 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of the current year-end, the Fund carries a discounted reserve for future development on reported claims and claims that have been incurred but not yet reported. For the current year ended, the Fund anticipates no additional liability to members beyond their contractual obligation for payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2020, are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin.

Workers' Compensation Program – Prior Year Coverage

In previous years, the District established a self-insurance plan for workers' compensation benefits as authorized by Section 504.011 of the Labor Code. The District participates in this plan (West Texas Educational Insurance Association self-funded workers' compensation program) along with other participating entities. The District contributes annual amounts determined by Claims Administrative Services, Inc. As claims arise, they are submitted to and paid by Claims Administrative Services, Inc. on behalf of the District under terms of a contractual agreement. According to state statute, the District is protected against unanticipated catastrophic claims and aggregate loss by coverage carried through a commercial insurer licensed or eligible to do business in Texas in accordance with the Texas Insurance Code. Coverage was in effect for specific occurrences exceeding $225,000 and aggregate retention at $2,000,000.

The costs associated with this self-insurance plan are reported as Inter-fund transactions to the extent of amounts actuarially determined. Accordingly, they are treated as operating revenues of the Internal Service Fund and operating expenditures of the General Fund. The liabilities of the plan include incurred but not reported claims. These liabilities reported in the funds at August 31, are based on the requirements of Governmental Accounting Standards Board No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. These liabilities include an amount for claims that have been incurred but not reported.

Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors. Workers' compensation liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time were computed by an actuary and are reported at their present value using an expected future investment yield assumption.

Estimates of claims payable and of claims incurred, but not reported at August 31 are reflected as accounts and claims payable of the Fund. The plan is funded to discharge liabilities of the Fund as they become due. Changes in the balances of claims liabilities during the past year are as follows:

	Year Ended August 31, 2020	Year Ended August 31, 2021
Unpaid claims, beginning of year	$ 17,021	$ 10,918
Incurred claims (including IBNR'S)	(5,883)	(3,174)
Claim Payments	(220)	(399)
Unpaid claims, end of year	$ 10,918	$ 7,345

Property and Liability Program

During the current year, the District provided auto physical damage, crime, equipment breakdown, property, auto liability, general liability, sexual misconduct, and SP legal coverage for the District through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's unemployment compensation program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Inter-local Agreements that define the responsibilities of the parties.

The Fund meets it quarterly obligations to the Texas Workforce Commission. Expenses are accrued each month until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for Unemployment Compensation pool members.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2020, are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin.

AA. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

a. Plan Description

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

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

b. OPEB Plan Fiduciary Net Position

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

c. Benefits Provided

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

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

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

TRS-Care Monthly Premiums 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	1020	999

d. Contributions

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

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

	Contribution Rates	
	2020	2021
Member	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%

Current fiscal year employer contributions	$	146,881
Current fiscal year member contributions	$	103,437
2020 measurement year NECE on-behalf contributions	$	196,423

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

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

e. Actuarial Assumptions

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

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. All the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in the OPEB valuation were identical to those used in the respective TRS pension valuation. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.

The following assumptions and other inputs used for member of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2019 TRS pension actuarial valuation that was rolled forward to August 31, 2020:

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Expected Payroll Growth
Rates of Disability	

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

Actuarial Methods and Assumptions:

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Expected Payroll Growth
Rates of Disability Incidence	

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	2.33% as of August 31, 2020
Aging Factors	Based on plan specific experience
Election Rates	Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65, 25% of pre-65 retirees are assumed to discontinue coverage at age 65
Expenses	Thiry-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs
Salary Increases	3.05% to 9.05%, including inflation
Ad-hoc Post Employment Benefit Changes	None

f. Discount Rate

A single discount rate of 2.33 percent was used to measure the total OPEB Liability. There was a decrease of .30 percent in the discount rate since the previous year. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at a statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected *to not be able to* make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

g. Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1 percentage point lower and 1 percentage point higher than the discount rate that was used (2.33%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (1.33%)	Discount Rate (2.33%)	1% Increase in Discount Rate (3.33%)
Proportionate share of the net OPEB liability	$ 8,773,087	$ 7,310,920	$ 6,156,018

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

At the current year-end August 31, the District reported a liability of $7,310,920 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	$ 7,310,920
State's proportionate share that is associated with the District	9,824,124
Total	$ 17,135,044

The Net OPEB Liability was measured as of August 31, 2019, and rolled forward to August 31, 2020, and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to OPEB relative to the contributions of all employers to the plan for the period September 1, 2019, thru August 31, 2020.

At the current year-end August 31, the employer's proportion of the collective Net OPEB Liability was 11.18%, compared to 11.11% the previous year.

