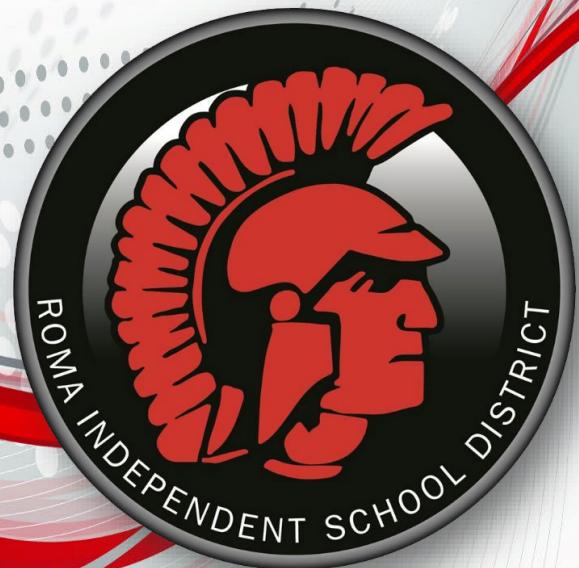


ROMA INDEPENDENT SCHOOL DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
AUGUST 31, 2021



608 North Garcia Street, Roma, TX 78584

ROMA INDEPENDENT SCHOOL DISTRICT

*ANNUAL COMPREHENSIVE
FINANCIAL REPORT*

FOR THE FISCAL YEAR ENDED AUGUST 31, 2021

PREPARED BY:

The Roma Independent School District
Business and Finance Office

608 North Garcia Street, Roma, Texas 78584

Roma Independent School District
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August 31, 2021

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Introductory Section





BOARD OF TRUSTEES

Ricardo A. Perez, President
Jaime Escobar, Vice-President
Yadira A. Barrera, Secretary
Clarissa B. Alvarez, Member
Mary Lou G. Cruz, Member
Raul P. Moreno, Jr., Member
Reynaldo Rodriguez, Member

January 26, 2022

Ricardo A. Perez, President,

Board of Trustees, Carlos Guzman, Superintendent
and Patrons of the Roma Independent School District

Dear Mr. Ricardo A. Perez., Board of Trustees, Superintendent and Patrons:

Management hereby submits the Comprehensive Annual Financial Report ("CAFR") for the fiscal year ended August 31, 2021. The Roma Independent School District's (the "District") Business Office prepared the CAFR in accordance with generally accepted accounting principles (GAAP). The AFR is management's report of financial operations to the Board of Trustees (the "Board"), taxpayers, grantor agencies, employees, the Texas Education Agency, and other interested parties.

The financial statements in this report provide an overview of the District's operation and financial position as a whole and of its individual funds. Responsibility for the accuracy and completeness of the financial statements and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material respects.

The Texas Education Agency (TEA) requires all school districts publish within 150 days of the close of each fiscal year a complete set of financial statements presented in conformity with GAAP and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants.

Management's Discussion and Analysis ("MD&A") is a required narrative introduction, overview, and analysis of the basic financial statements and should be read in conjunction with this letter of transmittal. The District's MD&A can be found immediately following the report of the independent auditors.

DISTRICT PROFILE

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and enriched academic education, special education for students with disabilities, gifted and talented classes and many individualized programs, such as specialized instruction for at-risk students and those with limited English proficiency. These basic programs are supplemented by a wide variety of offerings in career and technology, fine arts, and athletics.

P.O. Box 187
Roma, TX 78584

"Leading the way into the 21st Century"

PH. (956) 849-1377
FAX (956) 849-3968

The District encompasses approximately 490 square miles in western Starr County along the U.S. Mexico border. The District has projected enrollment of about 5,960 students for the 2021-2022 school year. All campuses are fully accredited by the TEA. The District tailors its instructional programs to enrich and expand student learning and exposure to the tenets of responsible citizenship. District leaders believe this philosophy is instrumental in keeping the completion rate high and the District's number of college-bound students high. The Board constitutes the governing body elected from seven single-member districts and sets the tone for instruction and service to students and patrons with its mission statement and goals.

Internal and Budgetary Controls

The District has established a comprehensive internal control framework designed both to protect the District's assets from loss, theft or misuse and to compile sufficiently reliable information for the preparation of the District's financial statements in conformity with GAAP. Internal controls are designed to provide management with reasonable, but not absolute, assurance assets are safeguarded against loss from unauthorized use or disposition and those transactions are executed in accordance with management's authorization and recorded properly. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state and local grants, the District is also responsible for an adequate internal control structure that ensures compliance with applicable laws and regulations related to the grants. All funded grants are subject to testing as part of the District's 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). The results of the District's Uniform Guidance audit for the fiscal year ended August 31, 2020, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations. The report may be viewed in the Federal Awards section of the CAFR.

Budgetary controls are established in accordance with TEA regulations and District policy for all managers with line-item responsibility. TEA regulations set the level of budgetary control at the functional expenditure level. The Board authorized the administration, through resolution, to provide budgetary transfers when there is no impact on the fund balance. These transfers are approved by the Board in a subsequent budget amendment. The Board must approve all budget amendments impacting fund balance of the General, Debt Service and National Breakfast and Lunch Program Funds. The District utilizes a line-item budget of proposed expenditures and the means of financing them. The emphasis of the budget process is to identify the activities requiring resources and to rank those activities according to the needs of the entire District. Administrators have the responsibility to develop and manage their own program budgets once approved. Budget amendments are presented to the Board for approval throughout the fiscal year.

After the budget is approved, any amendment that causes an increase or decrease in a fund or functional spending category or total revenue or other resources object category requires Board approval prior to the fact. These amendments are presented to the Board at its regular monthly meeting and are reflected in the official minutes.

Summary of Achievements

The District's achievements continue to be heralded in local and state publications. The success of the District is evidenced in its students' high standardized test scores, Advanced Placement Program participation and abundant scholarships and awards presented to the District's students. The District enjoys a well-deserved reputation for academic and financial excellence, and continues to receive numerous accolades for the performance of its students.

Economic Condition and Outlook

School districts in the State of Texas are funded through two main sources of revenue: local property taxes and State aid that is based on the number of students in the District, the type of instructional services provided, and the school district's property wealth and tax collection efforts. In 2012-2013 and prior years, the funding provided by the State was tied to specific target revenue per student which effectively reduced the State's portion as property tax revenue increased. This system had the effect of eliminating growth in revenue per student while operating costs continued to increase. Changes made to the funding formulas in the most recent legislative session have eliminated the target revenue system for the District and many other school districts beginning in 2013-2014.

Property tax revenue can be increased by increasing the property tax rate or by an increase in valuation of property within the District. Property values within the District are projected to increase for the 2021-2022 fiscal year. The property tax rate for school district maintenance and operations (M&O) is at the maximum \$1.0547 per hundred dollars of valuation rate that the District can levy.

Long-Term Financial Planning

Our General Fund Balance at year end is \$36 million. The adopted 2021-2022 budget for the General Fund includes an increase in fund balance of \$909,782.

Roma Independent School District is planning ahead. Student enrollment and demographics drives the District's planning process along with management's commitment to providing the best education possible to our students. The District's strategic planning is an ongoing process lead by the Superintendent and Administrative Staff. The planning process begins with statistical analysis of the results of State mandated standardized testing and leads to the development of campus plans and educational programs to achieve the District's goals. This planning process identifies the educational needs of the District to drive the campus plans and the proper allocation of all District resources.

It is the responsibility of the Finance and Accounting Department to oversee the financial planning, tracking and accounting for the finances of the District in serving the community and its students. The Superintendent's Office and Administrative Staff oversee and coordinate all the elements involved in the strategic and financial planning process for the District on a long-term basis each fiscal year.

Acknowledgments

The preparation of this report on a timely basis involves the entire staff of the Finance and Accounting Departments, Payroll, Accounts Payable, Personnel, Federal Programs and Curriculum Departments. We also want to express our appreciation to all personnel for their contributions to the process. We are grateful for everyone's assistance in making this system work smoothly and efficiently.

We thank our independent auditor, whose professional competence and leadership assisted us in developing this report.

Sincerely,

A handwritten signature in blue ink, appearing to be 'PO' with a long horizontal stroke extending to the right.

Pedro O. Alaniz
Business Manager

**Roma Independent School District
List of Principal Officers**

TRUSTEES

Ricardo A. Perez, President
Jaime Escobar, Vice-President
Yadira A. Barrera, Secretary
Clarissa B. Alvarez, Member
Mary Lou G. Cruz, Member
Raul P. Moreno, Jr., Member
Reynaldo Rodriguez, Member

SUPERINTENDENT

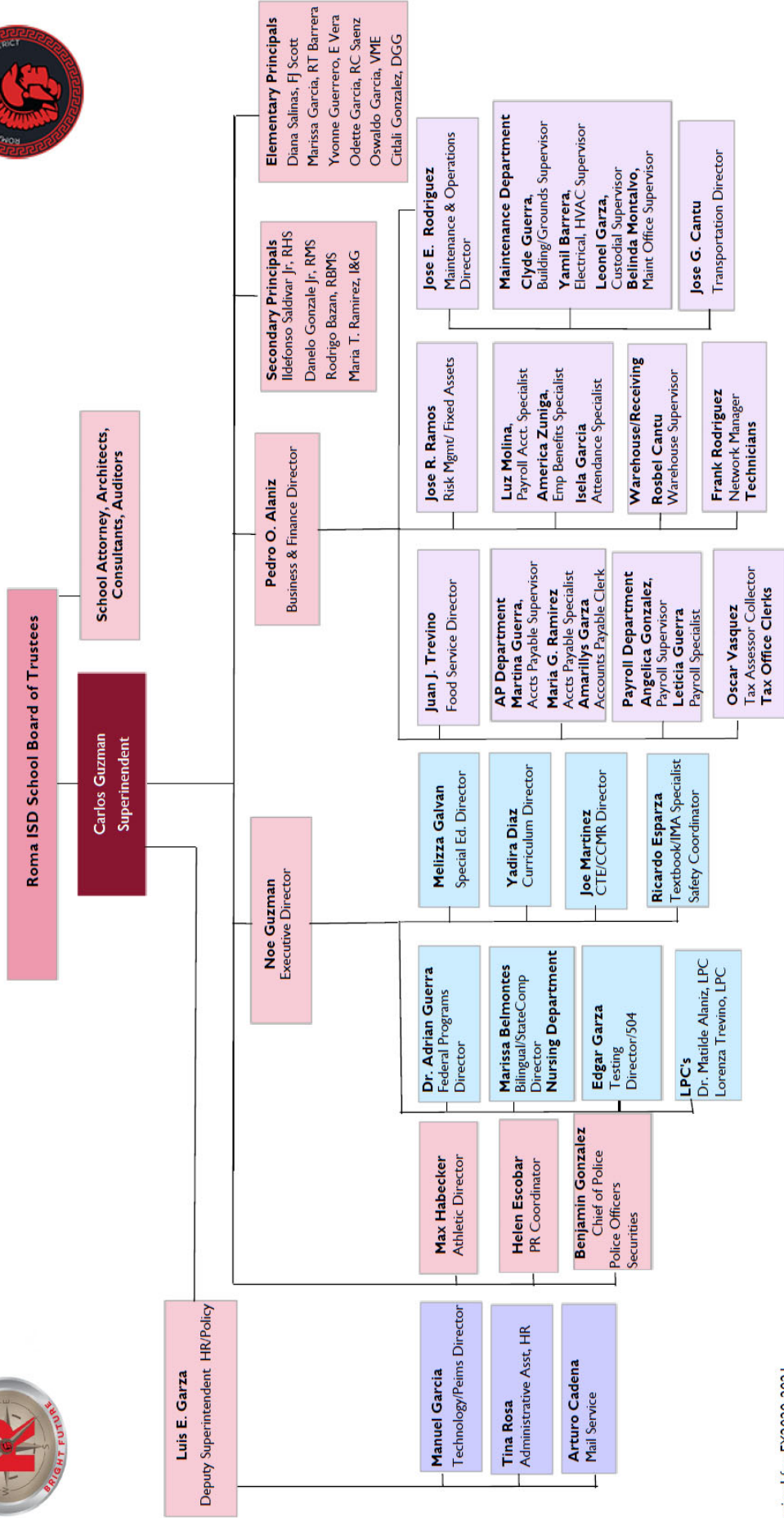
Carlos Guzman

BUSINESS MANAGER

Pedro Alaniz



ROMA ISD ORGANIZATIONAL CHART



CERTIFICATE OF THE BOARD

Roma Independent School District
Name of School District

Starr
County

214-903
Co.-Dist. Number

We the undersigned, do hereby certify that the attached annual financial reports of the above named school district

were reviewed and approved -- disapproved for the year ended August 31, 2021 at a meeting of the
(Check one)

board of school trustees of such school district on the 26th day of January, 2022.


Signature of Board Secretary


Signature of Board President

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Financial Section



INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Roma Independent School District

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Roma Independent School District as of August 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 2 to the financial statements, the prior year financial statements have been restated in the amount of \$194,646 in the custodial funds related to the implementation of GASB Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – General Fund, the Schedule of the District's Proportionate Share of Net Pension Liability – Teacher Retirement System of Texas, the Schedule of the District's Contributions – Teacher Retirement System of Texas, the Schedule of the District's Proportionate Share of the Net OPEB Liability – Teacher Retirement System of Texas, the Schedule of the District's OPEB Contributions – Teacher Retirement System of Texas and the related notes to the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it 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.

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Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Roma Independent School District's basic financial statements. The introductory section, statistical section and other supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The other supplementary information 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 other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2022, on our consideration of the Roma Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Roma 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 the Roma Independent School District's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Harlingen, Texas
January 26, 2022

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ROMA INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Roma Independent School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended August 31, 2021. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total combined net position was \$65,476,311 at August 31, 2021. This is an increase of \$7,569,114 from the prior year.
- During the year the District's net position for governmental activities increased by \$7,569,114.
- The general fund reported a fund balance this year of \$36,299,878, an increase of \$8,187,714 from the previous year.
- The District received an "A" rating (Superior Achievement) for the Financial Integrity Reporting System of Texas (FIRST) for 2020, earning 98 of 100 points. Based on the Texas Administrative Rule 109.1001 "Financial Accountability Ratings." The FIRST rating evaluates the quality of performance in the management of school district's financial resources.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Comprehensive Annual Financial Report is composed of three main sections – (A) Introductory Section, (B) Financial Section and (C) the Statistical Section. The Financial Section of this Comprehensive Annual Financial Report consists of four parts: (1) *management's discussion and analysis* (this section), (2) the *basic financial statements*, (3) *required supplementary information*, and (4) *other supplementary information*, which is an optional section that presents additional information such as *combining fund statements*, major governmental fund, budget to actual comparison schedule, and Texas Education Agency required compliance information.

The Management's Discussion and Analysis section is intended to serve as an introduction to the District's Basic Financial Statements. The District's Basic Financial Statements comprise three components: (1) Government-Wide Financial Statements (2) Fund Financial Statements, and (3) Notes to the Basic Financial Statements.

The basic financial statements include two kinds of statements that present different views of the District:

ROMA INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status. The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in more detail than the government-wide statements.

- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

BASIC FINANCIAL STATEMENTS

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and deferred outflows, and liabilities and deferred inflows. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets and deferred outflows, and liabilities and deferred inflows, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in the District's tax base.

The Statement of Activities presents information on all of the current year's revenues and expenses regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements of the District include the *Governmental activities*. Most of the District's basic services are included here, such as instruction, extra-curricular activities, curriculum and staff development, health services and general administration. Property taxes and grants finance most of these activities.

**ROMA INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS – CONTINUED**

The government-wide financial statements of the District are principally supported by taxes and intergovernmental revenues (governmental activities). All of the District’s services are reported in the government-wide financial statements, including instructional leadership, student support services, general administration, support services, and debt services.

Recently Issued Accounting Pronouncements

Future possible applicable accounting standards to the District that have been issued by the Governmental Accounting Standards Board are:

- GASB Statement No. 87, *Leases*
- GASB Statement No. 92, *Omnibus 2020*
- GASB Statement No. 96, *Subscriptions-Based Information Technology Arrangements*
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation plans*

GASB Statement No. 87, *Leases*, effective for fiscal years beginning after December 15, 2019, extended by Statement No. 95 to fiscal years beginning after June 15, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities.

GASB Statement No. 92, *Omnibus 2020*, enhances comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirement of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 96, *Subscriptions-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

ROMA INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation plans* increases the consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds*, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has the following kinds of funds:

- *Governmental funds*—Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Fiduciary funds*—The District is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

Notes to Financial Statements

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

ROMA INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The Required Supplementary Information relates to comparison of the original adopted budget, the final amended budget, and the actual results for the fiscal year ended. This is required supplementary information for the general fund and any major special revenue funds.

The District did not have any major special revenue funds, therefore, only the general fund is presented as Required Supplementary Information. Also included in RSI are the Schedule of the District's Proportionate Share of the Net Pension Liability of a Cost-Sharing Multiple-Employer Pension Plan, the Schedule of District Contributions to the Teacher Retirement System Pension Plan (TRS), Schedule of the District's Proportionate Share of the Net OPEB Liability of a Cost-Sharing Multiple-Employer OPEB Plan and the Schedule of District's Contributions to the Teacher Retirement System OPEB Plan (TRS).

Combining Fund Statements

This section contains information for the purpose of additional analysis and is not a required part of the basic financial statements. It includes combining statements for non-major governmental funds, internal service funds and fiduciary fund.

Texas Education Agency Required Schedule

This section contains information for the purpose of additional analysis and is not a required part of the basic financial statements. This section includes a compliance schedule required by the Texas Education Agency.

Fund Balance Classifications

The District provides for a hierarchy of five possible fund balance classifications as follows. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. The District has inventories and prepaid insurance that are considered nonspendable.

The spendable fund balances include restricted, committed, assigned and unassigned based upon the hierarchy of spending constraints. **Restricted:** fund balances that are constrained by external parties, constitutional provisions or enabling legislation; **committed:** fund balances that contain self-imposed constraints of the government from its highest level of decision making authority (the board of trustees); **assigned:** fund balances that contain self-imposed constraints of the government to be used for a particular purpose (the Superintendent or the Assistant Superintendent for Business Services have the authority to assign funds for specific purposes); and **unassigned:** fund balance of the general fund that has not been constrained for any particular purpose.

**ROMA INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**

**Table A-1
NET POSITION**
(In thousands of dollars)

	2021	2020
Current and other assets	\$ 60,037	\$ 55,698
Capital assets	132,111	132,741
Total assets	192,148	188,439
Deferred Outflows of Resources	12,920	14,963
Current liabilities	5,896	7,908
Long-term liabilities	70,436	73,107
Net Pension Liability	21,926	21,102
OPEB Liability	21,780	27,071
Total liabilities	120,038	129,188
Deferred Inflows of Resources	19,553	16,307
Net Position		
Net investment in capital assets	71,800	70,665
Restricted	2,592	2,665
Unrestricted	(8,916)	(15,423)
Total net position	\$ 65,476	\$ 57,907

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's combined net position was \$65,476,311 as of August 31, 2021, an increase of 13.1% (See Table A-1).

By far, the largest portion of the Roma ISD's net position reflects the net investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Roma ISD uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Roma ISD's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (-14%) or (\$8,915,718) is negative due to the District's commitment of future resources to liquidate obligations resulting from the District's proportionate share of the net pension liability and net OPEB liability totaling \$21,926,063 and \$21,780,465 respectively.

