



Annual Comprehensive Financial Report
for the Fiscal Year Ended
June 30, 2021

Report Issued by the
Finance and Accounting
Services Division

Dallas Independent School District

**Dallas Independent School District
For the Fiscal Year Ended June 30, 2021**

Table of Contents

<u>Exhibit</u>		<u>Page</u>
	<u>INTRODUCTORY SECTION</u> (Unaudited)	
	Transmittal Letter	i
	GFOA Certificate of Achievement	ix
	ASBO Certificate of Excellence	x
	Board of Trustees	xi
	Certificate of the Board	xii
	Administrative Officials	xiii
	Organizational Chart	xiv
	 <u>FINANCIAL SECTION</u>	
	Independent Auditor's Report	1
	Management's Discussion and Analysis (Unaudited)	4
	 <i>Basic Financial Statements</i>	
	Government-wide Financial Statements:	
A-1	Statement of Net Position	16
B-1	Statement of Activities	17
	Governmental Fund Financial Statements:	
C-1	Balance Sheet - Governmental Funds	18
C-1R	Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	21
C-2	Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	22
C-3	Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	24
	Proprietary Funds Financial Statements:	
D-1	Statement of Net Position - Proprietary Funds	26
D-2	Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	27
D-3	Statement of Cash Flows - Proprietary Funds	28
	Fiduciary Fund Financial Statement:	
E-1	Statement of Fiduciary Net Position - Fiduciary Funds	29
E-2	Statement of Changes in Fiduciary Fund Net Position - Fiduciary Funds	30
	Notes to the Basic Financial Statements	31
	 <i>Required Supplementary Information</i>	
G-1	Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - General Fund	68
	Notes to Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - General Fund	69
G-2	Schedule of the District's Proportionate Share of the Net Pension Liability - Teacher Retirement System	70
G-3	Schedule of District Contributions - Teacher Retirement System	71
G-4	Schedule of the District's Proportionate Share of the Net OPEB Liability - Teacher Retirement System	72
G-5	Schedule of District Contributions for Other Post Employment Benefits - Teacher Retirement System	73
	Notes to Teacher Retirement System and Other Post Employment Benefits Schedules	74
	 <i>Combining and Other Statements</i>	
	Non-Major Governmental Funds:	77
H-1	Combining Balance Sheet - Non-Major Governmental Funds	80
H-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds	86

<u>Exhibit</u>	<u>Page</u>
Internal Service Funds:	92
H-3 Combining Statement of Net Position - Internal Service Funds	93
H-4 Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds	94
H-5 Combining Statement of Cash Flows - Internal Service Funds	95
<i>Texas Education Agency Required Schedules</i>	
J-1 Schedule of Delinquent Taxes Receivable	98
J-2 Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - Food Services Program	99
J-3 Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - Debt Service Fund	100
<u>STATISTICAL SECTION</u> (Unaudited)	
Index for Statistical Section	101
Government-wide Information:	
S-1 Government-wide Changes in Net Position	104
S-2 Government-wide Net Position by Component	106
Fund Information:	
S-3 All Governmental Funds - Changes in Fund Balances	108
S-4 All Governmental Funds - Revenues as a Percentage of Total Revenue and Expenditures as a Percentage of Total Expenditures	110
S-5 All Government Funds - Fund Balances	112
S-6 Property Tax Levies and Collections	113
S-7 Schedule of Tax Rate Distribution Per \$100 Valuation	114
S-8 Assessed and Actual Value of Taxable Property	115
S-9 Property Tax Rates – Direct and Overlapping Governments	116
S-10 Principal Property Tax Payers	118
S-11 Computation of Direct and Overlapping Debt	119
S-12 Ratio of Net Bonded Debt to Taxable Assessed Valuation and Net Bonded Debt Per Capita	120
S-13 Legal Debt Margin Information – Last Ten Fiscal Years	122
S-14 Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total Expenditures	124
S-15 Outstanding Debt by Type	125
S-16 Per Student Calculations (General Fund Only) Based on Revenues and Expenditures	127
S-17 Demographic Data and Economic Statistics	128
S-18 North Texas Principal Employers	130
S-19 Expenditures, Enrollment, and Per Student Costs	132
S-20 Teacher Salary	133
S-21 Full Time Equivalents by Function	134
S-22 General Operating Expenditures by Program Intent Code (PIC)	136
S-23 Dallas ISD Student/Teacher Ratio	138
S-24 Dallas ISD Enrollment Trend	140
S-25 School Building Information	141
S-26 General Operating Expenditures by Function	142
<u>COMPLIANCE SECTION</u>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	147
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance	149
Schedule of Expenditures of Federal Awards	152
Notes to Schedule of Expenditures of Federal Awards	154
Schedule of Findings and Questioned Costs	155
Summary of Prior Year Audit Findings	157