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Proportionate share of net OPEB liability	$ 5,972,085	$ 7,310,920	$ 9,094,059

Changes Since the Prior Actuarial Valuation

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

- The discount rate changed from 2.63 percent as of August 31, 2019, to 2.33 percent as of August 31, 2020. This change increased the Total OPEB Liability.
- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.
- The ultimate health care trend rate assumption was lowered from 4.50 percent to 4.25 percent as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB Liability.

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

The amount of OPEB expense recognized by the District in the reporting period was ($434,322).

At the current year-end August 31, 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 actuarial experiences	$ 382,797	$ 3,345,851
Changes in actuarial assumptions	450,932	2,007,616
Differences between projected and actual investment earnings	2,376	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	422,536	-
Contributions paid to TRS subsequent to the measurement date	146,881	
Total as of fiscal year-end	**$ 1,405,522**	**$ 5,353,467**

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:

Fiscal year ended August 31,	OPEB Expense Amount
2022	$ (690,184)
2023	(690,501)
2024	(690,683)
2025	(690,633)
2026	(495,356)
Thereafter	(837,469)

For the current year ended August 31, the District recognized OPEB expense of ($434,322) and revenue of ($247,357) for support provided by the State.

REQUIRED SUPPLEMENTARY INFORMATION

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes		Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	REVENUES:				
5700	Total Local and Intermediate Sources	$ 14,197,112	$ 14,405,624	$ 14,461,856	$ 56,232
5800	State Program Revenues	6,458,452	6,458,452	6,535,588	77,136
5900	Federal Program Revenues	150,000	150,000	239,986	89,986
5020	Total Revenues	20,805,564	21,014,076	21,237,430	223,354
	EXPENDITURES:				
	Current:				
0011	Instruction	10,608,495	10,878,590	10,766,124	112,466
0012	Instructional Resources and Media Services	155,341	155,341	148,658	6,683
0013	Curriculum and Instructional Staff Development	222,632	223,142	210,293	12,849
0021	Instructional Leadership	197,163	207,163	204,749	2,414
0023	School Leadership	1,234,488	1,269,074	1,262,784	6,290
0031	Guidance, Counseling, and Evaluation Services	402,019	402,019	357,174	44,845
0033	Health Services	270,506	270,506	269,941	565
0034	Student (Pupil) Transportation	896,389	906,389	867,665	38,724
0036	Extracurricular Activities	1,109,809	1,209,809	1,113,783	96,026
0041	General Administration	816,699	876,699	775,306	101,393
0051	Facilities Maintenance and Operations	2,432,903	2,999,287	2,697,829	301,458
0052	Security and Monitoring Services	163,875	163,875	130,989	32,886
0053	Data Processing Services	474,262	511,262	472,907	38,355
	Debt Service:				
0071	Principal on Long-Term Debt	600,627	675,627	600,626	75,001
0072	Interest on Long-Term Debt	204,958	204,958	204,957	1
0073	Bond Issuance Cost and Fees	500	500	-	500
	Capital Outlay:				
0081	Facilities Acquisition and Construction	3	3	-	3
	Intergovernmental:				
0091	Contracted Instructional Services Between Schools	1	1	-	1
0093	Payments to Fiscal Agent/Member Districts of SSA	714,894	714,894	714,893	1
0099	Other Intergovernmental Charges	300,000	300,000	253,156	46,844
6030	Total Expenditures	20,805,564	21,969,139	21,051,834	917,305
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(955,063)	185,596	1,140,659
	OTHER FINANCING SOURCES (USES):				
7912	Sale of Real and Personal Property	-	-	43,203	43,203
8949	Other (Uses)	-	(4,354)	(4,354)	-
7080	Total Other Financing Sources (Uses)	-	(4,354)	38,849	43,203
1200	Net Change in Fund Balances	-	(959,417)	224,445	1,183,862
0100	Fund Balance - September 1 (Beginning)	10,117,994	10,117,994	10,117,994	-
3000	Fund Balance - August 31 (Ending)	$ 10,117,994	$ 9,158,577	$ 10,342,439	$ 1,183,862

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018
District's Proportion of the Net Pension Liability (Asset)	0.013207499%	0.014080944%	0.014497556%
District's Proportionate Share of Net Pension Liability (Asset)	$ 7,073,667	$ 7,319,715	$ 7,979,807
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	11,211,409	10,113,003	11,366,013
Total	$ 18,285,076	$ 17,432,718	$ 19,345,820
District's Covered Payroll	$ 15,894,180	$ 14,673,911	$ 14,775,752
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	44.50%	49.88%	54.01%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.54%	75.24%	73.74%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