**ROMA INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS – CONTINUED**

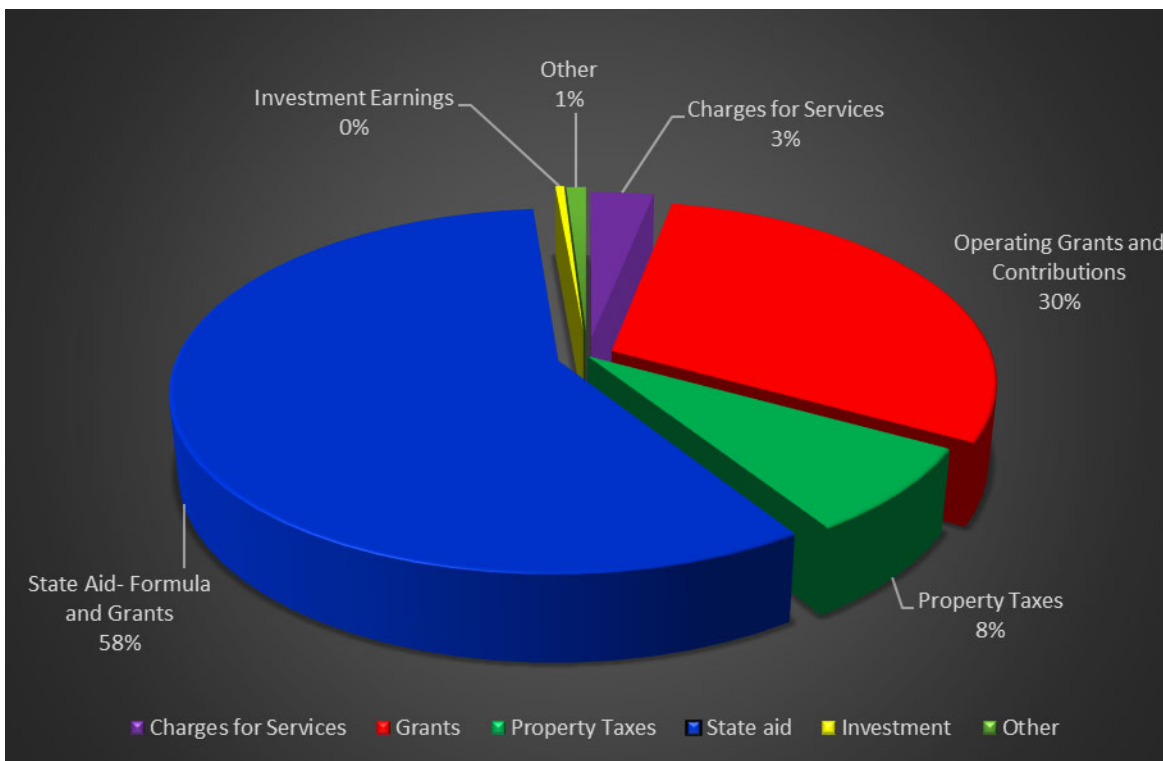
Changes in net position (See Table A-2)

The District experienced an increase in current assets of about \$4,337,866 which resulted from an increase in cash, cash equivalents and current investments.

Governmental Activities

- Property tax rates decreased from 1.4457 to 1.3772 per \$100 valuation. Property taxable values increased by 2.2% from the previous year.
- The cost of all governmental activities this year was \$89,785,099, an increase of \$1,966,703.
- Some of the cost was paid by those who directly benefited from the programs, \$3,040,856, or by operating grants and contributions totaling \$29,140,661.

Sources of Revenues for fiscal year 2020-2021



**ROMA INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**

**Table A-2
CHANGES IN NET POSITION
(in thousands of dollars)**

	Governmental Activities	
	2021	2020
Program Revenues:		
Charges for Services	\$ 3,041	\$ 1,199
Operating Grants and Contributions	29,141	20,221
General Revenues:		
Property Taxes	7,606	7,132
State Aid – Formula and grants	56,184	54,483
Investment Earnings	423	612
Other	959	638
Total Revenues	97,354	84,285
Instruction	48,840	44,338
Instructional Resources and Media Services	1,393	1,304
Curriculum Dev. And Instructional Staff Dev	600	404
Instructional Leadership	1,366	1,420
School Leadership	5,238	5,189
Guidance, Counseling and Evaluation Services	2,675	2,871
Social Work Services	343	517
Health Services	930	812
Student (Pupil) Transportation	2,759	2,956
Food Services	5,725	6,243
Curricular/Extracurricular Activities	2,886	3,577
General Administration	2,929	2,857
Plant Maintenance & Operations	8,651	9,038
Security & Monitoring Services	1,849	2,014
Data Processing Services	1,172	1,653
Community Services	69	63
Debt Service	2,168	2,184
Bond Issuance Fees	25	179
Capital outlay	-	-
Other Intergovernmental Charges	167	199
Total Expenses	89,785	87,818
Change in net position	7,569	(3,533)
Beginning net position	57,907	61,440
Ending net position	\$ 65,476	\$ 57,907

**ROMA INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS – CONTINUED**

Table A-3 presents the cost of each of the District’s largest functions/programs as well as each function’s net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.

**Table A-3
NET COST OF SELECTED DISTRICT FUNCTIONS**
(in thousands of dollars)

	Total Cost of Services			Net Cost of Services		
	2021	2020	% Change	2021	2020	% Change
Instruction	\$ 48,840	\$ 44,338	10%	\$ 31,403	\$ 33,363	-6%
School leadership	5,238	5,189	1%	4,599	4,692	-2%
Food Services	5,725	6,243	-8%	486	1,218	-60%
Facilities Maintenance and Operations	8,651	9,038	-4%	7,706	8,316	-7%

FINANCIAL ANALYSIS OF THE DISTRICT’S FUNDS

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

General Fund

The fund balance of the Roma ISD’s General Fund was \$36,299,878 at August 31, 2021, an increase of \$8,187,714 from the previous year.

Repair & Replacement Fund

Fund balance of Roma ISD’s Repair & Replacement Fund decreased by \$1,843,424 from \$7,485,295 to \$5,641,871 as of August 31, 2021. The decrease in fund balance is primarily attributed to the District’s ongoing capital projects during the year. The District is in the process of completing a new JROTC building and repairing RC Saenz Elementary, Ramiro Barrera Middle School and the Performing Arts Center.

General Fund Budgetary Highlights

Over the course of the year, the District revised the budget twice. The amendments were needed to record an increase of revenue and decrease of expenditures in some functions and to budget for an LED light retrofit for all campuses and addition of HVAC systems in 2 campuses. Even with the budget amendments, actual expenditures were \$3,732,750 below final budget amounts. The most significant positive variance resulted from staffing. Staffing is conservatively budgeted for full employment throughout the full year including annual pay increases.

**ROMA INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS – CONTINUED**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

During the FY 2020-2021, the District invested over \$4 million in a broad range of capital assets, including equipment, buildings, vehicles, and construction in progress. (See Table A-4.)

Most of the increase in capital assets resulted from the ongoing construction of the District’s new JROTC building as well as repairs to some of the District’s campuses and performing arts center. In addition, the District purchased two new school buses, 2 police units, a truck for food service, network upgrades at several campuses, a forklift for the warehouse, a scissor lift for the maintenance department, band instruments, band hall fire alarm system upgrade, campus security entrances, and various other projects.

The following projects were started and/or completed during the fiscal year ended August 31, 2021.

Construction in progress	Additions	Completed Projects
JROTC Building	\$ 960,090	\$ -
RCS Elementary Repairs	125,477	-
RBM Repairs	586,174	-
Performing Center Repairs	32,802	-
Total	\$ 1,704,543	\$ -

The following vehicles were acquired during the fiscal year ended August 31, 2021.

2 Buses for Special Education	\$ 129,300
2 Ford Explorers Police Edition(fully-equipped)	\$ 88,500
1 Food Truck for food service	\$ 47,673

Other furniture equipment and software acquired during the fiscal year ended August 31, 2021.

Active Directory Software	\$ 448,481
Network upgrades	\$ 131,785
Scissor lift	\$ 73,984
Band instruments	\$ 60,228
Forklift	\$ 32,957

Other building improvements acquired during the fiscal year ended August 31, 2021.

LED lights retrofit, controls and HVAC improvements	\$1,841,143
Campus security door entrances	\$ 137,556
Batting cages – Roma High School	\$ 24,890
Tennis improvements – Roma High School	\$ 16,559

**ROMA INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS – CONTINUED**

Projects for the next fiscal year include:

The District will continue with the repairs at RC Saenz Elementary, Ramiro Barrera Middle School and the Performing Arts Center.

Table A-4
CAPITAL ASSETS
(In thousands of dollars)

	Governmental Activities	
	2021	2020
Land	\$ 4,257	\$ 4,257
Buildings and improvements	195,768	193,850
Furniture and Equipment and Vehicles	21,580	21,056
Construction in Progress	3,788	2,083
Totals at historical cost	225,393	221,246
Total accumulated depreciation	93,281	88,505
Net capital assets	\$ 132,112	\$ 132,741

More detailed information about the District’s capital assets is presented Note 3, Capital Assets on page 53 of the notes to the financial statements.

Long-Term Debt

At year-end the District had \$62,415,000 in General Obligation Bonds outstanding and \$7,739,000 of other long-term debt as shown in Table A-5. Of this amount, \$3,660,000 is due within the next year. Other long-term liabilities totaled \$43,988,736 which was comprised of the Districts compensated absences, net pension liability and net OPEB liability as shown in Table A-5. The total long-term liabilities outstanding as of August 31, 2021 is \$114,142,975. More detailed information about the District’s debt is presented in the notes to the financial statements.

The District’s current underlying credit rating is “AAA” by Fitch based on a guaranty provided by the Texas Permanent School Fund (PSF), whose bond guaranty program is rated “AAA” by Fitch.

**ROMA INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS – CONTINUED**

Table A-5
LONG-TERM DEBT
(In thousands of dollars)

	Governmental Activities	
	2021	2020
General Obligation Bonds		
Unlimited Tax School Building		
Bonds – Series 2016	20,835	21,335
Unlimited Tax Refunding Bonds		
Bonds – Series 2012	5,160	5,710
Bonds – Series 2013	7,400	7,510
Bonds – Series 2014	6,750	7,490
Bonds – Series 2015	4,195	5,135
Bonds – Series 2016	11,020	11,465
Bonds – Series 2020	7,055	7,300
Total general obligation bonds	62,415	65,945
Other long-term debt		
Bond interest accretion	302	235
Premium on issuance, Bonds - Series 2013	5,592	6,182
Discount on issuance, Bonds - Series 2014	(18)	(23)
Property Finance Contract	1,863	595
Total other long-term debt	7,739	6,989
Total governmental long-term debt	70,154	72,934
Other long-term liabilities		
Compensated absences	282	173
Net pension liability	21,926	21,102
Net OPEB Liability	21,780	27,071
Total other long-term liabilities	43,988	48,346
Total long-term liabilities	\$ 114,142	\$ 121,280

More detailed information about the District’s long-term debt is presented on Note 3, Long-term Obligations on page 54 of the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

- Total property values for next year will increase by about 12.7%
- State revenue per student will increase from \$9,845 to \$9,982, an increase of 1.4%.
- Local revenue per student will increase from \$1,335 to \$1,452, an increase of 0.09%.
- The board approved the 2021-2022 General Fund Budget with revenues of \$65,232,289 and expenditures totaling \$64,322,507 an excess of \$909,782 of revenues over & other resources over expenditures.
- Student enrollment will decrease by about 4% for the next school year.

These indicators were taken into account when adopting the general fund budget for FY 2021-2022.

**ROMA INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate 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 Financial Services Department at 608 North Garcia Street, Roma, Texas 78584.

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Basic Financial Statements



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

EXHIBIT A-1

Data Control Codes	Primary Government Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 17,338,894
1120 Current Investments	27,221,685
1220 Property Taxes - Delinquent	12,518,485
1230 Allowance for Uncollectible Taxes	(1,877,772)
1240 Due from Other Governments	3,203,285
1250 Accrued Interest	18,162
1267 Due from Fiduciary Funds	200
1290 Other Receivables, Net	518
1300 Inventories	114,160
1410 Prepayments	1,498,662
Capital Assets:	
1510 Land	4,257,148
1520 Buildings, Net	120,738,424
1530 Furniture and Equipment, Vehicles Net	3,328,239
1580 Construction in Progress	3,787,750
1000 Total Assets	192,147,840
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Charge for Refunding	1,590,295
1703 Deferred Outflow Related to TRS OPEB	3,011,503
1705 Deferred Outflow Related to TRS Pension	8,317,984
1700 Total Deferred Outflows of Resources	12,919,782
LIABILITIES	
2110 Accounts Payable	724,885
2140 Interest Payable	103,256
2150 Payroll Deductions and Withholdings	468,858
2160 Accrued Wages Payable	2,302,077
2180 Due to Other Governments	1,629,151
2200 Accrued Expenses	241,720
2300 Unearned Revenue	425,676
Noncurrent Liabilities:	
2501 Due Within One Year: Loans, Note, Leases, etc.	4,749,512
Due in More than One Year:	
2502 Bonds, Notes, Leases, etc.	65,686,935
2540 Net Pension Liability (District's Share)	21,926,063
2545 Net OPEB Liability (District's Share)	21,780,465
2000 Total Liabilities	120,038,598
DEFERRED INFLOWS OF RESOURCES	
2603 Deferred Resource Inflow Related to TRS OPEB	16,022,969
2605 Deferred Inflow Related to TRS Pension	3,529,744
2600 Total Deferred Inflows of Resources	19,552,713
NET POSITION	
3200 Net Investment in Capital Assets	71,799,862
Restricted:	
3820 Restricted for Federal and State Programs	2,305,115
3850 Restricted for Debt Service	287,052
3900 Unrestricted	(8,915,718)
3000 Total Net Position	\$ 65,476,311

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

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

EXHIBIT B-1

Data	Program Revenues			Net (Expense) Revenue and Changes in Net Position
Control	1	3	4	6
Codes	Expenses	Charges for Services	Operating Grants and Contributions	Primary Gov. Governmental Activities
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
11	\$ 48,839,949	\$ -	\$ 17,437,250	\$ (31,402,699)
12	1,392,701	-	163,148	(1,229,553)
13	599,569	-	170,121	(429,448)
21	1,365,671	-	224,003	(1,141,668)
23	5,238,518	-	638,978	(4,599,540)
31	2,675,321	-	1,062,549	(1,612,772)
32	342,872	-	142,008	(200,864)
33	929,708	36,263	311,468	(581,977)
34	2,758,665	-	687,108	(2,071,557)
35	5,725,494	1,784	6,210,110	486,400
36	2,886,002	-	239,879	(2,646,123)
41	2,929,375	3,004,308	322,838	397,771
51	8,650,676	-	944,209	(7,706,467)
52	1,849,303	-	290,358	(1,558,945)
53	1,171,981	-	217,523	(954,458)
61	69,248	-	79,111	9,863
72	2,168,142	-	-	(2,168,142)
73	25,215	-	-	(25,215)
99	166,689	-	-	(166,689)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 89,785,099	\$ 3,042,355	\$ 29,140,661	(57,602,083)
Data				
Control				
Codes				
	General Revenues:			
	Taxes:			
MT	Property Taxes, Levied for General Purposes			5,203,787
DT	Property Taxes, Levied for Debt Service			2,402,137
SF	State Aid - Formula Grants			56,184,386
IE	Investment Earnings			423,439
MI	Miscellaneous Local and Intermediate Revenue			957,448
TR	Total General Revenues			65,171,197
CN	Change in Net Position			7,569,114
NB	Net Position - Beginning			57,907,197
NE	Net Position - Ending			\$ 65,476,311

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

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

Data Control Codes	10 General Fund	Other Funds	Total Governmental Funds
ASSETS			
1110 Cash and Cash Equivalents	\$ 14,962,933	\$ 2,375,961	\$ 17,338,894
1120 Investments - Current	23,021,526	4,200,159	27,221,685
1220 Property Taxes - Delinquent	10,542,462	1,976,023	12,518,485
1230 Allowance for Uncollectible Taxes	(1,581,369)	(296,403)	(1,877,772)
1240 Due from Other Governments	943,664	2,259,621	3,203,285
1250 Accrued Interest	18,162	-	18,162
1260 Due from Other Funds	5,808,601	2,322,408	8,131,009
1290 Other Receivables	518	-	518
1300 Inventories	114,160	-	114,160
1410 Prepayments	1,498,662	-	1,498,662
1000 Total Assets	<u>\$ 55,329,319</u>	<u>\$ 12,837,769</u>	<u>\$ 68,167,088</u>
LIABILITIES			
2110 Accounts Payable	\$ 339,197	\$ 385,688	\$ 724,885
2150 Payroll Deductions and Withholdings Payable	468,858	-	468,858
2160 Accrued Wages Payable	1,866,172	435,905	2,302,077
2170 Due to Other Funds	5,894,142	2,236,667	8,130,809
2180 Due to Other Governments	1,334,967	294,184	1,629,151
2200 Accrued Expenditures	195,949	45,771	241,720
2300 Unearned Revenue	114,160	311,516	425,676
2000 Total Liabilities	<u>10,213,445</u>	<u>3,709,731</u>	<u>13,923,176</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	8,815,996	1,640,266	10,456,262
2600 Total Deferred Inflows of Resources	<u>8,815,996</u>	<u>1,640,266</u>	<u>10,456,262</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3410 Inventories	114,160	-	114,160
3430 Prepaid Items	1,498,662	-	1,498,662
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	793,540	1,511,575	2,305,115
3470 Capital Acquisition and Contractual Obligation	-	5,641,871	5,641,871
3480 Retirement of Long-Term Debt	-	261,796	261,796
Committed Fund Balance:			
3510 Construction	7,348,000	-	7,348,000
3545 Other Committed Fund Balance	-	72,530	72,530
3600 Unassigned Fund Balance	26,545,516	-	26,545,516
3000 Total Fund Balances	<u>36,299,878</u>	<u>7,487,772</u>	<u>43,787,650</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 55,329,319</u>	<u>\$ 12,837,769</u>	<u>\$ 68,167,088</u>

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

ROMA 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	\$	43,787,650
1 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. The cost of these assets was \$225,392,184 and the accumulated depreciation was \$(93,280,623). The net effect of including capital assets (net of depreciation) in the governmental activities is to increase (decrease) net position.		132,111,561
2 Long-term liabilities, including bonds payable totaling \$(62,415,000) and property finance contract in the amount of \$(1,863,518), are not due and payable in the current period and therefore are not reported in the funds.		(64,278,518)
3 Gains/losses on defeasance of debt refundings is recognized as deferred outflows or inflows and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, as an increase or (decrease) in net position. Deferred inflows/outflows due to debt refundings are not reported in the funds.		1,590,295
4 Premiums totalling \$(5,592,273) and discounts in the amount of \$18,311 resulting from the issuance of bonds are capitalized, net of amortization, on the government-wide statements.		(5,573,962)
5 Long-term liabilities, including interest accretion on bonds payable \$(301,759) and accrued interest \$(103,256) on outstanding, unmatured bonds, are not due and payable in the current period and therefore are not reported in the funds.		(405,015)
6 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB Code Sec. P20. The net position related to TRS included a deferred resource outflow in the amount of \$8,317,984, a deferred resource inflow in the amount of \$(3,529,744), and a net pension liability in the amount of \$(21,926,063). This resulted in a decrease in net position.		(17,137,823)
7 Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB Statement No. 75. The net position related to TRS included a deferred resource outflow in the amount of \$3,011,503, a deferred resource inflow in the amount of \$(16,022,969), and a net OPEB liability in the amount of \$(21,780,465). This resulted in an increase(decrease) in net position.		(34,791,931)
8 Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures and, therefore, are unavailable in the funds.		10,456,262
9 Compensated absences are not due and payable in the current period and therefore are not reported in the funds.		(282,208)
19 Net Position of Governmental Activities	\$	65,476,311

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

ROMA 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	Other Funds	Total Governmental Funds
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 9,395,381	\$ 2,570,987	\$ 11,966,368
5800 State Program Revenues	55,625,670	3,770,417	59,396,087
5900 Federal Program Revenues	7,735,563	13,253,648	20,989,211
5020 Total Revenues	<u>72,756,614</u>	<u>19,595,052</u>	<u>92,351,666</u>
EXPENDITURES:			
Current:			
0011 Instruction	32,075,596	10,856,755	42,932,351
0012 Instructional Resources and Media Services	1,190,266	15,751	1,206,017
0013 Curriculum and Instructional Staff Development	399,258	124,917	524,175
0021 Instructional Leadership	1,077,560	119,669	1,197,229
0023 School Leadership	4,391,014	131,868	4,522,882
0031 Guidance, Counseling, and Evaluation Services	1,505,181	803,019	2,308,200
0032 Social Work Services	190,165	105,593	295,758
0033 Health Services	590,253	206,209	796,462
0034 Student (Pupil) Transportation	2,090,363	436,377	2,526,740
0035 Food Services	5,235,143	138,149	5,373,292
0036 Extracurricular Activities	2,566,976	7,866	2,574,842
0041 General Administration	2,451,561	165,506	2,617,067
0051 Facilities Maintenance and Operations	7,419,978	328,238	7,748,216
0052 Security and Monitoring Services	1,620,050	27,470	1,647,520
0053 Data Processing Services	933,992	48,050	982,042
0061 Community Services	44,932	70,751	115,683
Debt Service:			
0071 Principal on Long-Term Debt	542,564	3,530,000	4,072,564
0072 Interest on Long-Term Debt	29,706	2,496,831	2,526,537
0073 Bond Issuance Cost and Fees	18,115	7,100	25,215
Capital Outlay:			
0081 Facilities Acquisition and Construction	1,841,143	1,827,811	3,668,954
Intergovernmental:			
0099 Other Intergovernmental Charges	166,689	-	166,689
6030 Total Expenditures	<u>66,380,505</u>	<u>21,447,930</u>	<u>87,828,435</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	6,376,109	(1,852,878)	4,523,231
OTHER FINANCING SOURCES (USES):			
7913 Capital Leases	1,811,605	-	1,811,605
1200 Net Change in Fund Balances	8,187,714	(1,852,878)	6,334,836
0100 Fund Balance - September 1 (Beginning)	<u>28,112,164</u>	<u>9,340,650</u>	<u>37,452,814</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 36,299,878</u>	<u>\$ 7,487,772</u>	<u>\$ 43,787,650</u>