November 18, 2021

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

The Texas Education Code requires that all school districts file a set of financial statements with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited by a Texas certified public accountant in accordance with generally accepted auditing standards. Pursuant to this requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) for Dallas Independent School District (the “District” or “Dallas ISD”) for the fiscal year ended June 30, 2021.

This report consists of management’s representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects. Management has established a comprehensive framework of internal controls to provide a reasonable basis for asserting that the financial statements are fairly presented.

The financial statements of the District have been audited by Weaver and Tidwell LLP, a firm of certified public accountants licensed in Texas. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2021 are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District’s financial statements for the year ended June 30, 2021 are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report.

The independent audit of the financial statements is accompanied by a federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports may be found in the compliance section of this report.

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

DISTRICT PROFILE

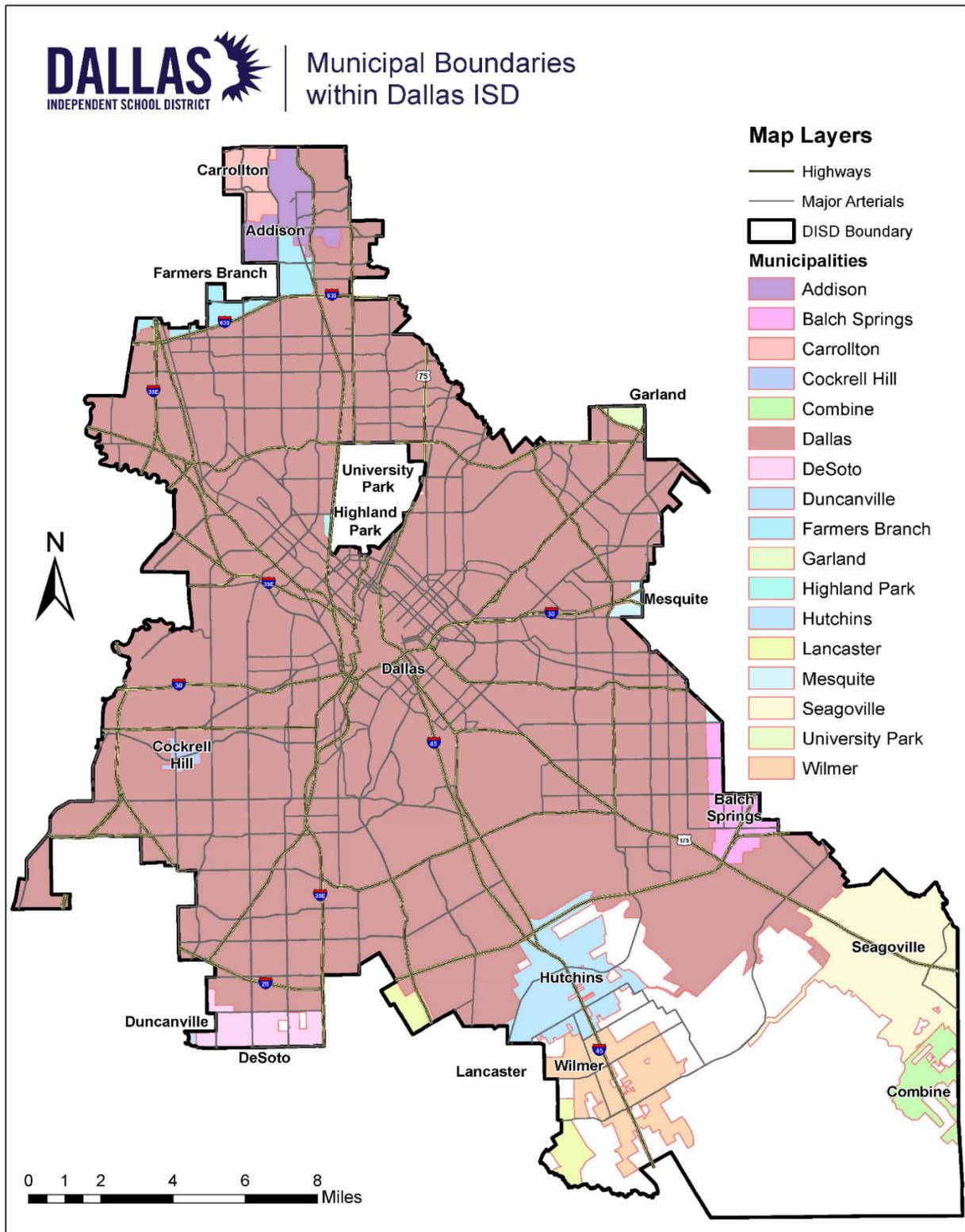
THE DISTRICT

The Dallas Independent School District is an independent public school district operating under applicable laws and regulations of the State of Texas, providing a full range of educational services appropriate to grade levels prekindergarten through twelve. The District is the second-largest public school district in Texas, and one of the largest districts in the nation in terms of enrollment. The District sits in the heart of the large, diverse and dynamic Dallas-Fort Worth metropolitan area, which has a population of approximately 7.6 million people in the DFW Metroplex. The District comprises 384 square miles and encompasses all or portions of the municipalities of Dallas, Addison, Balch Springs, Carrollton, Cockrell Hill, Combine, DeSoto, Duncanville, Farmers Branch, Garland, Highland Park, Hutchins, Lancaster, Mesquite, Seagoville, University Park, and Wilmer. In the 2020-2021 school year, the District served an ethnically and culturally diverse enrollment of 145,113 students in 230 schools. The ethnic composition was approximately 70.7 percent Hispanic, 20.8 percent African-American, 5.0 percent White, 1.0 percent Asian, and 2.5 percent other ethnicities. Dallas ISD had 22,621 total staff in 2020-2021.