FY 2018 Plan Year 2017	FY 2017 Plan Year 2016	FY 2016 Plan Year 2015	FY 2015 Plan Year 2014
0.014464412%	0.0143476%	0.0154001%	0.011315%
$ 4,624,940	$ 5,421,726	$ 5,443,730	$ 3,022,394
6,926,663	8,721,923	8,154,814	7,210,432
$ 11,551,603	$ 14,143,649	$ 13,598,544	$ 10,232,826
$ 14,573,952	$ 14,506,829	$ 13,923,218	$ 13,902,371
31.73%	37.37%	39.10%	21.74%
82.17%	78.00%	78.43%	83.25%

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2021

	2021	2020	2019
Contractually Required Contribution	$ 557,481	$ 545,145	$ 491,946
Contribution in Relation to the Contractually Required Contribution	(557,481)	(545,145)	(491,946)
Contribution Deficiency (Excess)	$ -	$ -	$ -
District's Covered Payroll	$ 15,913,183	$ 15,894,180	$ 14,673,911
Contributions as a Percentage of Covered Payroll	3.50%	3.43%	3.35%

Note: GASB Codification, Vol. 2, P20.183 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

2018	2017	2016	2015
$ 488,450	$ 474,059	$ 455,858	$ 456,715
(488,450)	(474,059)	(455,858)	(456,715)
$ -	$ -	$ -	$ -
$ 14,775,752	$ 14,574,055	$ 14,506,829	$ 13,923,218
3.31%	3.25%	3.14%	3.28%

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.019231916%	0.019008115%	0.018827958%	0.018316945%
District's Proportionate Share of Net OPEB Liability (Asset)	$ 7,310,920	$ 8,989,170	$ 9,400,972	$ 7,965,352
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	9,824,124	11,944,597	12,012,436	10,869,923
Total	$ 17,135,044	$ 20,933,767	$ 21,413,408	$ 18,835,275
District's Covered Payroll	$ 15,894,180	$ 14,673,911	$ 14,775,752	$ 14,573,952
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	46.00%	61.26%	63.62%	54.65%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	4.99%	2.66%	1.57%	0.91%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. Therefore the amounts reported for FY 2021 are for the measurement date of August 31, 2020. The amounts for FY 2020 are for the measurement date of August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2021

	2021	2020	2019	2018
Contractually Required Contribution	$ 146,881	$ 146,176	$ 129,441	$ 129,897
Contribution in Relation to the Contractually Required Contribution	(146,881)	(146,176)	(129,441)	(129,897)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
District's Covered Payroll	$ 15,913,183	$ 15,894,180	$ 14,673,911	$ 14,775,752
Contributions as a Percentage of Covered Payroll	0.92%	0.92%	0.88%	0.88%

Note: GASB Codification, Vol. 2, P50.238 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

Information in this schedule should be provided only for the years where data is available. Eventually 10 years of data should be presented.

A. Notes to Schedules for the TRS Pension

Changes of benefit terms

In May 2019, the 86th Texas legislature approved the TRS Pension Reform Bill (SB12) that provides for gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. The increases immediately made the pension fund actuarially sound, and the legislature approved funding for a 13th check.

All eligible members retired as of December 31, 2018, received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment or $2,000, whichever was less.

Changes of assumptions

There were no changes to the actuarial assumptions since the prior measurement period.

B. Notes to Schedules for the TRS OPEB Plan

Changes in Benefit

There were no changes in benefit terms since the prior measurement date.

Changes in Assumptions

The following assumptions, methods and plan changes which are specific to TRS-Care were updated from the prior year's report:

- The discount rate was changed from 2.64 percent as of August 31, 2019, to 2.33 percent as of August 31, 2020. This change increased the Total OPEB Liability.
- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.
- The ultimate health care trend assumption was lowered from 4.50 percent to 4.25 percent as a result of Congress repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB Liability.

Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions or applicable law.

C. Stewardship, Compliance and Accountability

Budget

The Board of Trustees (local school board) is legally required to adopt an annual budget (on a 12-month basis) for the general fund, the food service fund, and if applicable, the debt service fund. The budgets must be prepared by August 20 and adopted by the local school board before expenditures are made and, if applicable, before the tax rate for the year is set.

- The required supplementary information for the general fund budget is located in Exhibit G-1 "Budgetary Comparison Schedule – General Fund.
- The required Texas Education Agency (TEA) schedules for the food service fund is located in Exhibit J-2 "Budgetary Comparison Schedule – Child Nutrition Fund.
- The required Texas Education Agency (TEA) schedules for the debt service fund is located in Exhibit J-3 "Budgetary Comparison Schedule – Debt Service Fund".

Once a budget is approved, it can be amended at the fund and function level only by a majority of the members of the Board of Trustees.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under State of Texas law, appropriations lapse at year end August 31, and encumbrances outstanding at that time are to be either cancelled or appropriately provided for in the subsequent year's budget.

It is a violation of Texas State Law for expenditures to exceed the budget in any function of the general fund, the food service fund, or the debt service fund.