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

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

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ 6,334,836
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets, \$4,860,869 is allocated over their useful lives as depreciaton expense which totaled \$(5,490,487) at year end. This is the amount of capital assets in excess of depreciation expense in the current period.	(629,618)
Property tax revenues in the statement of activities do not provide current financial resources and are not reported as revenues in the funds.	62,798
Repayment of bond principal \$3,530,000 and property finance contracts \$542,564 is an expenditure in the funds but is not an expense in the statement of activities.	4,072,564
The issuance of other long-term debt for equipment financing provides current financial resources to governmental fund, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This is the amount that represents current equipment financing agreements the District has entered into.	(1,811,605)
Governmental funds report the effect of current period premiums amortization of \$589,169, amortization of discounts \$(4,285), gains/losses amortized totaling \$(112,371), and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This is the net effect of these differences.	472,513
Some expenses such as the effect of changes in compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(108,995)
GASB Code Sec. P20 requires 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 the ending net position to increase by \$1,914,413. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as reduction in net pension liability. This caused a decrease in net position totaling \$(1,689,153). Finally, the District's 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 \$(1,699,123). The net result is an increase (decrease) in the change in net position.	(1,473,863)
GASB Statement No. 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 \$457,310. 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 net position totaling \$(435,483). Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense decreased the change in net position by \$742,775. The net result is an increase (decrease) in the change in net position.	764,602
The current period accretion of interest on capital appreciation bond totaled \$(66,347) and the change in accrued interest on unpaid, unmatured bonds due at the end of the year totaled \$(47,771).	(114,118)
Change in Net Position of Governmental Activities	\$ 7,569,114

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

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

	Custodial Fund
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 167,052
Total Assets	<u>167,052</u>
LIABILITIES	
Due to Student Groups	<u>200</u>
Total Liabilities	<u>200</u>
NET POSITION	
Restricted for Other Purposes	<u>166,852</u>
Total Net Position	<u>\$ 166,852</u>

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

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

	Custodial Fund
ADDITIONS:	
Contributions to Student Groups	\$ 28,531
Miscellaneous Revenue - Student	23,254
Enterprising Services Revenue	58,089
Earnings from Temporary Deposits	21
Total Additions	109,895
DEDUCTIONS:	
Professional and Contracted Services	10,028
Supplies and Materials	53,095
Other Deductions	74,566
Total Deductions	137,689
Change in Fiduciary Net Position	(27,794)
Total Net Position September 1 (Beginning)	-
Prior Period Adjustment	194,646
Total Net Position August 31 (Ending)	\$ 166,852

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

Notes to Financial Statements



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Roma Independent School District (the "District") is an independent public education agency operating under applicable laws and regulations of the State of Texas. This report includes the financial statements of the funds required to account for those activities, organizations and functions, which are related to the District and which are controlled by or dependent upon the District's governing body, the Board of Trustees. The Board of Trustees (the Board), includes seven eligible members elected at large by the qualified voters of the Roma Independent School District. The Board has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency (TEA) or to the State Board of Education are reserved for the Board, and TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board.

The District is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared, based on considerations regarding the potential for inclusion of other entities, organizations, or functions, as part of the District's financial reporting entity. Based on these considerations, no other entities have been included in the District's financial reporting entity. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other government or other type of reporting entity.

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

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions.

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The basis of accounting recognizes revenues in the accounting period in which they become available and measurable. The District considers revenues as available if they are collected within 90 days after year end. Revenues susceptible to accrual are property taxes, fiscal year state funding, and interest revenues. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred, all other eligibility requirements have been met and the amount is received during the period or within the availability period for this revenue source (within 90 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Government-Wide Financial Statements

The government-wide financial statements consist of the statement of net position and the statement of activities. These statements report information on all of the non-fiduciary activities of the District. The effect of the interfund activity has been removed from these statements. Governmental Activities include programs supported primarily by taxes, State funds, grants and other intergovernmental revenues.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to, and accounted for the purpose of, carrying on specific activities in accordance with laws, regulations, or other appropriate requirements. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

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

In addition, the District reports the following fund types:

Governmental Funds:

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

Special Revenue Funds. The District accounts for resources restricted to, or committed for, a specific purpose by the District or a grantor in a special revenue fund. Most federal and some state financial award programs are accounted for in these funds and sometimes unused balances must be returned to the grantor at the close of specified project periods.

Capital projects funds account for the acquisition and construction of the District's major capital facilities.

The District reports the following fiduciary fund types:

Fiduciary Funds:

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

Custodial funds - The District accounts for resources held for others in a custodial capacity in a custodial fund. The Fund is used to account for assets held by the District as an agent for student and other organizations. These funds were previously reported in an agency fund. This change resulted in reporting more detail of additions to and deductions from custodial funds than was report for agency funds.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

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

Budgetary Information

Budgetary basis of accounting

The official school budget was prepared for adoption for required Governmental Fund Types by August 20, 2020. The budget was formally adopted by the board of school trustees at a duly advertised public meeting prior to the expenditure of funds. The budget was amended by the Board of Trustees twice during the year. Expenditures may not legally exceed budgeted appropriations at the function level.

Excess of expenditures over appropriations

Over the course of the year, the District revised the budget twice. The amendments were needed to record an increase of revenue and decrease of expenditures in some functions and to budget for an LED light retrofit for all campuses and addition of HVAC systems in 2 campuses. Even with the budget amendments, actual expenditures were \$3,732,750 below final budget amounts. The most significant positive variance resulted from staffing. Staffing is conservatively budgeted for full employment throughout the full year including annual pay increases. Although total expenditures were less than the final approved budget, there were negative variances for several functions. For the year ended August 31, 2021 expenditures exceeded the budget in the following functional categories:

Function	Budget	Actual	Variance
General Fund:			
35 - Food Services	5,031,080.00	5,235,143.00	(204,063.00)
71 - Principal on Long-Term Debt	520,000.00	542,564.00	(22,564.00)
73- Bond Issuance Cost and Fees	-	18,115.00	(18,115.00)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Money market investments which are short-term, highly liquid debt instruments including commercial paper, banker's acceptances and U.S. Treasury and agency obligations that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. Investment pools have met the criteria established under GASB Cod. Sec. In5.102, *Investment Pools (External) – Pool Accounting and Reporting* and GASB Cod. Sec. In5.104, *Investment Pools (External) – Pools That Measure Investments at Amortized Cost – Additional Requirements* to report their value at amortized cost. All of the investment pools strive to maintain a \$1 per share net asset value. Additionally, the pools do not have any limitations or restrictions on withdrawals such as notice periods or maximum transaction amounts. The pools do not impose any liquidity or redemption gates. Nonparticipating interest-earning investment contracts are reported using a cost-based measure. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. All other investments are reported at fair value.

Interfund Activity

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

Inventories and Prepaid Items

Inventory is valued at cost (average). The District accounts for school supply and food inventories by using the consumption method whereby expenditures are recognized only when inventory items are used. Maintenance supplies inventory is accounted for by using the purchase method whereby purchases of inventories are recognized as expenditures when the goods are received and the transaction is vouchered. Reported inventories are equally offset by a non-spendable fund balance which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Commodity inventory is offset by unearned revenue.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepayments

Prepayments are prepaid expenses that will benefit periods beyond August 31, 2021. The only prepayments included are for unexpired insurance policy premiums paid by August 31, 2021, and which extend beyond that date. The reported prepaid insurance is equally offset by a nonspendable fund balance, which indicates that they do not constitute "available expendable resources" even though they are a component of net current assets. Prepaid expenditures are recorded when consumed rather than when purchased.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their acquisition value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

A capitalization threshold of \$5,000 is used. Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Assets Class</u>	<u>Estimated Useful Lives</u>
Buildings and Improvements	50
Vehicles	5-10
Furniture and Equipment	3-15

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflow of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. The first item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunding debt. The District also reports deferred outflows of resources related the employee TRS pension and other postemployment benefits (OPEB).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has two types of items. The first item arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District also reports deferred inflows of resources related to employee TRS pensions and other postemployment benefits (OPEB).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

The District's policy allows employees with at least ten years of employment with the District to accumulate unused sick leave up to 30 days. Sick leave in excess of the 30 day maximum is not paid at termination, but will be paid only upon illness while in the employ of the District.

Long-term Obligations

In government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Premiums received and discounts incurred on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from debt proceeds, are reported as debt service requirements.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, 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.

Other Post-Employment Benefits (OPEB) Liability

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The District's proportionate share of OPEB amounts were further allocated to each participating employer based on the contributions paid by each employer. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account.

Fund Balance Reporting

Fund balances are reported in two major categories, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items and inventories. The District has prepaid items and inventories that are considered nonspendable.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to the nonspendable fund balance, There is a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- **Restricted:** fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed:** fund balances that contain self-imposed constraints of the government from its highest level of decision making authority. The responsibility to commit funds rests with the Board of Trustees. Committed amounts cannot be used for any other purpose unless the governing board changes or lifts the constraint taking the same formal action that imposed the constraint originally. The District establishes (and modifies or rescinds) fund balance commitments by passage of a resolution.
- **Assigned:** fund balances that contain self-imposed constraints of the government to be used for a particular purpose. The responsibility to assign funds rests with the Superintendent.
- **Unassigned:** fund balance of the general fund that is not constrained for any particular purpose.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Net Position Flow Assumption

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

Revenues and Expenditures

Program revenues – Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property taxes – Property taxes are levied by October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrance Accounting

The District employs encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase orders and contracts. An encumbrance represents a commitment of Board appropriation related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources.

Appropriations lapse at August 31st and encumbrances outstanding at that time are either cancelled or appropriately provided for in the subsequent year's budget. Outstanding encumbrances that were provided for in the subsequent year's budget are presented below:

General Fund	\$	2,203,613
Special Revenue Funds		2,459,326
Total	\$	4,662,939

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates. Actual results could differ from those estimates.

Accounting System

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

Data Control Codes

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

Fair Value Measurements

GASB Cod. Sec. 3100.115, *Fair Value Measurement – Valuation Techniques and Approaches*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, January 26, 2022. See Note 10 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

Recently Issued and Implemented Accounting Pronouncements

In fiscal year 2020 the District implemented GASB Statement No. 84, *Fiduciary Activities*, effective for fiscal years beginning after December 15, 2018, extended by Statement No. 95 to fiscal years beginning after December 15, 2019. This Statement seeks to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The impact of the implementation was a restatement of the beginning net position of the custodial fund of \$194,646.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These Statements are as follows:

GASB Statement No. 87, *Leases*, effective for fiscal years beginning after December 15, 2019, extended by Statement No. 95 to fiscal years beginning after June 15, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 92, *Omnibus 2020*, enhances comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirement of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 96, *Subscriptions-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation plans* increases the consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

The District is evaluating the requirements of the above statements and the impact on reporting.

NOTE 2: CHANGE IN ACCOUNTING PRINCIPLE/PRIOR PERIOD RESTATEMENT

During fiscal year 2021, the District implemented GASB Statement No. 84 *Fiduciary Activities*. Under GASB 84, the District identified the Student Activity Fund previously reported as an agency fund with no net position as a Custodial Fund, which required a prior period adjustment in the amount of \$194,646 in order to properly present the statement of fiduciary net position and statement of changes in fiduciary net position as required.

NOTE 3: DETAILED NOTES ON ALL FUNDS

Deposits and Investments

Investment Accounting Policy

The District is required by Government Code Chapter 2256, The Public Funds Investment Act (the "Act"), to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

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

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

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

The Act determines the types of investments, which are allowable for the District. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, the state of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The District policy authorizes all the State allowable investments.

The District's management believes that it has complied in all material respects with the requirements of the act and the District's investment policies.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Public Funds Investment Act, the District's investment policy, and Government Code Chapter 2257 "Collateral for Public Funds" contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments. To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public fund investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than .0995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005.

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

Roma Independent School District Notes to the Financial Statements

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

Cash Deposits

At August 31, 2021, the carrying amount of the District's deposits had a balance of \$44,465,572 (cash, certificates of deposit, and interest-bearing savings accounts, not including \$95,007 deposited in TexPool) and the bank balance was \$45,947,587. The District's cash deposits at August 31, 2021 and during the year ended August 31, 2021 were entirely covered by FDIC insurance or by pledged collateral held in the District's name by a bank other than the pledging bank.

The District's cash deposits at August 31, 2021 are maintained primarily at Lone Star National Bank. The deposits were collateralized in accordance with Texas Law, and the Texas Education Agency maintains copies of all safekeeping receipts in the name of the District. Deposits were properly secured at all times.

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

- a. Name of Bank Lone Star National Bank
- b. Amount of bond and/or market value of securities pledged as of the date of the highest combined balance on deposit was \$62,769,450.
- c. Largest cash, savings and time deposit combined account balance amounted to \$30,006,689 and occurred during the month of March 25, 2021.
- d. Total amount of FDIC coverage at the time of largest combined balance was \$250,000.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the specific investments and their maturity:

Description	CUSIP	Amount	Maturity	Days
TexPool	N/A	\$ 95,007 *	N/A	Daily
Lone Star National Bank Certificate of Deposit	N/A	27,126,678		Daily
		<u>\$ 27,221,685</u>		

*Not Included as cash and cash equivalents

**Roma Independent School District
Notes to the Financial Statements**

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the District’s investment policy and the Texas Public Fund Investment Act and the actual rating as of year end for each investment.

Description	Minimum Legal Rating	Amount	Rating	Percentage
TexPool	AAA	\$ 95,007 *	AAAm	0%
Lone Star National Bank Certificate of Deposit	AAA	27,126,678	AAA	100%
		\$ 27,221,685		

*Not Included as cash and cash equivalents

Concentration of Credit Risk

The Investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Public Funds Investment Act (“PFIA”). There were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments.

Fair Value

Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

- Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access
- Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity
- Level 3 are unobservable inputs that reflect the entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

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

- Market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities
- Cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost)
- Income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Public Funds Investment Pools

TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (Trust Company) to provide a safe environment for the placement of local government funds in authorized short-term, fully-collateralized investments, including direct obligations of, or obligations guaranteed by, the United States or State of Texas or their agencies; federally insured certificates of deposit issued by Texas banks or savings and loans; and fully collateralized direct repurchase agreements secured by United States Government agency securities and placed through a primary government securities dealer.

The Trust Company was incorporated by the State Treasurer by authority of the Texas Legislature as a special purpose trust company with direct access to the services of the Federal Reserve Bank to manage, disburse, transfer, safekeep, and invest public funds and securities more efficiently and economically. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters.

As noted in the District's Summary of Significant Accounting Policies, the District reports its local government investment pools at amortized cost as permitted by GASB Cod. Sec. In5.102, *Investment Pools (External) – Pool Accounting and Reporting* and GASB Cod. Sec. In5.104, *Investment Pools (External) – Pools That Measure Investments at Amortized Cost – Additional Requirements*. In addition, the pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. The pools do not impose any liquidity fees or redemption gates.

TexPool investments consist exclusively of U. S. Government securities, repurchase agreements collateralized by U. S. Government securities, and AAA-rated no-load money market mutual funds. TexPool is rated AAAM by Standards & Poor's, the highest rating a local government investment pool can achieve. The weighted average maturities of the pool cannot exceed 60 days, with the maximum maturity of any investment limited to 13 months. TexPool, like its participants, are governed by the Texas Public Funds Investment act, and are in full compliance with the Act.

Roma Independent School District Notes to the Financial Statements

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Disaggregation of Receivables and Payables

Receivables at August 31, 2021, were as follows:

	Property Taxes, Net	Other Governments	Accrued Interest	Due from Other funds	Total Receivables
Governmental Funds:					
General fund	\$ 8,961,093	\$ 943,664	\$ 18,162	\$ 5,808,601	\$ 15,731,520
Nonmajor Governmental funds	1,679,620	2,259,621	-	2,322,408	6,261,649
Total Governmental Funds	\$ 10,640,713	\$ 3,203,285	\$ 18,162	\$ 8,131,009	\$ 21,993,169

Payables at August 31, 2021, were as follows:

	Accounts Payable	Salaries and Benefits	Due to Other Funds	Accrued Expenditures	Due to Other Governments	Total Payables
Governmental Funds:						
General fund	\$ 339,197	\$ 2,335,030	\$ 5,894,142	\$ 195,949	\$ 1,334,967	\$ 10,099,285
Nonmajor Governmental funds	385,688	435,905	2,236,667	45,771	294,184	3,398,215
Total Governmental Funds	\$ 724,885	\$ 2,770,935	\$ 8,130,809	\$ 241,720	\$ 1,629,151	\$ 13,497,500

Property Taxes

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

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. The District's 2020 tax rate was \$1.0547 for maintenance and \$.3225 for debt service per \$100 assessed valuation. The 2020 assessed valuation was \$508,323,541. Allowances for uncollectibles within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

At August 31, 2021, outstanding taxes were \$10,542,462 and \$1,976,023 in the general fund and debt service fund with a corresponding allowance of \$1,581,369 and \$296,403.

Roma Independent School District Notes to the Financial Statements

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets

Capital asset activity for the year ended August 31, 2021, was as follows:

	General Capital Assets			General Capital Assets		
	Sept. 1, 2020	Additions	Deletions	Transfers	Aug. 31, 2021	
Governmental activities						
Capital assets not being depreciated						
Land	\$ 4,257,148	\$ -	\$ -	\$ -	\$ 4,257,148	
Construction in progress	2,083,207	1,704,543	-	-	3,787,750	
Total capital assets not being depreciated	6,340,355	1,704,543	-	-	8,044,898	
Capital assets being depreciated						
Building and improvements	193,849,712	1,918,196	-	-	195,767,908	
Furniture and equipment	11,508,978	972,657	-	-	12,481,635	
Vehicles	9,546,904	265,473	(714,634)	-	9,097,743	
Total capital assets being depreciated	214,905,594	3,156,326	(714,634)	-	217,347,286	
Less accumulated depreciation:						
Building and improvements	70,498,105	4,531,379	-	-	75,029,484	
Furniture and equipment	9,513,762	675,114	-	-	10,188,876	
Vehicles	8,492,903	283,994	(714,634)	-	8,062,263	
Total accumulated depreciation	88,504,770	5,490,487	(714,634)	-	93,280,623	
Total capital assets being depreciated, net	126,400,824	(2,334,161)	-	-	124,066,663	
Governmental activities capital assets, net	\$ 132,741,179	\$ (629,618)	\$ -	\$ -	\$ 132,111,561	

Depreciation was charged to the following functions:

Governmental Activities:

11 – Instruction	\$ 3,060,184
12 – Instructional Resources and Media Services	85,095
13 – Curriculum and Staff Development	36,985
21 – Instructional Leadership	84,475
23 – School Leadership	319,665
31 – Guidance, Counseling and Evaluation Services	162,864
32 – Social Work Services	20,868
33 – Health Services	56,197
34 – Student Transportation	178,283
35 – Food Services	379,132
36 – Cocurricular/Extracurricular Activities	181,677
41 – General Administration	184,657
51 – Plant Maintenance and Operations	546,704
52 – Security and Monitoring Services	116,247
53 – Data Processing Services	69,292
61 – Community Services	8,162
Total	\$ 5,490,487

Roma Independent School District Notes to the Financial Statements

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Obligations

Long-term obligations include bonds payable and capital leases payable. Changes in long-term obligations for the year ended August 31, 2021 are as follows:

Governmental Activities	Beginning Balance Sept. 1, 2020	Increase	Decrease	Ending Balance Aug. 31, 2021	Due Within One Year
Unlimited Tax School Building					
Bonds – Series 2016	21,335,000	-	(500,000)	20,835,000	520,000
Unlimited Tax Refunding Bonds					
Bonds – Series 2012	5,710,000	-	(550,000)	5,160,000	570,000
Bonds – Series 2013	7,510,000	-	(110,000)	7,400,000	115,000
Bonds – Series 2014	7,490,000	-	(740,000)	6,750,000	760,000
Bonds – Series 2015	5,135,000	-	(940,000)	4,195,000	975,000
Bonds – Series 2016	11,465,000	-	(445,000)	11,020,000	460,000
Bonds – Series 2020	7,300,000	-	(245,000)	7,055,000	260,000
Total general obligation bonds	65,945,000	-	(3,530,000)	62,415,000	3,660,000
Interest accretion CAB bonds	235,412	66,347	-	301,759	-
Premium on issuance of bonds	6,181,442	-	(589,169)	5,592,273	551,385
Discount on issuance of bonds	(22,596)	-	4,285	(18,311)	(3,870)
Property finance contracts	594,477	1,811,605	(542,564)	1,863,518	476,997
Total general long-term debt	6,988,735	1,877,952	(1,127,448)	7,739,239	1,024,512
Total governmental long-term debt	\$ 72,933,735	\$ 1,877,952	\$ (4,657,448)	\$ 70,154,239	\$ 4,684,512

In addition to the long-term debt and the long-term liabilities for the District's Teacher Retirement System Net pension liability and the net OPEB liabilities as referred to in Note 3 Defined Benefit Pension Plan and Note 4 Defined Other Post-Employment Benefit Plan, the District has the following changes in other long-term obligations:

Governmental Activities	Beginning Balance Sept. 1, 2020	Increase	Decrease	Ending Balance Aug. 31, 2021	Due Within One Year
Compensated absences	\$ 173,213	\$ 230,925	\$ (121,930)	\$ 282,208	\$ 65,000

Roma Independent School District Notes to the Financial Statements

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Obligations (Continued)

General Obligation Bonds:

Bonds payable at August 31, 2021 are comprised of the following individual issues:

The Roma Independent School District Board of Trustees authorized the issuance of \$8,565,000 in Unlimited Tax Refunding Bonds, Series 2012. The bond components consist of \$8,380,000 in current interest bonds (CIBs) and \$185,000 in premium capital appreciation bonds (CABs). Interest rates range from 3.00% to 3.50% and mature on August 15 of each year until 2029. Interest is paid semi-annually on February 15 and August 15. The bonds were issued to refund a portion of the District's currently outstanding debt and to pay the costs of issuance of the bonds. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds and to pay the costs of issuance of the bonds.