The District serves its diverse student population in both traditional and alternative classroom settings. The District is dedicated to providing every student the best possible education through an intensive core curriculum and specialized, challenging instructional and career programs. The District provides a full range of programs and services for its students, including elementary and secondary courses for general, vocational, and college preparatory levels, as well as vanguard, academy, magnet, and gifted and talented programs. Academic programs are supplemented by a variety of co-curricular and extracurricular activities. In addition to the regular educational programs, the District offers programs in career and technology, special education, gifted and talented, bilingual, compensatory, and adult education.

The District has no component units. The Dallas Education Foundation (DEF) is an independent not-for-profit organization founded in 2006 for charitable and education purposes to benefit the District. The DEF receives funds from individuals, corporations, and foundations in support of programs and initiatives to accomplish key District priorities. Since 2013, the District has not considered the DEF a component unit as it does not meet the significance criterion under Governmental Accounting Standards Board (GASB) 39, as the economic resources received or held by the DEF are not significant to the District.

Several charter schools serve the same population that Dallas ISD serves. These charter schools receive their charters from the state and are separate and apart from Dallas ISD. The District competes with these charter schools for the same students. Like Dallas ISD, these charter schools receive state funding based on their Average Daily Attendance and special population counts. However, unlike Dallas ISD, they do not have the ability to levy local property taxes. As such, relative to Dallas ISD, these charter schools are generally more heavily dependent on state revenues for their Maintenance and Operations funding.