Expenditures Exceeding Appropriation

- The current year expenditures did not exceed appropriations in the general fund as detailed in Exhibit G-1 "Budgetary Comparison Schedule -General Fund".
- The current year expenditures did not exceed appropriations in any functions in the food service fund as detailed in Exhibit J-2 "Budgetary Comparison Schedule -Child Nutrition Fund".
- The current year expenditures also did not exceed appropriations in any functions in the debt service fund as detailed in Exhibit J-3 "Budgetary Comparison Schedule -Debt Service Fund".

OTHER SUPPLEMENTARY INFORMATION – COMBINING AND INDIVIDUAL SCHEDULES

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2021

Data Control Codes		211 ESEA I, A Improving Basic Program	240 National Breakfast and Lunch Program	242 Summer Feeding Program	244 Career and Technical - Basic Grant
	ASSETS				
1110	Cash and Cash Equivalents	$ -	$ 719,732	$ -	$ -
1120	Investments - Current	-	51,933	-	-
1240	Due from Other Governments	184,971	-	-	2,525
1260	Due from Other Funds	-	-	-	-
1000	Total Assets	$ 184,971	$ 771,665	$ -	$ 2,525
	LIABILITIES				
2110	Accounts Payable	$ -	$ 48,376	$ -	$ -
2160	Accrued Wages Payable	28,558	20,542	-	136
2170	Due to Other Funds	153,317	-	-	2,374
2200	Accrued Expenditures	3,096	438	-	15
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	184,971	69,356	-	2,525
	FUND BALANCES				
	Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	-	702,309	-	-
3490	Other Restricted Fund Balance	-	-	-	-
3000	Total Fund Balances	-	702,309	-	-
4000	Total Liabilities and Fund Balances	$ 184,971	$ 771,665	$ -	$ 2,525

255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER -School Emergency Relief I	270 ESEA VI, Pt B Rural & Low Income	276 Title I - SIP Academy Grant	282 ESSER -School Emergency Relief III	289 ESEA Title IV, Part A	314 SSA IDEA, Part B Preschool
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
8,256	17,970	-	-	1,976	250,110	2,086	4,906
-	-	-	-	-	-	-	-
$ 8,256	$ 17,970	$ -	$ -	$ 1,976	$ 250,110	$ 2,086	$ 4,906
$ -	$ -	$ -	$ -	$ -	$ 48,636	$ -	$ -
2,292	4,872	-	-	-	33,073	-	1,947
5,798	12,890	-	-	1,976	164,800	2,086	2,743
166	208	-	-	-	3,601	-	216
-	-	-	-	-	-	-	-
8,256	17,970	-	-	1,976	250,110	2,086	4,906
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
$ 8,256	$ 17,970	$ -	$ -	$ 1,976	$ 250,110	$ 2,086	$ 4,906

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2021

Data Control Codes		397 Advanced Placement Incentives	410 State Instructional Materials	429 State Teacher Training	437 SSA Special Education
	ASSETS				
1110	Cash and Cash Equivalents	$ 115	$ 2	$ -	$ 318,375
1120	Investments - Current	-	-	-	299,611
1240	Due from Other Governments	-	31,219	-	-
1260	Due from Other Funds	-	-	-	2,743
1000	Total Assets	$ 115	$ 31,221	$ -	$ 620,729
	LIABILITIES				
2110	Accounts Payable	$ -	$ 31,221	$ -	$ 4,283
2160	Accrued Wages Payable	-	-	-	122,284
2170	Due to Other Funds	-	-	-	1,624
2200	Accrued Expenditures	-	-	-	2,408
2300	Unearned Revenue	115	-	-	33,438
2000	Total Liabilities	115	31,221	-	164,037
	FUND BALANCES				
	Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	-	-	-	-
3490	Other Restricted Fund Balance	-	-	-	456,692
3000	Total Fund Balances	-	-	-	456,692
4000	Total Liabilities and Fund Balances	$ 115	$ 31,221	$ -	$ 620,729

461 Campus Activity Funds	Total Nonmajor Governmental Funds
$ 178,890	$ 1,217,114
-	351,544
-	504,019
-	2,743
$ 178,890	$ 2,075,420
$ 854	$ 133,370
-	213,704
-	347,608
-	10,148
-	33,553
854	738,383
-	702,309
178,036	634,728
178,036	1,337,037
$ 178,890	$ 2,075,420