As a result, the refunded bonds totaling \$8,565,000 are considered defeased and the liability for those bonds, has been removed from the long-term debt account.

\$ 5,160,000

The Roma Independent School District Board of Trustees authorized the issuance of \$8,370,000 in Unlimited Tax Refunding Bonds, Series 2013. The bond components consist of \$4,865,000 in current interest bonds (CIBs), \$3,430,000 in term bonds and \$75,000 in premium capital appreciation bonds (CABs). Interest rates range from 1.00% to 3.50% and mature on August 15 of each year until 2034. Interest is paid semi-annually on February 15 and August 15. The bonds were issued to refund a portion of the District's currently outstanding debt and to pay the cost of issuance of the bonds. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds and to pay the costs of issuance of the bonds. As a result, the refunded bond totaling \$8,370,000 are considered defeased and the liability for those bonds, has been removed from the long-term debt account.

7,400,000

The Roma Independent School District Board of Trustees authorized the issuance of \$8,740,000 in Unlimited Tax Refunding Bonds, Series 2014. The bond components consist of \$8,700,000 in current interest bonds (CIBs), \$40,000 in premium capital appreciation bonds (CABs). Principal and interest on CIBs are due annually on August 15 through the year 2029. Principal payments range from \$80,000 to \$935,000 and interest rates range from 2.00% to 3.50%. CAB principal matures on August 15, 2019 and carry an interest rate of 1.57%. The bonds were issued to refund a portion of the District's currently outstanding debt and to pay the cost of issuance of the bonds. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds and to pay the costs of issuance of the bonds. As a result, the refunded bond totaling \$8,740,000 are considered defeased and the liability for those bonds, has been removed from the long-term debt account.

6,750,000

**Roma Independent School District
Notes to the Financial Statements**

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Obligations (Continued)

The Roma Independent School District Board of Trustees authorized the issuance of \$9,535,000 in Unlimited Tax Refunding Bonds, Series 2015. The bond components consist of \$9,535,000 in current interest bonds (CIBs). Principal and interest are due annually on August 15 through the year 2025. Principal payments range from \$125,000 to \$1,075,000 and interest rates range from 2.00% to 5.00%. The bonds were issued to refund a portion of the District's currently outstanding debt and to pay the cost of issuance of the bonds. The bonds were issued at \$9,535,000, par with an issuance premium totaling \$1,362,629. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds and to pay the costs of issuance of the bonds. As a result, the refunded bond totaling \$10,690,751 are considered defeased and the liability for those bond, has been removed from the long-term debt account.

\$ 4,195,000

The Roma Independent School District Board of Trustees authorized the issuance of \$12,435,000 in Unlimited Tax Refunding Bonds, Series 2016. The bond components consist of \$9,860,000 in current interest bonds (CIBs) and \$2,575,000 in term bonds. Principal and interest are due annually on August 15 through the year 2035. Principal payments range from \$135,000 to \$775,000 and interest rates range from 2.00% to 5.00% and the term bonds totaling \$2,575,000 are due in the year 2038 at a rate of 5.00%. The bonds were issued to refund a portion of the District's currently outstanding debt and to pay the cost of issuance of the bonds. The bonds were issued at \$12,435,000, par with an issuance premium totaling \$1,753,554. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds and to pay the costs of issuance of the bonds. As a result, the refunded bond totaling \$12,685,000 are considered defeased and the liability for those bond, has been removed from the long-term debt account.

11,020,000

The Roma Independent School District Board of Trustees authorized the issuance of \$23,420,000 in Unlimited Tax School Building Bonds, Series 2016. The bonds are officially dated October 6, 2016. They mature in various years beginning in 2017 and maturing on August 15, 2046 in principal amounts ranging from 470,000 and \$5,855,00 with interest rates range from 2.00% to 4.00% and will be payable semiannually on the 15th of February and August. The bonds were being issued to construct a new elementary.

\$20,835,000

**Roma Independent School District
Notes to the Financial Statements**

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Obligations (Continued)

The Roma Independent School District Board of Trustees authorized the issuance of \$7,420,000 in Unlimited Tax Refunding Bonds, Series 2020. The bond components consist of \$7,420,000 in current interest bonds (CIBs). Principal and interest are due annually on August 15 through the year 2040. Principal payments range from \$120,000 to \$510,000 and interest rates range from 1.125% to 4.000%. The bonds were issued to refund a portion of the District's currently outstanding debt and to pay the cost of issuance of the bonds. The bonds were issued to refund a portion of the District's currently outstanding debt and to pay the cost of issuance of the bonds. The bonds were issued at \$7,420,000, par with an issuance premium totaling \$1,364,610. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds and to pay the costs of issuance of the bonds. As a result, the refunded bond totaling \$8,450,000 are considered defeased and the liability for the bond has been removed from the long-term debt account.

\$7,055,000

Total general obligations bonds

\$62,415,000

Debt service requirements on long-term debt at August 31, 2021 are as follows:

Year Ending August 31	Bond Payable		Total Requirement
	Principal	Interest	
2022	\$ 3,660,000	\$ 2,374,881	\$ 6,034,881
2023	3,790,000	2,237,269	6,027,269
2024	3,945,000	2,087,556	6,032,556
2025	4,095,000	1,936,419	6,031,419
2026	3,080,000	1,777,494	4,857,494
2027-2031	13,390,000	9,539,454	22,929,454
2032-2036	16,095,000	4,803,200	20,898,200
2037-2041	8,505,000	2,093,400	10,598,400
2042-2046	5,855,000	721,000	6,576,000
Total	\$ 62,415,000	\$ 27,570,673	\$ 89,985,673

There are a number of limitations and restrictions contained in the general obligation bond indentures. Management has indicated that the District is in compliance with all significant limitations and restrictions at August 31, 2021.

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Obligations (Continued)

In prior years, the District defeased certain outstanding 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, the respective trust account assets and related liabilities for the defeased bonds are not included in the District's financial statements. At August 31, 2021, the following outstanding bonds are considered defeased:

Series	Ending Balance
2004	\$ 5,265,000
2005	4,735,000
2006A	7,380,000
2006B	7,750,000
2008	11,435,000
2010	8,160,000

Public Property Finance Contract

Control Project

In May 2016, the District approved an order to enter into a public property finance contract totaling \$267,476 with a stated interest of 2.59%. Payments are due in five payments of \$57,723 on the first of June through the year 2021. The purpose was to upgrade the cooling system for one middle school and high school.

HVAC

In May 2016, the District approved an order to enter into a public property finance contract totaling \$476,256 with a stated interest of .25%. Payments are due in 32 payments of \$15,062 beginning on May 31, 2017 through February 28, 2025. The purpose was to upgrade the cooling system and one middle school and high school.

Football Lighting System

In April 2019, the District approved an order to enter into a public property finance contract totaling \$329,500 with a stated interest of 3.95%. The District entered into a direct financing lease with Musco Lighting System whereas payments are due in 5 payments of \$74,061 beginning on July 8, 2020 through July 8, 2024. The purpose was to replace lights for the football stadium at the District's high school.

Energy Conservation LED & HVAC Retrofit

In September 2020, the District approved an order to enter into a public property finance contract totaling \$1,811,605 with a stated interest of 1.99%. Payments are due in five payments of \$380,237 beginning February 18, 2021 through February 18, 2025. The purpose was to upgrade light fixtures throughout the District's campuses and to install new HVAC and split system air units.

**Roma Independent School District
Notes to the Financial Statements**

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Obligations (Continued)

Year Ending August 31	HVAC System		Football Stadium Lights		LED & HVAC Retrofit		Total Property Finance Contracts	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	59,782	469	65,798	8,263	351,418	28,819	\$ 476,998	\$ 37,551
2023	59,930	319	68,444	5,617	358,411	21,826	\$ 486,785	\$ 27,762
2024	60,080	169	71,197	2,864	365,544	14,693	\$ 496,821	\$ 17,726
2025	30,096	28	-	-	372,818	7,419	\$ 402,914	\$ 7,447
Total	\$ 209,888	\$ 985	\$ 205,439	\$ 16,744	\$ 1,448,191	\$ 72,757	\$ 1,863,518	\$ 90,486

Due from/Due to other government agencies

Amounts due from / due to other governments and agencies are as follows:

	Due From	Due To
Governmental Funds:		
General Fund:		
City of Roma	\$ -	\$ 147,536
Texas Education Agency:		
Food service	743,520	-
Foundation revenues	200,144	1,187,431
	943,664	1,334,967
Other Governmental Funds:		
Texas Education Agency:		
ESEA, Title I, Part A – Improving Basic Programs	498,455	-
ESEA, Title I, Part C – Migratory Children	6,639	-
IDEA–B Formula	252,208	-
IDEA–B Preschool	8,647	278
Summer Feeding Program	-	-
Career and Technical – Basic Grant	16,837	-
ESEA, Title II, Part A - Teacher & Principal Training & Recruitment	57,632	-
ESEA, Title III, Part A - English Language Acquisition	7,104	-
Elementary and Secondary School Emergency Relief Fund (ESSER I)	293,074	-
Gear Up	61,689	-
Rural Education Achievement Program	31	-
Instructional Continuity Grant	-	-
Elementary and Secondary School Emergency Relief Fund (ESSER III)	1,008,769	-
Title IV, Part A, Subpart 1- Student Support and Academic Enrichment	35,596	-
Instructional Facilities Allotment (IFA)	-	293,906
School Safety and Security Grant	12,940	-
Total Governmental Funds	2,259,621	294,184
Total	\$ 3,203,285	\$ 1,629,151

**Roma Independent School District
Notes to the Financial Statements**

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Due from/Due to other funds

Interfund receivable and payable balances at August 31, 2021 were as follows:

Due to	Due From	
General Fund - Food Service	General Fund	\$ 1,296,643
General Fund	General Fund - Food Service	567,957
General Fund	Non-Major Fund	2,236,690
General Fund	Fiduciary Fund	-
General Fund - Payroll Clearing	General Fund	1,707,311
Nonmajor Funds	General Fund	2,322,408
Due from other funds		<u>\$ 8,131,009</u>

The remaining balances resulted from a routine lag between the dates that transactions such as year-end payroll accruals and worker’s compensation adjustments payments between the funds are made. All amounts are rescheduled to be repaid within one year.

Fund Balance/Net Position

Committed for Construction – the School Board has taken action to commit the fund balance in the general fund for future construction of an elementary campus.

Assigned – the School Board has authorized by board resolution the superintendent to assign funds for specifically identified purposes.

Unassigned – the unassigned fund balance has no constraints

	General Funds	Nonmajor Funds	Governmental Funds
Fund Balances			
Nonspendable fund balance:			
Inventories	\$ 114,160	\$ -	\$ 114,160
Prepaid items	1,498,662	-	1,498,662
Restricted fund balance:			
Federal or State funds grant restriction	793,540	1,511,575	2,305,115
Capital acquisition and contractual obligation	-	5,641,871	5,641,871
Retirement of long-term debt	-	261,796	261,796
Committed fund balance			
Construction	7,348,000	-	7,348,000
Other committed fund balance	-	72,530	72,530
Unassigned fund balance	26,545,516	-	26,545,516
Total fund balances	\$ 36,299,878	\$ 7,487,772	\$ 43,787,650

**Roma Independent School District
Notes to the Financial Statements**

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Fund Balance/Net Position (Continued)

	Governmental Activities
Net Position	
Net investment in capital assets:	
Capital assets, net of accumulated depreciation	\$ 132,111,561
Less related liabilities	(62,415,000)
Restricted cash (unexpended bond proceeds)	-
Plus premiums	5,592,273
Less discounts	(18,311)
Less deferred charges	(1,590,295)
Less construction retainages and accounts payable for construction costs	(16,848)
Less property finance contracts	(1,863,518)
Total net investment in capital assets	71,799,862
Restricted net position consists of the following:	
Federal and state programs	2,305,115
Debt service	287,052
Total restricted net position	2,592,167
Unrestricted net position (deficit)	(8,915,718)
Total net position	\$ 65,476,311

Deferred Inflows and Outflows

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

	Statement of Net Position	Balance Sheet - Governmental Funds	
	Governmental Activities	General Fund	Nonmajor Fund
Deferred outflows of resources:			
Deferred outflows from TRS Pension	\$ 8,317,984	\$ -	\$ -
Deferred outflows from TRS OPEB	3,011,503	-	-
Deferred charge on refunding	1,590,295	-	-
Total deferred outflows of resources	\$ 12,919,782	\$ -	\$ -
Deferred inflows of resources:			
Deferred inflows from TRS Pension	\$ 3,529,744	\$ -	\$ -
Deferred outflows from TRS OPEB	16,022,969	-	-
Unavailable property taxes	-	8,815,996	1,640,266
Total deferred inflows of resources	\$ 19,552,713	\$ 8,815,996	\$ 1,640,266

**Roma Independent School District
Notes to the Financial Statements**

NOTE 3: DETAILED NOTES ON ALL FUNDS (Continued)

Revenues from Local and Intermediate Sources

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

	General Funds	Non-Major Funds	Total
Property taxes	\$ 5,166,244	\$ 2,376,881	\$ 7,543,125
Food Sales	1,784	-	1,784
Investment Income	404,889	18,550	423,439
Penalties and interest	797,042	160,999	958,041
Co-curricular student activities	36,263	-	36,263
Miscellaneous	2,989,159	14,557	3,003,716
Total	\$ 9,395,381	\$ 2,570,987	\$ 11,966,368

General Fund Federal Source Revenues

Federally financed programs are generally accounted for in the Special Revenue Funds of the District, except for indirect costs charged to federal programs, which are accounted for in the General Fund as prescribed by the TEA and certain direct revenues. The District recognized in the General fund such revenues for the year ended August 31, 2021, from various federal sources as follows:

Programs or Source	Assistance Listing Number	Amount
School Breakfast	10.553	\$ 1,576,186
National School Lunch	10.555	2,315,352
Commodity Supplemental Fund	10.555	333,815
Child and Adult Food Care Program	10.558	1,821,475
Prior Purchase Reimbursement Program	84.425D	438,427
School Health and Related Services (SHARS)	N/A	465,195

Indirect Costs

Child Nutrition Program	785,113
Total general fund federal revenue	\$ 7,735,563

NOTE 4: DEFINED BENEFIT PENSION PLAN

Plan Description

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

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

Pension Plan Fiduciary Net Position

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

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 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 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.

NOTE 4: DEFINED BENEFIT PENSION PLAN (Continued)

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

Contributions

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6 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.

	<u>Contribution Rates</u>	
	<u>2020</u>	<u>2021</u>
Member	7.7%	7.7%
Non-employer contributing entity (state)	7.5%	7.5%
Employer	7.5%	7.5%

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). Contributions as of the pension plan measurement date were as follows:

Current fiscal year employer contributions	\$	1,914,413
Current fiscal year member contributions	\$	3,656,311
2020 measurement year NECE on-behalf contributions	\$	2,393,869

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.

NOTE 4: DEFINED BENEFIT PENSION PLAN (Continued)

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 are two additional surcharges 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.

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	Fair Value
Single Discount Rate	7.25%
Long-term Expected Rate	7.25
Municipal Bond Rate as of August 2020	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 Ga AA Index"

NOTE 4: DEFINED BENEFIT PENSION PLAN (Continued)

Last year ending August 31 in Projection	
Period (100 years)	2119
Inflation	2.30%
Salary Increases	3.05% to 9.05% including inflation
Ad hoc post-employment benefit changes	None

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

Discount Rate

A single discount rate of 7.25 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on 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 (see page 53 of the TRSACFR) are summarized below:

Roma Independent School District Notes to the Financial Statements

NOTE 4: DEFINED BENEFIT PENSION PLAN (Continued)

Asset Class	Target Allocation ¹	Long-Term Expected Arithmetic Real Rate Returns ²	Expected Contribution To Long-Term Portfolio Returns ³
Global Equity			
USA	18.00%	3.90%	99.00%
Non - U. S. Developed	13.00%	5.10%	92.00%
Emerging Markets	9.00%	5.60%	83.00%
Private Equity	14.00%	6.70%	1.41%
Stable Value			
Government Bonds	11.00%	-0.70%	-0.05%
Stable Value Hedge	4.00%	1.90%	0.11%
Real Return			
Real Estate	3.00%	4.60%	1.01%
Energy, Natural Resources & Infrastructure	14.00%	6.00%	0.42%
Risk Parity			
Risk Parity	5.00%	3.00%	0.30%
Leverage			
Cash	1.00%	-1.50%	-0.03%
Asset Allocation Leverage	0.00%	-1.30%	0.08%
Inflation Expectation			2.00%
Volatility Drag ³			-0.07%
Expected Return	92%	33%	7.33%

¹Target allocations are based on the FY 2020 policy model.

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

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

Discount Rate Sensitivity Analysis

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

	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	\$33,809,597	\$21,926,063	\$11,918,761

NOTE 4: DEFINED BENEFIT PENSION PLAN (Continued)

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

At August 31, 2021, the District reported a liability of \$21,926,063 for its proportionate share of the TRS’s net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District’s proportionate share of the collective net pension liability	\$	21,926,063
State’s proportionate share that is associated with the District		31,073,697
Total	\$	52,999,760

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

At August 31, 2020 the employer’s proportion of the collective net pension liability was 0.0409389437% which was a decrease of (0.0003444273%) from its proportion measured as of August 31, 2019.

Changes Since the Prior Actuarial Valuation

- There are no changes in assumptions since the prior measurement period.

For the year ended August 31, 2021, The District recognized pension expense of \$7,125,752 and revenue of \$3,737,476 for support provided by the State.