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes		211 ESEA I, A Improving Basic Program	240 National Breakfast and Lunch Program	242 Summer Feeding Program	244 Career and Technical - Basic Grant
	REVENUES:				
5700	Total Local and Intermediate Sources	$ -	$ 60,957	$ 331	$ -
5800	State Program Revenues	-	33,100	809	-
5900	Federal Program Revenues	510,180	1,328,660	14,222	25,442
5020	Total Revenues	510,180	1,422,717	15,362	25,442
	EXPENDITURES:				
	Current:				
0011	Instruction	510,180	-	-	25,442
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling, and Evaluation Services	-	-	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0035	Food Services	-	1,062,119	15,362	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
6030	Total Expenditures	510,180	1,062,119	15,362	25,442
1200	Net Change in Fund Balance	-	360,598	-	-
0100	Fund Balance - September 1 (Beginning)	-	341,711	-	-
3000	Fund Balance - August 31 (Ending)	$ -	$ 702,309	$ -	$ -

255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER -School Emergency Relief I	270 ESEA VI, Pt B Rural & Low Income	276 Title I - SIP Academy Grant	282 ESSER -School Emergency Relief III	289 ESEA Title IV, Part A	314 SSA IDEA, Part B Preschool
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
78,170	61,468	12,431	39,525	1,976	250,110	40,613	27,870
78,170	61,468	12,431	39,525	1,976	250,110	40,613	27,870
78,170	61,468	12,431	39,525	1,976	219,232	14,503	27,870
-	-	-	-	-	-	-	-
-	-	-	-	-	619	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	5,299	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	24,960	-	-
-	-	-	-	-	-	26,110	-
78,170	61,468	12,431	39,525	1,976	250,110	40,613	27,870
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes		397 Advanced Placement Incentives	410 State Instructional Materials	429 State Teacher Training	437 SSA Special Education
	REVENUES:				
5700	Total Local and Intermediate Sources	$ -	$ -	$ -	$ 2,153,052
5800	State Program Revenues	-	103,286	-	115,744
5900	Federal Program Revenues	-	-	-	-
5020	Total Revenues	-	103,286	-	2,268,796
	EXPENDITURES:				
	Current:				
0011	Instruction	-	103,286	-	1,719,069
0023	School Leadership	-	-	-	508,431
0031	Guidance, Counseling, and Evaluation Services	-	-	-	28,610
0034	Student (Pupil) Transportation	-	-	-	595
0035	Food Services	-	-	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	3,503
0051	Facilities Maintenance and Operations	-	-	-	7,733
0052	Security and Monitoring Services	-	-	-	-
6030	Total Expenditures	-	103,286	-	2,267,941
1200	Net Change in Fund Balance	-	-	-	855
0100	Fund Balance - September 1 (Beginning)	-	-	-	455,837
3000	Fund Balance - August 31 (Ending)	$ -	$ -	$ -	$ 456,692

461 Campus Activity Funds	Total Nonmajor Governmental Funds
$ 67,018	$ 2,281,358
-	252,939
-	2,390,667
67,018	4,924,964
94,988	2,908,140
-	508,431
-	29,229
-	595
-	1,077,481
-	5,299
-	3,503
-	32,693
-	26,110
94,988	4,591,481
(27,970)	333,483
206,006	1,003,554
$ 178,036	$ 1,337,037

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
AUGUST 31, 2021

	753 SSA Public Entity Risk Pool	755 District Public Entity Risk Pool	Total Internal Service Funds
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 958	$ 29,976	$ 30,934
Due from Other Funds	1,624	-	1,624
Total Assets	2,582	29,976	32,558
LIABILITIES			
Current Liabilities:			
Due to Other Funds	-	25,213	25,213
Accrued Expenses	2,582	4,763	7,345
Total Liabilities	2,582	29,976	32,558
NET POSITION			
Unrestricted Net Position	-	-	-
Total Net Position	$ -	$ -	$ -

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

	753 SSA Public Entity Risk Pool	755 District Public Entity Risk Pool	Total Internal Service Funds
OPERATING REVENUES:			
Local and Intermediate Sources	$ 895	$ 3,079	$ 3,974
Total Operating Revenues	895	3,079	3,974
OPERATING EXPENSES:			
Other Operating Costs	895	3,079	3,974
Total Operating Expenses	895	3,079	3,974
Operating Income	-	-	-
Total Net Position - September 1 (Beginning)	-	-	-
Total Net Position - August 31 (Ending)	$ -	$ -	$ -

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

	753 SSA Public Entity Risk Pool	755 District Public Entity Risk Pool	Total Internal Service Funds
Cash Flows from Operating Activities:			
Cash Received from Assessments - Other Funds	$ -	$ 58	$ 58
Cash Payments for Other Operating Expenses	(137)	-	(137)
Net Cash Provided by (Used for) Operating Activities	(137)	58	(79)
Net Increase (Decrease) in Cash and Cash Equivalents	(137)	58	(79)
Cash and Cash Equivalents at Beginning of Year	1,095	29,918	31,013
Cash and Cash Equivalents at End of Year	$ 958	$ 29,976	$ 30,934
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:			
Operating Income:	$ -	$ -	$ -
Effect of Increases and Decreases in Current Assets and Liabilities:			
Decrease (increase) in Receivables	620	-	620
Increase (decrease) in Accrued Expense	(757)	(2,816)	(3,573)
Increase (decrease) in Due to Other Funds	-	2,874	2,874
Net Cash Provided by (Used for) Operating Activities	$ (137)	$ 58	$ (79)
Reconciliation of Total Cash and Cash Equivalents:			
Cash and Cash Equivalents on Balance Sheet	$ 958	$ 29,976	$ 30,934

REQUIRED TEA SCHEDULES

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED AUGUST 31, 2021

Last 10 Years Ended August 31		(1) Tax Rates	(2)	(3) Assessed/Appraised Value for School Tax Purposes
		Maintenance	Debt Service	
2012	and prior years	Various	Various	$ Various
2013		1.040000	0.196560	1,316,260,937
2014		1.040000	0.195000	1,356,526,172
2015		1.040000	0.192800	1,466,643,685
2016		1.040000	0.180000	1,401,361,494
2017		1.040000	0.204500	1,263,098,634
2018		1.040000	0.208200	1,269,694,332
2019		1.040000	0.208200	1,332,152,782
2020		0.970000	0.208200	1,406,563,731
2021	(School year under audit)	0.966400	0.157700	1,425,435,734
1000	TOTALS			

(10) Beginning Balance 9/1/2020	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2021
$ 111,156	$ -	$ 4,792	$ 848	$ (11,370)	$ 94,146
15,620	-	1,073	201	(794)	13,552
19,778	-	1,425	267	(1,030)	17,056
24,464	-	2,074	384	(323)	21,683
46,246	-	3,188	552	(17,992)	24,514
37,603	-	5,711	1,123	(6,669)	24,100
40,606	-	8,405	1,683	37	30,555
134,748	-	36,827	7,372	(9,726)	80,823
285,220	-	137,591	29,533	(13,651)	104,445
-	16,023,323	13,562,073	2,213,099	-	248,151
$ 715,441	$ 16,023,323	$ 13,763,159	$ 2,255,062	$ (61,518)	$ 659,025

EXHIBIT J-2

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes		Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	REVENUES:				
5700	Total Local and Intermediate Sources	$ 250,500	$ 250,500	$ 60,957	$ (189,543)
5800	State Program Revenues	38,514	38,514	33,100	(5,414)
5900	Federal Program Revenues	785,000	785,000	1,328,660	543,660
5020	Total Revenues	1,074,014	1,074,014	1,422,717	348,703
	EXPENDITURES:				
	Current:				
0035	Food Services	1,120,936	1,120,936	1,062,119	58,817
6030	Total Expenditures	1,120,936	1,120,936	1,062,119	58,817
1200	Net Change in Fund Balances	(46,922)	(46,922)	360,598	407,520
0100	Fund Balance - September 1 (Beginning)	341,711	341,711	341,711	-
3000	Fund Balance - August 31 (Ending)	$ 294,789	$ 294,789	$ 702,309	$ 407,520

EXHIBIT J-3

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
		Original	Final		
	REVENUES:				
5700	Total Local and Intermediate Sources	$ 2,312,194	$ 2,312,194	$ 2,283,339	$ (28,855)
5800	State Program Revenues	32,000	32,000	38,076	6,076
5020	Total Revenues	2,344,194	2,344,194	2,321,415	(22,779)
	EXPENDITURES:				
	Debt Service:				
0071	Principal on Long-Term Debt	1,555,000	1,555,000	1,555,000	-
0072	Interest on Long-Term Debt	627,308	627,308	627,250	58
0073	Bond Issuance Cost and Fees	1,000	1,000	456	544
6030	Total Expenditures	2,183,308	2,183,308	2,182,706	602
1200	Net Change in Fund Balances	160,886	160,886	138,709	(22,177)
0100	Fund Balance - September 1 (Beginning)	1,545,102	1,545,102	1,545,102	-
3000	Fund Balance - August 31 (Ending)	$ 1,705,988	$ 1,705,988	$ 1,683,811	$ (22,177)

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

STATE COMPENSATORY EDUCATION AND BILINGUAL EDUCATION PROGRAM EXPENDITURES

FOR THE YEAR ENDED AUGUST 31, 2021

Section A: Compensatory Education Programs

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.	2057516
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	1930356

Section B: Bilingual Education Programs

AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	373119
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25,35)	838613

REPORTS ON COMPLIANCE, INTERNAL CONTROLS AND FEDERAL AWARDS

James E. Rodgers and Company, P.C.