At August 31, 2021, the District reports its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows of Resources	Inflows of Resources
Differences between expected and actual economic experience	\$ 40,035	\$ 611,898
Changes in actuarial assumptions	5,087,627	2,163,223
Difference between projected and actual investment earnings	443,874	-
Changes in proportion and difference between the employer’s contributions and the proportionate share of contributions	832,035	754,623
Total net amounts per August 31, 2020 measurement date	6,403,571	3,529,744
Contributions paid to TRS subsequent to the measurement date	1,914,413	-
Total	\$ 8,317,984	\$ 3,529,744

**Roma Independent School District
Notes to the Financial Statements**

NOTE 4: DEFINED BENEFIT PENSION PLAN (Continued)

The \$1,914,413 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2021. 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:

Pension Plan Years Ended August 31:	Pension Expense Amount
2022	\$ 787,255
2023	885,334
2024	983,970
2025	397,131
2026	(181,974)
Thereafter	2,111

Changes in the net pension liability for the year ended August 31, 2021 are as follows:

	Beginning Balance	Additions	Retirements	Ending	Balance
Net Pension Liability	\$ 21,102,299	\$ 2,512,916	\$ 1,689,152	\$	21,926,063

NOTE 5: DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

Plan Description. The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan 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.

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

**Roma Independent School District
Notes to the Financial Statements**

NOTE 5: DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)

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

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

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

	<u>TRS-Care Monthly Premium Rates</u>	
	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree*	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree* and Children	468	408
Retiree and Family *or surviving spouse	1,020	999

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

Texas Insurance Code, section 1575.202 establishes the state’s contribution rate which is 1.25 percent of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is .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.

**Roma Independent School District
Notes to the Financial Statements**

NOTE 5: DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)

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

	<u>Contribution Rates</u>	
	<u>2020</u>	<u>2021</u>
Member	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding Remitted by Employe	1.25%	1.25%
Current fiscal year employer contributions	\$	457,310
Current fiscal year member contributions	\$	308,647
2020 measurement year NECE on-behalf contributions	\$	585,177

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

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

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

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

**Roma Independent School District
Notes to the Financial Statements**

NOTE 5: DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)

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 (UMP).

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%
Discount Rate	2.23% as of August 31, 2020
Aging Factors	Based on Plan Specific Experience
Election Rates	50% after age 65% participation prior to age 65 and 45% after age 65, 25% of pre-65 retirees are assumed to discontinue coverage at age 65
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Salary Increases	3.05%-9.05%, including inflation
Ad-hoc Post Employment Benefit Changes	None

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. The Discount Rate can be found in the 2020 TRS ACFR on page 76. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the nonemployer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

**Roma Independent School District
Notes to the Financial Statements**

NOTE 5: DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)

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

	1% Decrease in Discount Rate (1.33%)	Discount Rate (2.33%)	1% Increase in Discount Rate (3.33%)
District's proportionate share of the net OPEB liability	\$ 26,136,509	\$ 21,780,465	\$ 18,339,816

Healthcare Cost Trend Rates Sensitivity Analysis – The following presents the net OPEB liability of the plan using the assumed healthcare cost trend rate of 4.25%, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the healthcare cost trend rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 17,791,850	\$ 21,780,465	\$ 27,092,738

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

At August 31, 2021, the District reported a liability of \$21,780,465 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	\$ 21,780,465
State's proportionate share that is associated with the District	29,267,724
Total	\$ 51,048,189

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 August 31, 2020 the employer's proportion of the collective Net OPEB Liability was 0.0572951274% which was a decrease of (0.0000511194%) from its proportion measured as of August 31, 2019.

Roma Independent School District Notes to the Financial Statements

NOTE 5: DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)

Changes Since the Prior Actuarial Valuation – The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability (TOL) since the prior measurement period.

- The discount rate changed from 2.63 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the total OPEB liability.
- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB liability.
- The ultimate health care trend rate assumption was lowered from 4.5 percent to 4.25 percent as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB liability.

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

For the year ended August 31, 2021, the District recognized OPEB expense of \$(510,516) and revenue of \$(203,224) for support provided by the State.

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

	Outflows of Resources	Inflows of Resources
Differences between expected and actual actuarial experience	\$ 1,140,417	\$ 9,967,855
Changes in actuarial assumptions	1,343,402	5,981,028
Difference between projected and actual investment earnings	7,078	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	63,296	74,086
Total net amounts per August 31, 2020 measurement date	2,554,193	16,022,969
Contributions paid to TRS subsequent to the measurement date	457,310	-
Total	\$ 3,011,503	\$ 16,022,969

**Roma Independent School District
Notes to the Financial Statements**

NOTE 5: DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)

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:

Pension Plan Years Ended August 31:	Pension Expense
2021	\$ (2,244,051)
2022	(2,244,998)
2023	(2,245,539)
2024	(2,245,391)
2025	(1,663,631)
Thereafter	(2,825,166)

The following is the changes reported in other long-term liabilities regarding the District’s Net OPEB Liability as of August 31, 2021:

	Beginning Balance	Additions	Retirements	Ending Balance
Net OPEB Liability	\$ 27,071,391	\$ (4,855,443)	\$ 435,483	\$ 21,780,465

Medicare Prescription Drug Program

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. Under Medicare Part D, TRS-Care received retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the years ended August 31, 2021, 2020 and 2019 the subsidy payments received by TRS-Care on behalf of the District were as follows:

Fiscal Year	Medicare Part D
2021	\$201,425
2020	189,145
2019	167,657

NOTE 6: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2021, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year. In addition, there were no settlements exceeding insurance for each of the past three fiscal years.

Health Coverage

During the year ended August 31, 2021 employees of the Roma Independent School District were covered by a health insurance plan (the Plan). The District paid premiums of \$500.00 per month per employee to the plan, and the employees at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to Blue Cross/Blue Shield of Texas. The plan was authorized by Section 21.922, Texas Education Code, or Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

The contract between the Roma Independent School District and Blue Cross/Blue Shield of Texas is renewable September 1, 2021. The Plan was renewed subsequent to year end. This is a fully-funded, pure premium plan, and the terms of coverage and premium costs are included in the contractual provisions.

Workers' Compensation

The District entered into a plan beginning September 1, 1999 with Texas Political Subdivision. The District pays premiums based on total compensation. Under the terms of the contract, coverage is in effect for bodily injury by accident and disease up to \$500,000 limit per employee. The District is not responsible for their own paid claims.

The District is a party to various legal actions none of which is believed by administration to have a material effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying financial statements for such contingencies.

NOTE 7: COMMITMENTS AND CONTINGENCIES

The District participates in numerous state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectibility of any related receivable at August 31, 2021 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

The District is a party to various legal actions, none of which is believed by administration to have a material effect on the financial condition of the District. The District has been assessed civil penalties and associated fees by the IRS stemming from failure to file certain payroll related forms dealing with prior fiscal years. The District's attorneys are in the process of appealing these penalties citing reasonable cause for failure to file. The result of this appeal is unknown at this time. Accordingly, no provision for losses has been recorded in the accompanying combined financial statements for such contingencies.

**Roma Independent School District
Notes to the Financial Statements**

NOTE 7: COMMITMENTS AND CONTINGENCIES

Construction commitments

Construction in progress at August 31, 2021 is comprised of the following:

	Estimated Projected Costs	Expended through August 31, 2021	Amount Committed
JROTC Building	\$ 2,760,000	\$ 2,746,402	\$ 13,598
RCS Elementary Repairs	1,000,000	275,756	\$ 724,244
RB Middle School Repairs	1,000,000	659,971	\$ 340,029
Performing Arts Center Repairs	1,000,000	105,621	\$ 894,379
Total	\$ 5,760,000	\$ 3,787,750	\$ 1,972,250

NOTE 8: COMPLIANCE AND ACCOUNTABILITY

Finance-Related Legal and Contractual Provision

In accordance with GASB cod. Sec. 2300.106h, *Notes to Financial Statements*- violations of finance related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

School districts in Texas must comply with constitutional provisions, statutory laws, public policy established by common law, Title 19 of the Texas Administrative Code, and with regulations of the Texas Education Agency.

For the year ended August 31, 2021 expenditures exceeded the budget in the following functional categories:

Function	Budget	Actual	Variance
General Fund:			
35 - Food Services	5,031,080.00	5,235,143.00	(204,063.00)
71 - Principal on Long-Term Debt	520,000.00	542,564.00	(22,564.00)
73- Bond Issuance Cost and Fees	-	18,115.00	(18,115.00)

Function 35: Expenditures exceeded budgeted amounts primarily related to the District having budgeted for its summer food program under fund 242 when the actual expenditures were incurred in fund 101, Seamless Summer Option Program

Function 71 & 73- Expenditures exceeded budgeted amounts primarily due to the District having entered into a new capital lease agreement which required a payment in the current year and which also had additional issuance fees.

NOTE 9: CHAPTER 313 AGREEMENTS

The District entered into an agreement with Duke Energy Renewables Wind, LLC on September 23, 2014, under the authority of Chapter 313 “Texas Economic Development Act” of the Texas Tax Code, Title 3, Subtitle B. Duke Energy Renewables Wind, LLC qualified for a tax limitation agreement under the Texas Tax Code, as amended.

The agreement was for Duke Energy Renewables Wind, LLC to invest an estimated \$72.7 million to construct a renewable wind energy electric generation project on a long-term basis with a valuation limit of \$10,000,000 on maintenance and operations (M&O) taxes after a two year qualifying period. For fiscal year 2021, which is year 6 of the agreement, the M&O tax rate is \$1.0547 per \$100, with property valued at \$46,899,941 being taxed at \$10,000,000. The District forgoes collecting \$692,159 in tax revenue. However, the reduced collections in tax revenue will be offset by the increase in state funding through the Foundation School Program funding formula and a hold harmless payment received by the District in the 2021 fiscal year.

The District entered into an agreement with Rio Bravo Windpower, LLC on June 29, 2017, under the authority of Chapter 313 “Texas Economic Development Act” of the Texas Code, Title 3, Subtitle B. Rio Bravo Windpower, LLC qualified for a tax limitation agreement under the Texas Tax Code, as amended.

The agreement was for Rio Bravo Windpower LLC to invest an estimated \$250 million to construct a renewable wind energy electric generation project on a long-term basis with a valuation limit of \$20,000,000 on maintenance and operations (M&O) taxes after a year qualifying period. For fiscal year 2021, which is year 2 of the agreement, the M&O tax rate is \$1.0547 per \$100, with property valued at \$225,846,058.35 being taxed at \$20,000,000. The District forgoes collecting \$1,737,289 in tax revenue. However, the reduced collections in tax revenue will be offset by the increase in state funding through the Foundation School Program funding formula and a hold harmless payment received by the District in the 2021 fiscal year

The District has not made any commitments as part of the agreement other than to reduce taxes.

NOTE 10: SUBSEQUENT EVENTS

The District has evaluated subsequent events through January 26, 2022 which is the date these financial statement were available to be issued. There are no subsequent events that require disclosure.

Required Supplementary Information



ROMA 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		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 6,055,000	\$ 9,335,000	\$ 9,395,381	\$ 60,381
5800	State Program Revenues	54,036,800	52,436,800	55,625,670	3,188,870
5900	Federal Program Revenues	5,059,000	5,859,000	7,735,563	1,876,563
5020	Total Revenues	65,150,800	67,630,800	72,756,614	5,125,814
EXPENDITURES:					
Current:					
0011	Instruction	34,812,515	33,817,515	32,075,596	1,741,919
0012	Instructional Resources and Media Services	1,182,110	1,297,110	1,190,266	106,844
0013	Curriculum and Instructional Staff Development	296,120	551,120	399,258	151,862
0021	Instructional Leadership	1,067,520	1,147,520	1,077,560	69,960
0023	School Leadership	4,272,630	4,472,630	4,391,014	81,616
0031	Guidance, Counseling, and Evaluation Services	2,082,620	1,707,620	1,505,181	202,439
0032	Social Work Services	358,700	288,700	190,165	98,535
0033	Health Services	763,780	655,780	590,253	65,527
0034	Student (Pupil) Transportation	2,994,510	2,304,510	2,090,363	214,147
0035	Food Services	5,121,080	5,031,080	5,235,143	(204,063)
0036	Extracurricular Activities	3,154,390	2,924,390	2,566,976	357,414
0041	General Administration	2,348,050	2,688,050	2,451,561	236,489
0051	Facilities Maintenance and Operations	8,850,980	7,450,980	7,419,978	31,002
0052	Security and Monitoring Services	1,743,340	1,743,340	1,620,050	123,290
0053	Data Processing Services	1,336,640	1,336,640	933,992	402,648
0061	Community Services	53,270	53,270	44,932	8,338
Debt Service:					
0071	Principal on Long-Term Debt	520,000	520,000	542,564	(22,564)
0072	Interest on Long-Term Debt	53,000	53,000	29,706	23,294
0073	Bond Issuance Cost and Fees	-	-	18,115	(18,115)
Capital Outlay:					
0081	Facilities Acquisition and Construction	-	1,860,000	1,841,143	18,857
Intergovernmental:					
0099	Other Intergovernmental Charges	210,000	210,000	166,689	43,311
6030	Total Expenditures	71,221,255	70,113,255	66,380,505	3,732,750
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,070,455)	(2,482,455)	6,376,109	8,858,564
OTHER FINANCING SOURCES (USES):					
7913	Capital Leases	-	-	1,811,605	1,811,605
7914	Non-Current Loans	-	1,793,490	-	(1,793,490)
7080	Total Other Financing Sources (Uses)	-	1,793,490	1,811,605	18,115
1200	Net Change in Fund Balances	(6,070,455)	(688,965)	8,187,714	8,876,679
0100	Fund Balance - September 1 (Beginning)	28,112,164	28,112,164	28,112,164	-
3000	Fund Balance - August 31 (Ending)	\$ 22,041,709	\$ 27,423,199	\$ 36,299,878	\$ 8,876,679

**Roma Independent School District
Schedule of the District's Proportionate Share
of the Net Pension Liability
Teacher Retirement System of Texas**

EXHIBIT G-2

	Measurement Year Ended August 31,						
	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability (Asset)	0.0409389437%	0.0405945%	0.0402728%	0.0402535%	0.0440022%	0.0487985%	0.0310031%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 21,926,063	\$ 21,102,299	\$ 22,167,114	\$ 12,870,893	\$ 16,627,762	\$ 17,249,620	\$ 8,281,357
States Proportionate Share of the Net Pension Liability (Asset) associated with the District	31,073,697	31,699,048	34,375,812	21,145,335	26,192,273	24,817,591	20,589,492
Total	\$ 52,999,760	\$ 52,801,347	\$ 56,542,926	\$ 34,016,228	\$ 42,820,035	\$ 42,067,211	\$ 28,870,849
District's Covered Payroll	\$ 46,919,067	\$ 44,904,803	\$ 43,315,586	\$ 42,828,085	\$ 43,959,935	\$ 43,309,255	\$ 39,940,823
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered Payroll	46.73%	46.99%	51.18%	30.05%	37.82%	39.83%	20.73%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

Note: Only seven years of data is presented in accordance with GASB Cod. Sec. P20.146.b(2) *Pension Activities— Reporting for Benefits Provided Through Trusts That Meet Specified Criteria— Defined Benefit*, “The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement.”

**Roma Independent School District
Schedule of the District Contributions
Teacher Retirement System of Texas**

EXHIBIT G-3

	Fiscal Year Ended August 31,						
	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution							
Contribution in Relation to the Contractually Required Contribution	\$ 1,914,413	\$ 1,689,153	\$ 1,377,226	\$ 1,336,762	\$ 1,319,260	\$ 1,398,119	\$ 1,444,936
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 47,515,088	\$ 46,919,067	\$ 44,904,803	\$ 43,315,586	\$ 42,828,085	\$ 43,959,935	\$ 43,309,255
Contributions as a percentage of Covered Payroll	4.03%	3.60%	3.07%	3.09%	3.08%	3.18%	3.34%

Note: Only five years of data is presented in accordance with *GASB Cod. Sec. P20.a*. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this statement."

**Roma Independent School District
Schedule of the District's Proportionate
Share of the Net OPEB Liability
Teacher Retirement System of Texas**

EXHIBIT G-4

<i>Measurement Year Ended August 31,</i>	2020	2019	2018	2017
District's proportion of the net OPEB liability	0.0572951274%	0.057244008%	0.573963823%	0.573097442%
District's proportionate share of net OPEB liability	\$ 21,780,465	\$ 27,071,391	\$ 28,658,539	\$ 24,921,858
State's proportionate share of the net OPEB liability associated with the District	29,267,724	35,971,825	34,099,887	30,513,733
Total	\$ 51,048,189	\$ 63,043,216	\$ 62,758,426	\$ 55,435,591
District's covered payroll	\$ 46,919,067	\$ 44,904,803	\$ 43,315,586	\$ 42,828,085
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	46.42%	60.29%	66.16%	58.19%
Plan fiduciary net position as a percentage of the total OPEB liability	4.99%	2.66%	1.57%	0.91%

Note: Only two years of data is presented in accordance with GASB Statement No. 75, *Accounting and Financial Reporting For Postemployment Benefits Other Than Pensions*, "The information for all fiscal years for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this statement."

**Roma Independent School District
Schedule of the District's OPEB Contributions
Teacher Retirement System of Texas**

EXHIBIT G-5

<i>Fiscal Year Ended August 31,</i>	2021	2020	2019	2018
Contractually required contribution	\$ 457,310	\$ 435,483	\$ 708,509	\$ 720,418
Contribution in relation to the contractually required contribution	(457,310)	(435,483)	(708,509)	(720,418)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 47,515,088	\$ 46,919,067	\$ 44,904,803	\$ 43,315,586
Contributions as a percentage of covered payroll	0.96%	0.93%	1.58%	1.66%

Note: Only two years of data is presented in accordance with GASB Statement No. 75, *Accounting and Financial Reporting For Postemployment Benefits Other Than Pensions*, "The information for all fiscal years for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this statement."

Roma Independent School District Notes to the Required Supplementary Information

Stewardship, compliance, and accountability

Budgetary information

The Board adopts an “appropriated budget” on a basis consistent with GAAP for the general fund. At a minimum, the District is required to present the original and the final amended budgets for revenues and expenditures compared to actual revenues and expenditures for these two funds.

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

- Prior to August 20 for a fiscal year start date of September 1, the District prepares a budget based on the modified zero-based budgeting concept for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- After one or more budget workshops with the Board, a meeting is called for the purpose of adopting the proposed budget. At least ten days but not more than 30 days public notice of the meeting is required.
- Prior to August 31st for a fiscal year start date of September 1, the Board legally adopts the budget for the general fund and debt service fund.
- After the budget is approved, any amendment that causes an increase or decrease in a fund or functional spending category or total revenue or other resources object category requires Board approval prior to the fact. These amendments are presented to the Board at its regular monthly meeting and are reflected in the official minutes.
- Expenditure budgets are controlled at the expenditure functional and object level by the appropriate budget manager (principal, department director or divisional administrator). Budget managers may authorize transfers within organizational categories that do not affect the total functional and organizational appropriation. All budget appropriations lapse at year-end.

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in order to reserve that portion of the applicable appropriation, is used in all governmental funds. Encumbrances outstanding at year-end are commitments that do not constitute expenditures or liabilities. Since appropriations lapse at the end of each year, outstanding encumbrances are appropriately provided for in the subsequent fiscal year’s budget to provide for the liquidation of the prior commitments.

Over the course of the year, the District revised the budget numerous times. Even with these adjustments, actual expenditures were \$18,593,098 below final budget amounts. The most significant positive variances occurred in the instruction functional category. Budget amounts for vacant positions throughout the year are not eligible for budget revisions.

Differences between the original budget and the final amended budget in revenues resulted from an increase in local and intermediate resources and federal funding. Variances in expenditures resulted from an increase of revenue and decrease of expenditures in some functions and to budget for an LED light retrofit for all campuses and addition of HVAC systems in 2 campuses.

Roma Independent School District Notes to the Required Supplementary Information

Although total expenditures were less than the final approved budget, there were negative variances for several functions. For the year ended August 31, 2021 expenditures exceeded the budget in the following functional categories:

Function	Budget	Actual	Variance
General Fund:			
35 - Food Services	5,031,080.00	5,235,143.00	(204,063.00)
71 - Principal on Long-Term Debt	520,000.00	542,564.00	(22,564.00)
73- Bond Issuance Cost and Fees	-	18,115.00	(18,115.00)

Function 35: Expenditures exceeded budgeted amounts primarily related to the District having budgeted for its summer food program under fund 242 when the actual expenditures were incurred in fund 101, Seamless Summer Option Program

Function 71 & & 73- Expenditures exceeded budgeted amounts primarily due to the District having entered into a new capital lease agreement which required a payment in the current year and which also had additional issuance fees.

TRS Pension

Changes of Benefit Terms

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

Changes Since the Prior Actuarial Valuation

There were no changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

TRS OPEB Plan

Changes of Benefit Terms

There were no changes in benefit terms that affected measurement of the Total OPEB liability during the measurement period.