Certified Public Accountants

20 Southwest Third Street • PO Box 669 • Hamlin, Texas 79520 • Tel: 325-576-2356 • Fax: 325-576-3525
E-mail: rodgerscpa@att.net
Member of Texas Society of CPA's and American Institute of CPA's
Richard E. Rodgers CPA • Gerald L. Rodgers CPA

January 4, 2022

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*

Independent Auditor's

To the Board of Trustees
Bridgeport Independent School District
Bridgeport, Texas 76426

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Bridgeport Independent School District, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise Bridgeport Independent School District's basic financial statements, and have issued our report thereon dated January 4, 2022.

Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered Bridgeport Independent School District's internal control over financial reporting (internal control) as a basis for designing to 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 Bridgeport Independent School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Bridgeport Independent School District's internal control.

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

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

AICPA Governmental Audit Quality Center

Compliance and Other Matters

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

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.

Respectfully submitted,

James E. Rodgers and Company

James E. Rodgers and Company, P.C.

AICPA Governmental Audit Quality Center

James E. Rodgers and Company, P.C.

Certified Public Accountants

20 Southwest Third Street • PO Box 669 • Hamlin, Texas 79520 • Tel: 325-576-2356 • Fax: 325-576-3525
E-mail: rodgerscpa@att.net
Member of Texas Society of CPA's and American Institute of CPA's
Richard E. Rodgers CPA • Gerald L. Rodgers CPA

January 4, 2022

Single Audit Report on Compliance for each Major Federal Program and Report on Internal Control over Compliance required by the Uniform Guidance

Independent Auditor's Report

To the Board of Trustees
Bridgeport Independent School District
Bridgeport, Texas 76426

Report on Compliance for Each Major Federal Program
We have audited Bridgeport Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Bridgeport Independent School District's major federal programs for the year ended August 31, 2021. Bridgeport Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

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

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

AICPA Governmental Audit Quality Center

Other Matters
The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and therefore, are not described in the accompanying schedule of findings and questioned costs. Our opinion on each major federal program is not modified with respect to these matters.

Bridgeport Independent School District's response is not required since noncompliance findings were not identified in our audit and are not described in the accompanying schedule of findings and questioned costs. Bridgeport Independent School District's response if required would not have been subjected to the auditing procedures applied in the audit of compliance and, accordingly, we would not have expressed an opinion on the response.

Report on Internal Control Over Compliance
Management of Bridgeport Independent School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Bridgeport Independent School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Bridgeport Independent School District's internal control over compliance.

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

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

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

James E. Rodgers and Company

James E. Rodgers and Company, P.C.

AICPA Governmental Audit Quality Center

James E. Rodgers and Company, P.C.

Certified Public Accountants

20 Southwest Third Street • PO Box 669 • Hamlin, Texas 79520 • Tel: 325-576-2356 • Fax: 325-576-3525
E-mail: rodgerscpa@att.net
Member of Texas Society of CPA's and American Institute of CPA's
Richard E. Rodgers CPA • Gerald L. Rodgers CPA

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2021

I. Summary of the Auditor's Results:

1.	The type of auditor's report opinion on whether the financial statements of the District were prepared in accordance with GAAP (generally accepted accounting standards):	**Unmodified**	
2.	Internal control over financial reporting during the audit of the financial statements:		
(a)	Significant deficiencies in internal control identified that are not considered to be material weaknesses.		**No**
(b)	Material weaknesses identified.		**No**
3.	Noncompliance, which is material to the financial statements.		**No**
4.	Internal Control over major federal programs:		
(a)	Significant deficiencies in internal control identified that are not considered to be material weaknesses.		**No**
(b)	Material weaknesses identified.		**No**
5.	Type of auditor's report opinion on compliance with major programs.	**Unmodified**	
6.	Audit findings that are required to report under Uniform Guidance 2 CFR Section 200.516(a).		**No**
7.	Identification of programs tested as major programs: • **Special Education Cluster (IDEA)** Special Education Grants – CFDA 84.027 Special Education Preschool Grants – CFDA 84.173 • **Education Stabilization Fund Under The Coronavirus Aid, Relief and Economic Security Act** – CFDA 84.425		
8.	Dollar threshold used to distinguish between Type A and Type B programs.	**$750,000**	
9.	District qualified as a low-risk auditee.	**Yes**	

II. Findings Relating to the Financial Statements Which Are Required to Be Reported in Accordance with *Generally Accepted Government Auditing Standards (GAGAS)*

Finding 2021-001:

a.	Condition:	**None Identified**
b.	Criteria:	N/A
c,	Cause:	N/A
d.	Effect:	N/A
e.	Recommendation:	N/A
f.	District Response:	N/A

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2021

III. Findings and Questioned Costs Related to the Federal Awards

Finding 2021-002:

a.	Condition:	**None Identified**
b.	Criteria:	N/A
c,	Cause:	N/A
d.	Effect:	N/A
e.	Recommendation:	N/A
f.	District Response:	N/A