Changes in Assumptions

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

- The discount rate changed from 2.63 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the TOL.
- The participation rate for pre-65 retirees was lowered from 50 percent to 40 percent. These changes decreased the TOL.
- 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.

Other Supplementary Information



Roma Independent School District Non-major Governmental Funds

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

Fund Name and Description

ESEA, Title I, Part A - Improving Basic Programs – supplemental service designed to accelerate the academic achievement of economically disadvantaged students, especially in the tested areas, to ensure that state Standards are met on identified campuses.

ESEA, Title I, Part C – Education of Migratory Children – ensure that all migrant students reach challenging academic standards and graduate with a high school diploma (or complete a GED) that prepares them for responsible citizenship, further learning, and productive employment.

IDEA, Part B – Formula – Salaries and supplies to aid children with disabilities with low reading achievement.

IDEA, Part B – Preschool – aids preschool students with disabilities.

Summer Feeding Program – federal program that provides children in low-income areas to continue to receive nutritious meals during long school vacations, when they do not have access to school lunch or breakfast.

Vocational Education – Basic – funds are for the use of various vocationally-included students in regular, disadvantaged and disability classes.

ESEA, Title II, Part A (Teacher and Principal Training and Recruiting) – supplements the professional development, retention and recruitment programs district-wide, specifically on high need campuses.

ESEA, Title III, Part A – English Language Acquisition and Language Enhancement – provides additional educational opportunities to supplement programs for students of limited English proficiency and immigrant children by assisting the children to learn English and meet challenging State academic content and student academic achievements standards.

COVID-19 Elementary and Secondary Relief School Emergency Relief Fund (ESSER I) – provides local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the Nation.

ESEA, Title VI, Part B – Rural Education Achievement Program (Rural and Low-Income School Program) – provides financial assistance to rural districts to meet local academic needs. RLIS funds a variety of activities including teacher recruitment and professional development, support for educational technology, parental involvement activities, and more.

GEAR UP – Seven-year federal initiative designed to increase early college awareness, readiness, and success for low-income and historically underrepresented students.

Title I – SIP Academy Grant – provides supplemental resources to districts to support improved student outcomes on targeted support and improvement campuses. The purpose of this grant is to increase the capacity of a district to facilitate instructional continuity and distance, remote, and/or virtual learning for identified campuses that have been affected by campus closures due to COVID-19.

Coronavirus Relief Fund CARES – used to account for federal stimulus CRF granted to LEAs through the CARES Act for necessary expenditures incurred due to the public health emergency with respect to COVID-19 and to reimburse LEAs for expenses related to COVID-19 that were incurred dating back to March 1, 2020.

Roma Independent School District Non-major Governmental Funds

Fund Name and Description

COVID-19 Elementary and Secondary Relief School Emergency Relief Fund (ESSER III) – provides local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the Nation.

Title IV, Part A Student Support and Academic Enrichment– Provides all students access to a well-rounded education, improves academic outcomes by maintaining safe and healthy students, and improves the use of technology to advance student academic achievement.

State Instructional Materials – used to purchase instructional materials; technological equipment; certain related software, systems, and services; and salaries for specific technical support employees.

School Safety and Security Grant – provide funding to public schools, including the School for the Blind and Visually Impaired and the School for the Deaf for additional safety and security equipment (campus hardening) such as: (1) exterior doors with push bars; (2) metal detectors at school entrances; (3) erected vehicle barriers; (4) security systems that monitor and record school entrances, exits, and hallways; (5) campus-wide active shooter alarm systems that are separate from fire alarms; (6) two-way radio systems; (7) perimeter security fencing; (8) bullet-resistant glass or film for school entrances; and (9) door-locking systems.

Campus Activity Fund – Proceeds from fundraising activities, vending sales, corporate and private donations to school-sponsored activities benefiting students and staff of the campus.

Debt Service Fund - This fund is used to account for the accumulation of resources and the payment of general obligation bond principal and interest from governmental resources when the District is obligated in some manner for the payment.

Repair & Replacement Fund – This fund is used to account for maintenance or repairs as to enable the operations of the District.

Capital Projects Fund – This fund is used to account for bond proceeds used for construction.

Combining Statements



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

Data Control Codes	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
ASSETS				
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-
1220	Property Taxes - Delinquent	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-
1240	Due from Other Governments	498,455	6,639	252,208
1260	Due from Other Funds	-	-	-
1000	Total Assets	<u>\$ 498,455</u>	<u>\$ 6,639</u>	<u>\$ 252,208</u>
LIABILITIES				
2110	Accounts Payable	\$ 8,528	\$ 2,602	\$ 1,511
2160	Accrued Wages Payable	181,044	-	76,065
2170	Due to Other Funds	289,873	4,037	166,645
2180	Due to Other Governments	-	-	278
2200	Accrued Expenditures	19,010	-	7,987
2300	Unearned Revenue	-	-	-
2000	Total Liabilities	<u>498,455</u>	<u>6,639</u>	<u>252,208</u>
DEFERRED INFLOWS OF RESOURCES				
2601	Unavailable Revenue - Property Taxes	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	-	-	-
3470	Capital Acquisition and Contractual Obligation	-	-	-
3480	Retirement of Long-Term Debt	-	-	-
Committed Fund Balance:				
3545	Other Committed Fund Balance	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 498,455</u>	<u>\$ 6,639</u>	<u>\$ 252,208</u>

242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER -School Emergency Relief	270 ESEA VI, Pt B Rural & Low Income	274 GEAR UP	276 Title I - SIP Academy Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	16,837	57,632	7,104	293,074	31	61,689	-
1,536,770	-	-	-	-	-	-	-
<u>\$ 1,536,770</u>	<u>\$ 16,837</u>	<u>\$ 57,632</u>	<u>\$ 7,104</u>	<u>\$ 293,074</u>	<u>\$ 31</u>	<u>\$ 61,689</u>	<u>\$ -</u>
\$ 25,076	\$ 6,942	\$ -	\$ -	\$ -	\$ -	\$ 3,999	\$ -
-	-	15,550	-	-	-	5,550	-
119	9,895	40,449	7,104	293,074	31	51,557	-
-	-	-	-	-	-	-	-
-	-	1,633	-	-	-	583	-
-	-	-	-	-	-	-	-
<u>25,195</u>	<u>16,837</u>	<u>57,632</u>	<u>7,104</u>	<u>293,074</u>	<u>31</u>	<u>61,689</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,511,575	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,511,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 1,536,770</u>	<u>\$ 16,837</u>	<u>\$ 57,632</u>	<u>\$ 7,104</u>	<u>\$ 293,074</u>	<u>\$ 31</u>	<u>\$ 61,689</u>	<u>\$ -</u>

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

Data Control Codes	277 Coronavirus Relief Fund CARES	282 ARP ACT ESSER III Grant Fund	289 Other Federal Special Revenue Funds	410 State Instructional Materials	
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	-	1,008,769	35,596	-
1260	Due from Other Funds	-	-	-	311,516
1000	Total Assets	<u>\$ -</u>	<u>\$ 1,008,769</u>	<u>\$ 35,596</u>	<u>\$ 311,516</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ 312,115	\$ 5,870	\$ -
2160	Accrued Wages Payable	-	157,696	-	-
2170	Due to Other Funds	-	522,400	29,726	-
2180	Due to Other Governments	-	-	-	-
2200	Accrued Expenditures	-	16,558	-	-
2300	Unearned Revenue	-	-	-	311,516
2000	Total Liabilities	<u>-</u>	<u>1,008,769</u>	<u>35,596</u>	<u>311,516</u>
DEFERRED INFLOWS OF RESOURCES					
2601	Unavailable Revenue - Property Taxes	-	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
3470	Capital Acquisition and Contractual Obligation	-	-	-	-
3480	Retirement of Long-Term Debt	-	-	-	-
Committed Fund Balance:					
3545	Other Committed Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ -</u>	<u>\$ 1,008,769</u>	<u>\$ 35,596</u>	<u>\$ 311,516</u>

429 Other State Special Revenue Funds	461 Campus Activity Funds	Total Nonmajor Special Revenue Funds	599 Debt Service Fund	628 Repair & Replacement Fund	699 Capital Projects Fund	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ -	\$ 70,780	\$ 70,780	\$ 53,726	\$ 2,251,455	\$ -	\$ 2,251,455	\$ 2,375,961
-	-	-	-	4,200,159	-	4,200,159	4,200,159
-	-	-	1,976,023	-	-	-	1,976,023
-	-	-	(296,403)	-	-	-	(296,403)
12,940	-	2,259,621	-	-	-	-	2,259,621
-	1,750	1,850,036	462,622	-	9,750	9,750	2,322,408
<u>\$ 12,940</u>	<u>\$ 72,530</u>	<u>\$ 4,180,437</u>	<u>\$ 2,195,968</u>	<u>\$ 6,451,614</u>	<u>\$ 9,750</u>	<u>\$ 6,461,364</u>	<u>\$12,837,769</u>
\$ -	\$ -	\$ 368,841	\$ -	\$ 16,847	\$ -	\$ 16,847	\$ 385,688
-	-	435,905	-	-	-	-	435,905
12,940	-	1,434,021	-	802,646	-	802,646	2,236,667
-	-	278	293,906	-	-	-	294,184
-	-	45,771	-	-	-	-	45,771
-	-	311,516	-	-	-	-	311,516
<u>12,940</u>	<u>-</u>	<u>2,596,332</u>	<u>293,906</u>	<u>819,493</u>	<u>-</u>	<u>819,493</u>	<u>3,709,731</u>
-	-	-	1,640,266	-	-	-	1,640,266
-	-	-	1,640,266	-	-	-	1,640,266
-	-	1,511,575	-	-	-	-	1,511,575
-	-	-	-	5,632,121	9,750	5,641,871	5,641,871
-	-	-	261,796	-	-	-	261,796
-	72,530	72,530	-	-	-	-	72,530
-	72,530	1,584,105	261,796	5,632,121	9,750	5,641,871	7,487,772
<u>\$ 12,940</u>	<u>\$ 72,530</u>	<u>\$ 4,180,437</u>	<u>\$ 2,195,968</u>	<u>\$ 6,451,614</u>	<u>\$ 9,750</u>	<u>\$ 6,461,364</u>	<u>\$12,837,769</u>

ROMA 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	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	4,364,669	150,106	1,472,209	16,581
5020 Total Revenues	4,364,669	150,106	1,472,209	16,581
EXPENDITURES:				
Current:				
0011 Instruction	3,962,674	5,193	1,112,656	16,581
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	13,678	-	-	-
0021 Instructional Leadership	1,450	-	-	-
0023 School Leadership	14,533	-	-	-
0031 Guidance, Counseling, and Evaluation Services	1,020	65,218	359,553	-
0032 Social Work Services	18,392	79,695	-	-
0033 Health Services	14,382	-	-	-
0034 Student (Pupil) Transportation	206,533	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	123,599	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	8,408	-	-	-
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0072 Interest on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	4,364,669	150,106	1,472,209	16,581
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-	-
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER -School Emergency Relief	270 ESEA VI, Pt B Rural & Low Income	274 GEAR UP	276 Title I - SIP Academy Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	172,487	370,917	84,663	3,372,064	117,112	153,347	1,571
-	172,487	370,917	84,663	3,372,064	117,112	153,347	1,571
-	172,312	284,191	83,913	2,805,359	117,112	49,821	1,571
-	-	-	-	15,751	-	-	-
-	-	83,943	-	3,494	-	-	-
-	175	-	-	14,518	-	103,526	-
-	-	2,783	-	80,397	-	-	-
-	-	-	-	36,576	-	-	-
-	-	-	-	7,506	-	-	-
-	-	-	-	14,596	-	-	-
-	-	-	-	31,069	-	-	-
-	-	-	-	52,600	-	-	-
-	-	-	-	7,060	-	-	-
-	-	-	-	39,331	-	-	-
-	-	-	-	215,174	-	-	-
-	-	-	-	27,470	-	-	-
-	-	-	-	19,798	-	-	-
-	-	-	750	1,365	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	172,487	370,917	84,663	3,372,064	117,112	153,347	1,571
-	-	-	-	-	-	-	-
1,511,575	-	-	-	-	-	-	-
\$ 1,511,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ROMA 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	277 Coronavirus Relief Fund CARES	282 ARP ACT ESSER III Grant Fund	289 Title IV, A Student Support Academic Enrich.	410 State Instructional Materials
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	94,584	-	63,782
5900 Federal Program Revenues	-	2,707,847	270,075	-
5020 Total Revenues	-	2,802,431	270,075	63,782
EXPENDITURES:				
Current:				
0011 Instruction	-	1,830,134	246,273	63,782
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	23,802	-
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	340,652	-	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	177,231	-	-
0034 Student (Pupil) Transportation	-	198,775	-	-
0035 Food Services	-	85,549	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	2,576	-	-
0051 Facilities Maintenance and Operations	-	79,034	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	28,252	-	-
0061 Community Services	-	60,228	-	-
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0072 Interest on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	-	2,802,431	270,075	63,782
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-	-
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

429 School Safety And Security Grant	461 Campus Activity Funds	Total Nonmajor Special Revenue Funds	599 Debt Service Fund	628 Repair & Replacement Fund	699 Capital Projects Fund	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ -	\$ 14,556	\$ 14,556	\$ 2,538,014	\$ 18,417	\$ -	\$ 18,417	\$ 2,570,987
94,673	-	253,039	3,517,378	-	-	-	3,770,417
-	-	13,253,648	-	-	-	-	13,253,648
94,673	14,556	13,521,243	6,055,392	18,417	-	18,417	19,595,052
94,673	10,510	10,856,755	-	-	-	-	10,856,755
-	-	15,751	-	-	-	-	15,751
-	-	124,917	-	-	-	-	124,917
-	-	119,669	-	-	-	-	119,669
-	34,155	131,868	-	-	-	-	131,868
-	-	803,019	-	-	-	-	803,019
-	-	105,593	-	-	-	-	105,593
-	-	206,209	-	-	-	-	206,209
-	-	436,377	-	-	-	-	436,377
-	-	138,149	-	-	-	-	138,149
-	806	7,866	-	-	-	-	7,866
-	-	165,506	-	-	-	-	165,506
-	-	294,208	-	34,030	-	34,030	328,238
-	-	27,470	-	-	-	-	27,470
-	-	48,050	-	-	-	-	48,050
-	-	70,751	-	-	-	-	70,751
-	-	-	3,530,000	-	-	-	3,530,000
-	-	-	2,496,831	-	-	-	2,496,831
-	-	-	7,100	-	-	-	7,100
-	-	-	-	1,827,811	-	1,827,811	1,827,811
94,673	45,471	13,552,158	6,033,931	1,861,841	-	1,861,841	21,447,930
-	(30,915)	(30,915)	21,461	(1,843,424)	-	(1,843,424)	(1,852,878)
-	103,445	1,615,020	240,335	7,475,545	9,750	7,485,295	9,340,650
\$ -	\$ 72,530	\$ 1,584,105	\$ 261,796	\$ 5,632,121	\$ 9,750	\$ 5,641,871	\$ 7,487,772

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ROMA 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	\$ 2,170,000	\$ 2,390,000	\$ 2,538,014	\$ 148,014
5800 State Program Revenues	3,881,730	3,441,730	3,517,378	75,648
5020 Total Revenues	6,051,730	5,831,730	6,055,392	223,662
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Debt	3,470,000	3,530,000	3,530,000	-
0072 Interest on Long-Term Debt	2,574,230	2,509,230	2,496,831	12,399
0073 Bond Issuance Cost and Fees	7,500	12,500	7,100	5,400
6030 Total Expenditures	6,051,730	6,051,730	6,033,931	17,799
1200 Net Change in Fund Balances	-	(220,000)	21,461	241,461
0100 Fund Balance - September 1 (Beginning)	240,335	240,335	240,335	-
3000 Fund Balance - August 31 (Ending)	\$ 240,335	\$ 20,335	\$ 261,796	\$ 241,461

Texas Education Agency Required Schedules



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

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2012 and prior years	Various	Various	\$ Various
2013	1.170000	0.28909	347,776,140
2014	1.170000	0.28909	344,268,560
2015	1.170000	0.28909	347,565,810
2016	1.170000	0.38366	362,971,670
2017	1.170000	0.39939	500,467,820
2018	1.170000	0.31400	459,483,596
2019	1.170000	0.39195	526,916,444
2020	1.068350	0.37744	500,167,649
2021 (School year under audit)	1.054700	0.32250	508,323,541
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
\$ 5,394,115	\$ -	\$ 220,675	\$ 30,230	\$ (45,007)	\$ 5,098,203
566,645	-	26,173	6,467	(2,331)	531,674
569,195	-	30,741	7,596	(2,574)	528,284
637,379	-	40,965	10,122	(10,517)	575,775
746,685	-	53,590	17,573	(11,087)	664,435
976,998	-	69,294	23,654	(23,594)	860,456
956,295	-	93,007	24,961	(4,020)	834,307
1,192,491	-	125,480	42,036	(9,588)	1,015,387
1,423,461	-	207,307	73,240	(34,969)	1,107,945
-	6,898,452	4,292,393	1,312,500	8,460	1,302,019
<u>\$ 12,463,264</u>	<u>\$ 6,898,452</u>	<u>\$ 5,159,625</u>	<u>\$ 1,548,379</u>	<u>\$ (135,227)</u>	<u>\$ 12,518,485</u>

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Statistical Section



**Statistical Section
(Unaudited)**

The statistical section of the Roma Independent School District’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s economic condition and overall financial health. To assist financial statement users, the information contained within this section is categorized as follows:

	<u>Page</u>
Financial Trends	
These schedules contain trend information to assist users in understanding how the District’s financial and position has changed over time.	102-109
Revenue Capacity Information	
These schedules contain information to assist users in understanding the factors affecting the District’s ability to generate its own-source revenues.	110-120
Debt Capacity Information	
These schedules contain information to assist users in understanding and assessing the District’s debt burden and its ability to issue additional debt in the future.	121-124
Demographic and Economic Information	
These schedules contain information to assist users in understanding the socioeconomic environment in which the District operates and to provide information that facilitates comparisons of financial statement information over time with other school districts.	125-126
Operating Information	
These schedules contain information intended to provide contextual information about the District’s operations and resources to assist readers in using the financial statement information to understand and assess the District’s economic condition.	127-132

Financial Trends Information



**Roma Independent School District
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	2012	2013	2014	2015
Primary government				
Net investment in capital assets	\$ 63,212,361	\$ 54,011,900	\$ 64,041,922	\$ 63,389,183
Restricted for federal and state programs	256,631	-	276,075	363,296
Restricted for debt service	-	141,143	188,808	515,466
Restricted for capital projects	29,379,516	21,366,067	-	-
Restricted for campus activities	-	-	-	-
Unrestricted	12,330,992	32,872,148	43,559,940	30,011,830
Total primary government activities net position	\$ 105,179,500	\$ 108,391,258	\$ 108,066,745	\$ 94,279,775

Source: The District's Financial Statements - Statement of Net Position (Exhibit A-1)

Table 1

2016	2017	2018	2019	2020	2021
\$ 62,523,564	\$ 70,922,241	\$ 72,159,743	\$ 69,291,583	\$ 70,665,145	\$ 71,799,862
276,075	290,566	285,631	266,964	2,285,633	2,305,115
407,138	290,368	236,867	521,502	379,547	287,052
-	-	-	-	-	-
-	76,466	72,070	92,702	-	-
27,929,619	34,509,214	(8,136,690)	(8,732,757)	(15,423,128)	(8,915,718)
<u>\$ 91,136,396</u>	<u>\$ 106,088,855</u>	<u>\$ 64,617,621</u>	<u>\$ 61,439,994</u>	<u>\$ 57,907,197</u>	<u>\$ 65,476,311</u>

**Roma Independent School District
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	2012	2013	2014	2015
Expenses				
Governmental Activities:				
Instruction	\$ 34,451,430	\$ 35,633,480	\$ 37,949,465	\$ 40,323,645
Instructional Resources & Media Services	966,627	1,016,705	1,175,300	1,320,761
Curriculum & Staff Development	241,976	249,177	227,387	260,380
Instructional Leadership	777,448	769,486	845,413	987,020
School Leadership	3,289,239	3,264,954	3,653,777	4,005,850
Guidance, Counseling & Evaluation Services	1,734,911	1,786,814	1,985,107	2,386,571
Social Work Services	262,575	254,582	276,307	293,814
Health Services	690,987	710,391	722,826	756,865
Student (Pupil) Transportation	2,572,967	2,685,067	2,700,359	2,546,858
Food Services	4,638,936	4,903,433	5,009,811	5,637,195
Cocurricular/Extracurricular Activities	2,510,837	2,763,074	2,878,705	3,255,142
General Administration	1,660,584	1,699,756	2,250,219	3,297,147
Plant Maintenance & Operations	7,598,812	8,081,405	8,331,488	9,301,671
Security & Monitoring Services	948,219	977,210	1,382,509	1,629,827
Data Processing Services	677,615	789,986	808,720	1,027,221
Community Services	102,311	86,439	89,908	116,987
Debt Service - Interest on Long Term Debt	3,663,720	2,819,550	3,695,797	2,445,098
Debt Service - Bond Issuance Cost & Fees	2,350	205,053	148,768	213,584
Capital Outlay	-	-	-	-
Other Intergovernmental Charges	170,786	114,853	149,316	152,841
Total Governmental Activities	66,962,330	68,811,415	74,281,182	79,958,477
Program Revenues				
Governmental Activities:				
Charges for Services				
Instruction	51,624	-	-	-
Health Services	39,812	47,301	47,569	45,287
Food Services	330,632	320,168	349,317	234,764
Cocurricular/Extracurricular Activities	-	-	-	-
General Administration	637,202	972,465	843,646	832,106
Operating Grants and Contributions	15,552,553	14,523,041	15,340,056	15,227,784
Total governmental Activities Program Revenues	16,611,823	15,862,975	16,580,588	16,339,941
Net (Expense)/Revenue				
Total Primary Governmental Net Expense	(50,350,507)	(52,948,440)	(57,700,594)	(63,618,536)
General Revenues				
Property Taxes, Levied for General Purposes	4,065,233	3,828,719	4,100,877	4,012,396
Property Taxes, Levied for Debt Service	1,002,000	940,886	1,009,546	988,978
Grants and Contributions not Restricted to Specific Programs	48,599,493	51,707,513	51,455,289	53,400,009
Investment Earnings	319,256	323,669	326,857	271,632
Miscellaneous	397,564	440,666	483,512	541,365
Total Primary Government General Revenues	54,383,546	57,241,453	57,376,081	59,214,380
Total Change in Net Position	\$ 4,033,039	\$ 4,293,013	\$ (324,513)	\$ (4,404,156)

Source: The District's Financial Statements - Statement of Activities (Exhibit B-1)

Table 2

	2016	2017	2018	2019	2020	2021
\$	41,924,391	\$ 34,496,862	\$ 31,449,458	\$ 43,224,500	\$ 44,338,293	\$ 48,839,949
	1,215,730	1,033,056	1,078,625	1,301,512	1,303,735	1,392,701
	588,608	400,165	269,197	349,730	403,535	599,569
	1,221,561	1,009,844	883,355	1,431,075	1,420,337	1,365,671
	4,190,734	3,519,090	3,429,616	4,704,159	5,189,394	5,238,518
	2,416,169	1,946,907	1,834,556	2,438,424	2,871,254	2,675,321
	320,174	267,678	317,003	353,479	517,110	342,872
	795,123	695,232	607,706	819,056	812,134	929,708
	2,705,716	2,494,126	2,359,439	3,213,254	2,956,094	2,758,665
	5,549,583	4,987,223	5,356,579	5,678,690	6,243,270	5,725,494
	3,390,922	2,897,353	2,909,923	3,733,795	3,577,227	2,886,002
	3,076,125	2,220,790	2,146,180	2,763,716	2,856,942	2,929,375
	9,847,073	8,615,766	7,935,799	9,512,773	9,037,769	8,650,676
	1,623,965	1,431,830	1,302,592	1,887,418	2,013,673	1,849,303
	1,266,569	1,028,783	918,529	1,288,688	1,652,636	1,171,981
	95,991	66,627	45,280	82,148	63,181	69,248
	1,767,423	2,479,228	2,495,713	2,381,448	2,183,640	2,168,142
	252,588	380,722	7,161	6,620	178,989	25,215
	150,897	118,946	1,602,104	-	-	-
	152,285	167,373	221,456	285,575	199,183	166,689
	82,551,627	70,257,601	67,170,271	85,456,060	87,818,396	89,785,099
	-	-	-	-	-	-
	75,826	60,686	54,592	71,153	38,431	36,263
	173,301	222,865	93,026	102,005	44,498	1,784
	-	-	-	-	-	-
	471,677	1,145,673	2,804,451	924,555	1,116,245	3,004,308
	16,531,791	18,848,778	4,139,176	19,174,674	20,221,388	29,140,661
	17,252,595	20,278,002	7,091,245	20,272,387	21,420,562	32,183,016
	(65,299,032)	(49,979,599)	(60,079,026)	(65,183,673)	(66,397,834)	(57,602,083)
	3,953,568	4,154,992	4,235,559	5,062,422	5,125,866	5,203,787
	1,224,725	1,361,003	1,352,162	1,939,646	2,005,946	2,402,137
	51,854,065	51,337,758	54,920,915	53,347,444	54,482,651	56,184,386
	276,812	376,160	731,676	898,525	612,013	423,439
	4,846,483	7,702,145	716,595	757,529	638,561	957,448
	62,155,653	64,932,058	61,956,907	62,005,566	62,865,037	65,171,197
\$	(3,143,379)	\$ 14,952,459	\$ 1,877,881	\$ (3,178,107)	\$ (3,532,797)	\$ 7,569,114

**Roma Independent School District
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**

	2012	2013	2014	2015
General Fund				
<i>Nonspendable Fund Balances:</i>				
Inventories	\$ 86,475	\$ 101,764	\$ 91,990	\$ 87,223
Prepaid Items	1,450,226	501,804	1,162,991	536,038
Federal or State Funds Grant Restriction	-	-	-	-
<i>Committed Fund Balances:</i>				
Construction	12,348,000	12,348,000	7,348,000	7,348,000
<i>Unassigned:</i>				
Reported in the General Fund	19,761,398	24,016,692	25,246,752	22,144,739
Total General Fund Balance	33,646,099	36,968,260	33,849,733	30,116,000
All Other Governmental Funds				
<i>Reserved, Reported In:</i>				
<i>Restricted Fund Balances:</i>				
Federal or State Funds Grant Restriction	248,955	252,514	276,075	276,075
Retirement of Long Term Debt	-	59,721	108,090	412,568
Capital Acquisition & Contractual Obligations	15,243,189	10,079,255	3,049,297	-
<i>Committed Fund Balance:</i>				
Reported in Special Revenue funds	135,540	108,414	-	(749,368)
Other Committed Fund Balance	-	-	-	-
Total All Other Governmental Fund Balances	15,627,684	10,499,904	3,433,462	(60,725)
Total Governmental funds -- Fund Balance	\$ 49,273,783	\$ 47,468,164	\$ 37,283,195	\$ 30,055,275

Source: The District's Governmental Funds Balance Sheets and Combined Statements of Revenues, Expenditures and Changes in Fund Balances.

Fund balance classifications for fiscal years prior to 2011 have been recast to reflect GASB Statement No. 54 classifications for comparative purposes.

Table 3

2016	2017	2018	2019	2020	2021
\$ 86,362	\$ 76,786	\$ 76,786	\$ 120,123	\$ 133,642	\$ 114,160
573,106	813,424	560,238	1,374,848	1,463,701	1,498,662
-	-	-	-	774,058	793,540
7,348,000	7,348,000	7,348,000	7,348,000	7,348,000	7,348,000
17,637,363	19,964,972	22,350,706	20,168,276	18,392,763	26,545,516
25,644,831	28,203,182	30,335,730	29,011,247	28,112,164	36,299,878
276,075	290,566	285,631	266,964	1,511,575	1,511,575
244,310	125,587	241,869	368,551	240,335	261,796
1,487,945	29,270,327	11,806,381	9,239,347	7,485,295	5,641,871
-	-	-	-	-	-
-	76,466	72,070	92,702	103,445	72,530
2,008,330	29,762,946	12,405,951	9,967,564	9,340,650	7,487,772
\$ 27,653,161	\$ 57,966,128	\$ 42,741,681	\$ 38,978,811	\$ 37,452,814	\$ 43,787,650

Roma Independent School District
Changes in Fund Balance
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2012	2013	2014	2015
Revenues				
Local and Intermediate Sources	\$ 6,491,041	\$ 6,559,772	\$ 6,836,044	\$ 6,546,407
State Programs	50,033,711	51,990,902	53,024,138	54,851,801
Federal Programs	14,118,334	14,239,652	13,771,207	13,775,993
Total Governmental Activities Program Revenues	70,643,086	72,790,326	73,631,389	75,174,201
Expenses				
Current:				
Instruction	32,022,658	33,256,009	35,585,402	38,290,232
Instructional Resources & Media Services	898,234	949,123	1,100,988	1,247,051
Curriculum & Staff Development	224,855	232,614	212,992	245,848
Instructional Leadership	722,441	718,337	791,892	931,935
School Leadership	3,056,513	3,047,928	3,422,464	3,782,285
Guidance, Counseling & Evaluation Services	1,612,159	1,668,042	1,859,434	2,253,378
Social Work Services	243,997	237,660	258,815	277,417
Health Services	642,097	663,170	677,065	714,624
Student (Pupil) Transportation	2,684,155	2,822,985	2,922,098	2,744,080
Food Services	4,313,901	4,577,495	4,719,481	5,329,791
Cocurricular/Extracurricular Activities	2,333,186	2,690,024	2,704,890	3,083,426
General Administration	1,543,091	1,576,121	2,115,005	3,113,133
Plant Maintenance & Operations	7,354,407	7,589,968	8,024,797	8,823,499
Security & Monitoring Services	881,129	928,648	1,343,463	1,624,505
Data Processing Services	629,671	737,475	757,522	969,892
Community Services	95,072	80,693	84,216	110,459
Debt Service:				
Principal on Long-term Debt	1,582,963	2,305,000	2,510,000	2,464,998
Interest on Long-term Debt	3,648,003	2,777,733	2,539,659	2,568,098
Bond Issuance Costs and Fees	215,745	205,053	143,983	213,584
Capital Outlay:				
Facilities Acquisition and Constructin	3,566,228	7,621,986	12,032,434	3,667,922
Intergovernmental:				
Other Intergovernmental Charges	170,786	114,853	149,316	152,841
Total Expenditures	68,441,291	74,800,917	83,955,916	82,608,998
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,201,795	(2,010,591)	(10,324,527)	(7,434,797)
Other Financing Sources (Uses) and Special Items				
Refunding Bonds Issued	8,565,000	8,370,000	8,740,000	9,535,000
Issuance of Capital Related Debt (Regular Bonds)	-	-	-	-
Premium or Discount on Issuance of Bonds	1,146,675	1,547,134	1,066,548	1,362,629
Capital Leases	-	-	-	-
Transfer In	1,834,840	1,475,000	5,000,000	-
Transfer Out	(1,834,840)	(1,475,000)	(5,000,000)	-
Other Uses	-	-	-	-
Payment to Refunded Bond Escrow Agent	(9,498,280)	(9,712,081)	(9,666,990)	(10,690,751)
Total Other Financing Sources (Uses)	213,395	205,053	139,558	206,878
Net Change in Fund Balances	\$ 2,415,190	\$ (1,805,538)	\$ (10,184,969)	\$ (7,227,919)
Debt Service as a Percentage of				
Noncapital Expenditures	8.4%	7.9%	7.2%	6.6%

Source: The District's Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit C-2)

Table 4

2016	2017	2018	2019	2020	2021
\$ 6,533,896	\$ 7,937,944	\$ 10,352,763	\$ 9,303,709	\$ 9,296,370	\$ 11,966,368
53,495,766	57,244,433	57,368,376	56,756,370	56,593,402	59,396,087
13,525,548	12,942,103	12,727,027	13,565,180	15,161,750	20,989,211
73,555,210	78,124,480	80,448,166	79,625,259	81,051,522	92,351,666
37,668,466	35,987,023	37,572,340	38,039,279	38,115,422	42,932,351
1,115,739	1,026,704	1,216,096	1,157,610	1,137,093	1,206,017
523,002	471,847	300,992	305,247	341,842	524,175
1,099,361	1,076,389	1,007,428	1,253,434	1,209,806	1,197,229
3,760,932	3,657,796	3,979,127	4,136,194	4,443,273	4,522,882
2,161,559	2,079,403	2,122,921	2,131,811	2,444,303	2,308,200
285,780	299,718	344,057	311,635	441,414	295,758
716,366	692,096	723,995	724,224	703,434	796,462
2,826,581	2,672,211	2,607,679	3,272,748	2,782,301	2,526,740
5,104,414	5,178,366	5,281,362	5,168,397	5,546,853	5,373,292
3,108,643	2,866,120	3,066,308	3,365,365	3,144,628	2,574,842
2,807,669	2,276,010	2,257,527	2,473,725	2,504,601	2,617,067
9,219,359	8,427,855	8,220,371	8,741,873	8,136,168	7,748,216
1,500,992	1,418,063	1,579,917	1,666,994	1,756,469	1,647,520
1,146,960	1,026,120	1,100,118	1,137,600	1,431,856	982,042
88,239	64,933	52,113	74,089	55,370	115,683
2,765,000	3,410,795	3,381,297	2,807,795	3,765,135	4,072,564
2,086,036	2,793,928	2,848,725	3,420,441	2,548,245	2,526,537
252,588	380,722	7,161	6,620	178,989	25,215
2,080,860	4,775,599	17,781,624	3,237,453	1,863,504	3,668,954
152,285	167,373	221,456	285,575	199,183	166,689
80,470,831	80,749,071	95,672,614	83,718,109	82,749,889	87,828,435
(6,915,621)	(2,624,591)	(15,224,448)	(4,092,850)	(1,698,367)	4,523,231
4,267,476	-	-	-	-	-
12,435,000	23,420,000	-	-	7,420,000	-
1,753,554	1,955,722	-	-	1,364,610	-
-	-	-	329,500	-	1,811,605
336,987	-	-	-	-	-
(336,987)	-	-	-	-	-
-	7,561,836	-	-	(8,612,240)	-
(13,942,523)	-	-	-	-	-
4,513,507	32,937,558	-	329,500	172,370	1,811,605
\$ (2,402,114)	\$ 30,312,967	\$ (15,224,448)	\$ (3,763,350)	\$ (1,525,997)	\$ 6,334,836
6.5%	8.7%	8.0%	7.7%	8.0%	7.9%

Revenue Capacity Information



**Roma Independent School District
Governmental Funds Revenues by Source
Last Ten Years**

	2012	2013	2014	2015	2016
Local Sources:					
Property tax	\$ 4,714,952	\$ 4,455,503	\$ 4,785,143	\$ 4,621,253	\$ 4,689,797
Other	1,776,089	2,104,269	2,050,901	1,925,154	1,844,099
State sources	50,033,711	51,990,902	53,024,138	54,851,801	53,495,766
Federal sources	14,118,334	14,239,652	13,771,207	13,775,993	13,525,548
Total	\$ 70,643,086	\$ 72,790,326	\$ 73,631,389	\$ 75,174,201	\$ 73,555,210

Source: District Financial Statements and Notes to the Basic Financial Statements

Table 5

2017	2018	2019	2020	2021
\$ 5,515,995	\$ 5,976,062	\$ 6,549,931	\$ 6,756,751	\$ 7,543,126
2,421,949	4,376,701	2,753,778	2,539,619	4,423,242
57,244,433	57,368,376	56,756,369	56,593,402	59,396,087
12,942,103	12,727,027	13,565,181	15,161,750	20,989,211
<u>\$ 78,124,480</u>	<u>\$ 80,448,166</u>	<u>\$ 79,625,259</u>	<u>\$ 81,051,522</u>	<u>\$ 92,351,666</u>

**Roma Independent School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Fiscal Year	Residential Property	Commercial Property Value	Personal Property Value	Total Actual Value
2012	193,946,400	216,296,090	288,381,310	698,623,800
2013	196,535,250	146,353,520	318,021,890	660,910,660
2014	201,326,460	122,808,650	317,203,970	641,339,080
2015	205,422,510	126,143,880	316,540,670	648,107,060
2016	211,034,600	126,208,770	313,860,070	651,103,440
2017	215,250,140	118,165,980	365,117,010	698,533,130
2018	263,443,132	132,252,690	243,686,290	639,382,112
2019	289,214,081	141,832,177	243,388,340	674,434,598
2020	304,154,211	141,556,909	244,001,526	689,712,646
2021	352,240,018	154,749,414	424,257,030	931,246,462

Source: Starr County Appraisal District
*per \$100 of assessed value

Table 6

Exemptions	Adjusted Assessed Value	*Total Direct Tax Rate
294,960,520	403,663,280	1.464760
293,509,916	367,400,744	1.459920
295,438,875	345,900,205	1.459090
295,438,875	352,668,185	1.459090
294,434,285	356,669,155	1.459090
328,632,410	369,900,720	1.553660
138,914,292	500,467,820	1.569390
214,951,002	459,483,596	1.484000
148,277,973	541,434,673	1.445790
171,909,000	759,337,462	1.377200

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**Roma Independent School District
Property Tax Rates – Direct and Overlapping Governments
(Per \$100 Assessed Valuation)
Last Ten Fiscal Years**

Table 7

Fiscal Year	Tax Year	Direct Tax Rate Roma Independent School District			Overlapping Tax Rates				Total Direct and Overlapping Tax Rate
		Maintenance	Debt Service	Total Direct	South Texas College	City of Roma	City of Escobares	Starr County	
2012	2011	1.170000	0.289920	1.459920	0.150700	0.508710	0.340000	0.699200	2.818530
2013	2012	1.170000	0.289090	1.459090	0.150700	0.516500	0.340000	0.779200	2.905490
2014	2013	1.170000	0.289090	1.459090	0.150000	0.519030	0.364809	0.779200	2.907320
2015	2014	1.170000	0.289090	1.459090	0.185000	0.523000	0.364809	0.779200	2.946290
2016	2015	1.170000	0.383660	1.553660	0.185000	0.523055	0.403517	0.778400	3.040115
2017	2016	1.170000	0.399390	1.569390	0.185000	0.531372	0.432025	0.778400	3.064162
2018	2017	1.170000	0.314000	1.484000	0.185000	0.531372	0.432025	0.778400	2.978772
2019	2018	1.170000	0.391950	1.561950	0.178000	0.531372	0.432025	0.521900	2.793222
2020	2019	1.068350	0.377440	1.445790	0.173300	0.531372	0.432025	0.521900	2.672362
2021	2020	1.054700	0.322500	1.377200	0.171800	0.605435	0.457300	0.525900	2.680335

Source: Roma Independent School District Tax Office

**Roma Independent School District
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Tax Levy	Current Tax Collections	Percent of Adjusted Tax Levy	Collections in Subsequent Years
2012	5,290,819	4,252,409	80.37%	484,090
2013	5,002,964	3,899,749	77.95%	517,993
2014	5,125,772	4,081,545	79.63%	638,803
2015	5,224,345	4,069,635	77.90%	633,521
2016	5,592,419	4,400,374	78.68%	627,796
2017	6,302,654	4,916,340	78.00%	817,434
2018	6,228,428	4,952,230	79.51%	1,632,193
2019	6,984,460	5,512,305	78.92%	979,447
2020	7,113,939	5,690,479	79.99%	920,650
2021	6,898,452	5,596,433	81.13%	1,246,790

Source: Roma Independent School District Annual Financial and Compliance Reports

Table 8

Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
4,736,499	89.52%	9,444,657	178.51%
4,417,742	88.30%	9,858,610	197.06%
4,720,348	92.09%	10,093,134	196.91%
4,703,156	90.02%	10,690,613	204.63%
5,028,170	89.91%	11,254,861	201.25%
5,733,774	90.97%	11,823,741	187.60%
6,584,423	105.72%	11,467,745	184.12%
6,491,752	92.95%	11,960,453	171.24%
6,611,129	92.93%	12,463,264	175.19%
6,843,223	99.20%	12,518,493	181.47%

**Roma Independent School District
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	Type of Business	Fiscal Year 2021	
		Tax Year 2020 Assessed Valuation	Percentage of Total Assessed Valuation
Kinder Morgan Texas Pipeline Inc	Oil & Gas	25,404,400	4.16%
AEP Texas Inc	Utility Lines	21,921,180	3.59%
Las Lomas Wind Energy	Wind Energy	21,699,540	3.56%
Rio Brave Windpower	Wind Energy	20,000,000	3.28%
AEP Electric Transmission of Texas,LLC	Utility Lines	15,825,690	2.59%
Los Vientos Windpower IV	Wind Energy	10,000,000	1.64%
Merit Energy Company	Utility Lines	9,751,530	1.60%
Merit Energy Company	Utility Lines	5,676,020	0.93%
Kinder Morgan Texas Pipeline LP	Oil & Gas	5,190,100	0.85%
Pena Riverview Investments LLC	Real Estate	3,664,040	0.60%
Totals		\$ 139,132,500	22.80%