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2021

Finding 2020-001:

None

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

CORRECTIVE ACTION PLAN

The name of the contact person responsible for corrective action:
Debi Meng, Business Manager
District Phone Number: 940-683-5124

The corrective action for Finding 2021-001:

No findings were identified for the current year.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2021

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal Assistance Listing No.	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
Passed Through State Department of Education			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	21610101249903	$ 478,527
ESEA, Title I, Part A - Improving Basic Programs	84.010A	22610101249903	31,653
Total Assistance Listing Number 84.010A			510,180
*SSA - IDEA - Part B, Formula	84.027	216600012499036600	1,064,493
*SSA - IDEA - Part B, Formula	84.027	226600012499036600	90,813
Total Assistance Listing Number 84.027			1,155,306
Total Special Education Cluster (IDEA)			1,183,176
Career and Technical - Basic Grant	84.048	21420006249903	25,290
Career and Technical - Basic Grant	84.048	22420006249903	152
Total Assistance Listing Number 84.048			25,442
*SSA - IDEA - Part B, Preschool	84.173	216610012499036610	25,707
*SSA - IDEA - Part B, Preschool	84.173	226610012499036610	2,163
Total Assistance Listing Number 84.173			27,870
Total Special Education Cluster (IDEA)			1,183,176
ESEA, Title VI, Part B - Rural & Low Income Prog.	84.358B	21696001249903	39,525
Title III, Part A - English Language Acquisition	84.365A	21671001249903	56,389
Title III, Part A - English Language Acquisition	84.365A	22671001249903	5,079
Total Assistance Listing Number 84.365A			61,468
ESEA, Title II, Part A, Teacher Principal Training	84.367A	21694501249903	69,914
ESEA, Title II, Part A, Teacher Principal Training	84.367A	22694501249903	8,256
Total Assistance Listing Number 84.367A			78,170
Title I SIP Academy Grant	84.377A	17610740249903	1,976
Elementary & Secondary School Emergency Relief Fd	84.425D	20521001249903	12,431
Elementary Secondary School Emergency Relief III	84.425U	21528001249903	213,436
Elementary Secondary School Emergency Relief III	84.425U	22528001249903	36,674
Total Assistance Listing Number 84.425			262,541
ESEA Title IV, Part A	84.424	21680101249903	38,527
ESEA Title IV, Part A	84.424	22680101249903	2,086
Total Assistance Listing Number 84.424			40,613
Total Passed Through State Department of Education			2,203,091
TOTAL U.S. DEPARTMENT OF EDUCATION			2,203,091

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2021

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal Assistance Listing No.	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through the State Department of Agriculture			
*National School Lunch Program - Cash Assistance	10.555	71302001	1,235,310
*National School Lunch Prog. - Non-Cash Assistance	10.555	71302001	93,350
Total Assistance Listing Number 10.555			1,328,660
*Summer Feeding Program - Cash Assistance	10.559	71302001	14,222
Total Child Nutrition Cluster			1,342,882
Total Passed Through the State Department of Agriculture			1,342,882
TOTAL U.S. DEPARTMENT OF AGRICULTURE			1,342,882
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 3,545,973

*Clustered Programs
Non-Grant federal program revenue for the current yer included SHARS' receipts of $239,986. The District did not make payments to sub-recipients during the current year.

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2021

1. For all Federal programs, the District uses the fund types specified in Texas Education Agency's ***Financial Accountability System Resource Guide***. Special revenue funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund.

2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types and Expendable Trust Funds are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund that is a Governmental Fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

3. The modified accrual basis of accounting is used for the Governmental Fund types, the Expendable Trust Funds, and Agency Funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

4. Federal grant funds are recorded as earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

5. The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provision 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).

6. **Indirect Costs**

   The District did not elect to use a di minimis cost rate of 10% as described at 2CFR §200.414(f) – Indirect (F&A) Costs.

7. **Reconciliation of Federal Awards**

   The following is a reconciliation of expenditures of federal awards in the SEFA and federal program Revenues in the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental funds.

Federal program revenues per Exhibit C-3	$ 3,785,959
School Health & Related Services (SHARS) Reimbursement not reported to the SEFA	$ 239,986
Total federal expenditures on Exhibit K-1	$ 3,545,973

8. The District did not make payments to subrecipients during the current year.

SCHOOLS FIRST QUESTIONNAIRE

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

Fiscal Year 2021

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?	No
SF3	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If there was a warrant hold not cleared in 30 days, then not timely.)	Yes
SF4	Was the school district issued a warrant hold? (Yes even if cleared within 30 days.)	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 Govenment Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules in effect at the 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.	$0