Source: Roma Independent School District Tax Office

		Fiscal Year 2012	
Taxpayer	Type of Business	Tax Year	Percentage of
		2011	Total Assessed
		Assessed	Valuation
		Valuation	Valuation
El Paso Prod Oil & Gas Company	Oil and Gas	16,648,540	4.57%
EOG Resources Inc	Oil and Gas	9,387,240	2.58%
AEP Texas Central Company	Electric Utilities	8,566,518	2.35%
El Paso Production Oil & Gas	Oil and Gas	8,304,496	2.28%
Kinder Morgan Tejas Pipeline	Oil and Gas	6,637,076	1.82%
Kinder Morgan Texas Pipeline	Oil and Gas	6,024,782	1.65%
CICO Oil & Gas Company	Oil and Gas	5,018,289	1.38%
RLU Operating LLC	Investments	4,291,263	1.18%
Newgulf Petroleum LLC	Oil and Gas	3,442,997	0.95%
Pena Riverview Investments LLC	Investments	2,424,037	0.67%
Totals		\$ 70,745,238	19.43%

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Debt Capacity Information



Roma Independent School District Outstanding Debt by Type Last Ten Fiscal Years

Table 10

Fiscal Year	Governmental Activities			Total Debt	Ratio of Total Debt to Estimated Actual Property Value (1)	Total Debt Per Average Daily Membership	Ratio of Debt to Personal Income (2)	Net Bonded Debt per Capita (3)
	General Bonds	Refunding Bonds	Property Finance Contract					
2012	46,390,000	21,270,000	-	67,660,000	10%	10,199	29%	5,928
2013	36,720,000	28,635,000	-	65,355,000	10%	10,038	27%	5,648
2014	26,480,000	36,365,000	-	62,845,000	10%	9,683	24%	5,358
2015	25,345,000	34,140,000	-	59,485,000	9%	9,238	22%	5,004
2016	11,485,000	44,985,000	267,476	56,737,476	9%	8,707	21%	5,046
2017	33,690,000	49,666,929	664,203	84,021,132	12%	12,826	41%	7,457
2018	31,315,000	41,495,000	552,906	73,362,906	11%	11,394	27%	6,421
2019	30,560,000	45,641,616	769,612	76,971,228	11%	12,063	27%	6,707
2020	21,335,000	51,004,258	594,477	72,933,735	11%	11,904	23%	6,348
2021	20,835,000	47,455,721	1,863,518	70,154,239	8%	11,598	19%	6,035

Source: Roma Independent School District Annual Financial and Compliance Reports

- (1) See table 6 for adjusted assessed values
- (2) See table 13 for personal income
- (3) See table 13 for average daily attendance

**Roma Independent School District
Ratio of Net General Obligation Bonded Debt Outstanding
Per Average Daily Membership
Last Ten Fiscal Years**

Table 11

Fiscal Year	Average Daily Membership	Estimated Actual Value	General Bonded Debt	Less Reserve for Retirement of Bonded Debt	General Bonded Debt	Bonded Debt to Estimated 72159743	Debt Per Average Daily Membership
2012	6,634	698,623,800	65,355,000	928,712	64,426,288	9.22%	9,712
2013	6,511	660,910,660	62,845,000	59,721	62,785,279	9.50%	9,643
2014	6,490	641,339,080	59,485,000	108,090	59,376,910	9.26%	9,149
2015	6,439	648,107,060	63,989,725	412,568	63,577,157	9.81%	9,874
2016	6,516	651,103,440	84,021,132	244,310	83,776,822	12.87%	12,857
2017	6,551	698,533,130	73,362,906	125,587	73,237,319	10.48%	11,180
2018	6,439	639,382,112	80,517,002	125,587	80,391,415	12.57%	12,485
2019	6,381	674,434,598	76,971,228	241,869	76,729,359	11.38%	12,025
2020	6,127	689,712,646	72,933,735	240,335	72,693,400	10.54%	11,864
2021	6,049	931,246,462	63,983,519	241,869	63,741,650	6.84%	10,538

Note: Average Daily Membership represents the average daily enrollment of students.

Note: Estimated actual property value and average daily membership are used because they are more relevant to the school district than personal income and population.

**Roma Independent School District
Direct and Overlapping Governmental Activities Debt
August 31, 2021**

Table 12

Political Subdivision	Net Debt Amounts	As of	Percentage Applicable to Roma ISD (1)	Roma ISD's Share of Debt
Roma ISD	\$ 70,154,239	8/31/2021	100.00%	\$ 70,154,239
Total direct debt	70,154,239			70,154,239
<u>Overlapping Debt</u>				
City of Roma	\$ 6,273,000	09/30/21	100.00%	6,273,000
City of Escobares	489,000	09/30/21	100.00%	489,000
South Texas College	120,914,693	08/31/21	1.82%	2,200,647
Starr County*	416,667	09/30/21	28.75%	119,792
Total overlapping debt	128,093,360			9,082,439
Total Direct and Overlapping Debt	\$ 198,247,599			\$ 79,236,678

Source: City of Roma and Starr County Financial Data

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

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

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Demographic and Economic Information



**Roma Independent School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Table 13

Fiscal Year	Estimated Population	Personal Income	Per Capita Personal Income (PCPI)	Average Daily Attendance	Unemployment Rate
2012	11,413	232,083,355	20,335	6,113	14.5%
2013	11,571	240,804,081	20,811	6,017	14.8%
2014	11,729	257,580,569	21,961	5,984	13.5%
2015	11,888	275,516,288	23,176	5,952	13.1%
2016	11,243	274,981,294	24,458	6,014	13.7%
2017	11,267	207,198,881	18,390	5,990	9.7%
2018	11,425	273,822,395	23,967	5,845	7.9%
2019	11,476	280,193,551	24,416	5,753	7.9%
2020	11,490	318,422,370	27,713	5,670	15.6%
2021	11,624	364,284,536	31,339	5,702	18.4%

Sources: City of Roma, Texas

Bureau of Economic Analysis - US Department of Commerce-Starr County MPA (PCPI)

**Roma Independent School District
Principal Employers
Current Year and Nine Years Ago**

Table 14

2021

Employer	Employees	Rank	Percentage of Total City Employment
Roma Independent School District	1000-1500	1	*
Starr County	600-650	2	*
City of Roma	100-150	3	*
Riverview Enterprises	100-150	4	*
Roma Port of Entry	50-99	5	*
Whataburger	45	6	*
Citizens State Bank	40	7	*
McDonalds	31	8	*
Stripes Convenience Stores	23	9	*
Burger King	20	10	*
Total Principal Employers	2,297		*
Other Employers		*	*
Total Employers		*	*

2012

Employer	Employees	Rank	Percentage of Total City Employment
Roma Independent School District		1	*
City of Roma, Texas		2	*
Starr County		3	*
Riverview Enterprises		4	*
Citizens State Bank		5	*
Bealls		6	*
Whataburger		7	*
Pizza Hut		8	*
Burger King		9	*
IBC Bank		10	*
Total Principal Employers	-		*
Other Employers		*	*
Total Employers		*	*

Source: City of Roma

* Information not available

Operating Information



**Roma Independent School District
Schedule of Attendance and Membership
Last Ten Fiscal Years**

Table 15

Fiscal Year	Average Daily Attendance	Average Daily Membership*	Percent of Attendance
2012	6,113	6,634	92.15%
2013	6,017	6,511	92.41%
2014	5,984	6,490	92.20%
2015	5,952	6,439	92.44%
2016	6,014	6,516	92.30%
2017	5,990	6,551	91.44%
2018	5,845	6,439	90.77%
2019	5,753	6,381	90.16%
2020	5,670	6,127	92.54%
2021	5,702	6,049	94.26%

Source: The District's PEIMS & Student Accounting Office

* Average Daily Membership represents the average daily attendance of eligible enrollees, district-wide over the official number of instructional days.

**Roma Independent School District
Full-Time Equivalent District Employees by Position
Last Ten Fiscal Years**

Classification	2012	2013	2014	2015
STAFF INFORMATION				
Total Staff:	945.3	906.4	948.6	1,027.5
Professional Staff:	535.6	537.9	541.6	584.3
Teachers	441.7	446.0	447.0	471.2
Professional Support	52.9	53.0	55.0	69.1
Campus Administration	29.0	27.9	27.6	32.0
Central Administration	12.0	11.0	12.0	12.0
Educational Aides	104.5	109.7	112.8	115.9
Auxiliary Staff	305.2	258.8	294.2	327.3
Teachers by Highest Degree Held:	441.7	445.4	447.0	471.2
No Degree	-	-	-	1.8
Bachelor's	345.7	348.4	356.0	376.4
Masters	96.0	97.0	90.0	91.0
Doctorate	-	-	1.0	2.0
Teachers by Years of Experience:	441.8	446.0	447.1	471.1
Beginning Teachers	22.9	28.0	19.8	37.2
1-5 Years Experience	133.9	112.9	99.5	85.4
6-10 Years Experience	118.0	124.8	131.9	140.7
11-20 Years Experience	111.0	120.8	133.9	145.0
Over 20 Years Experience	56.0	59.5	62.0	62.8

Source: The District's Human Resources Department and the Academic Excellence Indicator System (AEIS).

Table 16

2016	2017	2018	2019	2020	2021
1,043.8	1,019.4	1,020.3	1,015.8	1,017.4	1,000.5
574.3	563.2	567.0	565.0	549.9	536.6
459.3	447.6	450.3	447.9	439.1	426.4
73.0	76.1	75.1	74.1	67.8	69.2
31.0	29.6	29.0	32.0	32.0	31.0
11.0	10.0	12.6	11.0	11.0	10.0
136.1	113.3	123.3	117.8	113.5	108.9
333.4	342.9	329.9	333.0	354.0	355.0
459.3	447.5	450.3	447.9	439.1	426.4
-	6.8	-	5.8	6.3	-
366.6	342.3	360.9	356.6	346.0	342.8
92.7	95.4	89.4	85.5	85.9	83.6
-	3.0	-	-	0.9	-
459.3	447.6	450.4	447.8	439.1	426.4
34.0	9.5	5.0	10.0	6.6	5.6
99.6	111.5	116.4	116.2	106.8	79.2
112.4	105.3	89.0	75.0	54.0	78.0
158.3	156.3	165.0	163.6	186.9	168.0
55.0	65.0	75.0	83.0	84.8	95.6

Roma Independent School District Operating Statistics Last Ten Fiscal Years

Table 17

Fiscal Year	Daily Attendance	Operating Expenditures	Cost per Student	Percent Change	Government Wide Expenses	Cost per Student	Percent Change	Teaching Staff	Student to Teacher Ratio
2012	6,113	68,441,291	11,196	7.52%	66,962,330	10,954	5.13%	442	13.83
2013	6,017	74,800,917	12,432	11.04%	68,811,415	11,436	4.40%	446	13.49
2014	5,984	83,955,916	14,030	12.85%	74,281,182	12,413	8.54%	447	13.39
2015	5,952	82,608,998	13,879	-1.08%	79,958,477	13,434	8.23%	471	12.64
2016	6,014	80,470,831	13,381	-3.59%	82,551,627	13,727	2.18%	447	13.45
2017	5,990	80,749,071	13,481	0.75%	70,257,601	11,729	-14.56%	448	13.37
2018	5,845	95,672,614	16,368	21.42%	67,170,271	11,492	-2.02%	450	12.99
2019	5,753	83,718,109	14,552	-11.09%	85,456,060	14,854	29.26%	448	12.84
2020	5,670	82,749,889	14,594	0.29%	87,818,396	15,488	4.27%	448	12.66
2021	5,702	87,828,435	15,403	5.54%	89,785,099	15,746	1.67%	426	13.38

**Roma Independent School District
Teacher Base Salaries
Last Ten Fiscal Years**

Table 18

Fiscal Year	District Salary (1)	County Average Salary	City of Roma Average Salary	Statewide Average Salary (2)
2012	47,471	*	*	48,375
2013	48,282	*	*	48,821
2014	49,208	*	*	49,692
2015	50,406	*	*	50,715
2016	51,175	*	*	52,090
2017	51,197	*	*	52,525
2018	51,650	*	*	53,334
2019	52,551	*	*	54,122
2020	54,880	*	*	57,091
2021	56,109	*	*	57,641

Source: Academic Excellence Indicator System (AEIS)

* Information not available

**Roma Independent School District
Schedule of School Buildings
2021**

Table 19

	Estimated Square Footage	Recommended Capacity	Enrollment
HIGH SCHOOLS			
Roma High School	330,706	2,400	1,849
MIDDLE SCHOOLS			
Roma Middle School	122,156	1,000	728
Ramiro Barrera Middle School	133,968	1,000	558
TOTAL	256,124	2,000	1,286
SPECIAL CAMPUSES			
Instructional and Guidance	33,551	350	3
ELEMENTARY SCHOOLS			
Emma Vera	55,427	800	437
Florence J. Scott	65,945	700	510
Rafaela T. Barrera	53,857	800	369
Roel and Celia Saenz	57,439	800	574
Veterans Memorial	62,653	880	505
Delia G. Garcia	69,493	700	527
TOTAL	364,814	4,680	2,922

Source: Facility Area information provided by District Operations

Single Audit Section



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

To the Board of Trustees
Roma Independent School District

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, each major fund, and the aggregate remaining fund information of the Roma Independent School District as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the Roma Independent School District's basic financial statements, and have issued our report thereon dated January 26, 2022.

Internal Control over Financial Reporting

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

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Roma 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.

Carr, Riggs & Ingram, L.L.C.

Harlingen, Texas
January 26, 2022

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

To the Board of Trustees
Roma Independent School District

Report on Compliance for Each Major Federal Program

We have audited the Roma 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 the Roma Independent School District's major federal programs for the year ended August 31, 2021. Roma 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Roma 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 the Roma 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 the Roma Independent School District's compliance.

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Opinion on Each Major Federal Program

In our opinion, the Roma 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.

Report on Internal Control Over Compliance

Management of the Roma 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 the Roma 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 the Roma 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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.

Carr, Riggs & Ingram, L.L.C.

Harlingen, Texas
January 26, 2022

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Roma Independent School District Schedule of Findings and Questioned Costs

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified that are not considered to be material weakness(es)? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified that are not considered to be material weakness(es)? _____ yes X none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X none reported

Identification of major programs:

<i>Assistance Listing Number(s)</i>	<i>Name of Federal Program or Cluster</i>
10.558	Child and Adult Care Food Program
84.425D	COVID-19Elementary and Secondary School Emergency Relief Fund (ESSER I)
84.425U	COVID-19Elementary and Secondary School Emergency Relief Fund (ESSER III)

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

Auditee qualified as low-risk auditee? X yes _____ no

**Roma Independent School District
Schedule of Findings and Questioned Costs - Continued**

**Section II – Findings Related to the Financial Statement Audit as Required to Be
Reported in Accordance with Generally Accepted Government Auditing Standards**

None noted that were required to be reported

Section III – Federal Award Findings and Questioned Costs

None noted that were required to be reported

**Roma Independent School District
Schedule of Findings and Questioned Costs
Schedule of Status of Prior Findings**

None noted that were required to be reported



BOARD OF TRUSTEES

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Reynaldo Rodríguez, Member

**Roma Independent School District
Schedule of Findings and Questioned Costs
Corrective Action Plan**

PROGRAM DESCRIPTION

CORRECTIVE ACTION PLAN

No findings or questioned costs noted

Contact Person: Pedro Alaniz, Business Manager

Implementation Time Frame: N/A

Roma Independent School District
Schedule of Federal Awards
K-2

For the year ended August 31, 2021

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	(2) Assistance Listing Number	(3) Pass-through Entity Identifying Number	(4) Provided to Subrecipients	(5) Federal Expenditures
U.S. DEPARTMENT OF EDUCATION				
<u>Passed Through State Department of Education</u>				
Title I Grants to Local Educational Agencies	84.010	21610101214903	\$ -	\$ 4,573,164
Migrant Education State Grant Program	84.011	21615001214903	-	155,873
Special Education Cluster (IDEA)				
*Special Education Grants to States	84.027	216600012149036000	-	1,477,995
*Special Education Preschool Grants	84.173	216610012149036000	-	17,477
Total Special Education Cluster			-	1,495,472
Career and Technical Education - Basic Grants to States	84.048	21420006214903	-	141,710
Career and Technical Education - Basic Grants to States	84.048	22420006214903	-	859
				142,569
English Language Acquisition State Grants	84.365	21671001214903	-	90,455
Supporting Effective Instruction State Grant (formerly Improving Teacher Quality State Grants)	84.367	21694501214903	-	391,048
Gaining Early Awareness and Readiness for Undergraduate Program	84.334	P334A180024	-	159,641
Student Support and Academic Enrichment Program	84.424	20680101214903	-	111,822
Student Support and Academic Enrichment Program	84.424	21680101214903	-	164,094
				275,916
Rural Education	84.358	21696001214903	-	117,112
Instructional Continuity Grant	84.377A	17610740214903	-	1,571
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	20521001214903	-	2,429,886
COVID-19 Elementary and Secondary School Emergency Relief Fund- PPRP	84.425D	S425D200042	-	1,554,000
				3,983,886
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425U	21521001214903	-	2,707,847
Total COVID-19 Elementary and Secondary School Emergency Relief Fund				6,691,733
Total Passed Through State Department of Education				14,094,554
<u>Passed Through Region One</u>				
Career and Technical Education - Basic Grants to States	84.048	22420006214903	-	34,373
Total Passed Through Region One				34,373
TOTAL U.S. DEPARTMENT OF EDUCATION			-	14,128,927
U.S. DEPARTMENT OF AGRICULTURE				
<u>Passed Through the State Department of Agriculture</u>				
Child Nutrition Cluster				
*COVID-19 School Breakfast Program	10.553	71402001	-	1,576,186
*COVID-19 National School Lunch Program	10.555	71302001	-	2,577,230
*National School Lunch Program - Commodity Supplemental Food Program - Noncash Assistance	10.555	71302001	-	333,815
*COVID-19 National School Lunch Cost Reimbursement Program	10.555	1002	-	86,383
Total Child Nutrition Cluster			-	4,573,614
Child and Adult Care Food Program	10.558	1002	-	1,821,475
TOTAL U.S. DEPARTMENT OF AGRICULTURE			-	6,395,089
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ -	\$ 20,524,016

*Clustered Programs

The accompanying notes are an integral part of this schedule

**Roma Independent School District
Notes on Accounting Policies for
Federal Awards**

EXHIBIT K-2

NOTE 1 - BASIS OF PRESENTATION

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

NOTE 2 – PROGRAM REPORTING

SHARS and \$785,113 in indirect cost are accounted for in the general fund. The National School Lunch Program, School Breakfast Program Commodity Supplemental Food Program, and Summer Feeding Program are accounted for in the National Breakfast and Lunch Program. Expenditures are not specifically attributable to these revenues and are shown on this schedule in an amount equal to revenue for balancing purposes only.

Reconciliation:

Amount of federal revenues Exhibit C-3	\$20,989,211
Less amounts not considered to be federal awards, excluded on the Schedule of Expenditures of Federal Awards:	
School Health and Related Services Program (SHARS)	<u>(465,195)</u>
Total expenditures of federal awards, per Schedule of Expenditures of Federal Awards (Exhibit K-1)	<u>\$20,524,016</u>

NOTE 3 – SUB-RECIPIENTS

During the year ended August 31, 2021, the Roma Independent School District had no sub-recipients.

NOTE 3 – FEDERAL LOANS AND LOAN GUARANTEES

During the year ended August 31, 2021, the District had no outstanding federal loans payable or loan guarantees.

NOTE 4 – FEDERALLY FUNDED INSURANCE

During the year ended August 31, 2021, the District had no federally funded insurance.

**Roma Independent School District
Notes on Accounting Policies for
Federal Awards - Continued**

NOTE 6 – NONCASH AWARDS

During the year ended August 31, 2021, the District received \$333,815 of federal awards in the form of noncash assistance.

NOTE 7 – INDIRECT COST RATE

The Uniform Guidance allows an organization to elect a 10% de minimus indirect cost rate. For the year ended August 31, 2021, the District did not elect to use this rate.