GOVERNMENTAL STRUCTURE, BUDGET PROCESS, AND BUDGETARY CONTROL

Serving without compensation, board members establish the policies by which the District operates. The Board of Trustees (the “Board”) has final control over local school matters, limited only by the state legislature, by the courts, and by the will of the people as expressed in school board elections. Board decisions are based on majority vote of those present. In general, the Board adopts policies, sets direction for curriculum, employs the Superintendent, and oversees the operations of the District. Trustees are charged with numerous statutory regulations, including calling trustee and other school elections and canvassing the results, organizing the Board, and electing its officers. The Board is also responsible for setting the tax rate, acting as board of appeals in personnel and student matters, confirming recommendations for textbook adoptions, and adopting and amending the annual budget. The Board adopts the District’s vision and mission statements. The District vision is “Dallas ISD seeks to be a premier urban school district,” and the mission is “Educating all students for success.”

The District administration is responsible for establishing and maintaining an internal control structure designed to ensure assets of the District are protected from loss, theft or misuse, and to ensure adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of “reasonable assurance” recognizes: (1) the cost of control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management. Management believes the internal controls adequately meet the above objectives. 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 these grants. All funded grants are subject to testing as part of the District’s Single Audit. The internal control structure is subject to periodic review by management.

Every school district in Texas is required, by law, to prepare and file a budget with TEA (Texas Education Agency). The General Fund, Food Service Fund, and Debt Service Fund are included in the District’s formally adopted budget and are adopted at the fund and function level. Budgets for Special Revenue funds (other than the Food Service Fund) and Capital Projects Fund are prepared on a project basis, based on grant regulations or applicable bond ordinances. Budgetary control (the level at which expenditures cannot legally exceed appropriations) is maintained at the functional category level within each fund. These functional categories are defined by TEA and identify the purpose of transactions. Oversight control of all expenditures is maintained at this level by the Finance and Accounting staff. Budgetary control is also maintained through the preapproval of personnel transactions and the encumbrance of estimated purchase amounts and other expenditures after the execution of contracts. Obligations that will result in an overrun of appropriated funds are not released until additional appropriations are made available.

The annual budget process is designed to efficiently allocate resources based upon the needs of students and to support the District’s goals. The budget process consists of two phases: planning and preparation. The planning phase begins with the District goals set by the Board. District leadership develops the District improvement plan for all District organizations that support the District goals. The planning period usually occurs from September through January. Preparation begins in early January. During this phase, budgetary resource allocations are distributed to campuses based on enrollment projections, and budgets are distributed to non-campus (central) organizations. Campus position and non-position budget allocations are formula-driven and applied against enrollment projections. Campus non-position general operating allocations are driven by pre-determined allocations and are dependent on enrollment, specific programs and District initiatives. Non-campus allocations (central organizations) are primarily based on previous year allocations. Adjustment requests are determined by divisional chiefs and are prioritized based on District need. Progress updates are provided to the Board throughout the budget development process, and the Board formally adopts the annual budget by June 30.

THE ECONOMIC CONDITION OF THE DISTRICT

THE LOCAL ECONOMY

The Federal Reserve Bank of Dallas provides monthly economic indicators on the state of the local economy. As of September 2021, the Dallas Fed reported that the local economic recovery continues to be on track. The recovery is characterized by strong job growth relative to the historical average, a declining unemployment rate, and a robust housing market characterized by strong sales, tight housing inventories and vigorous construction of single-family homes.

In the labor market, employment growth continued. As of September 2021, payroll gains since April 2020 totaled a substantial 410,600 jobs. In August 2021, DFW employment was only 0.6 percent (22,800 jobs) below its February 2020 high. In August, the unemployment rate fell to 4.6 percent in Dallas and 4.8 percent in Fort Worth and remained below the state's (5.9 percent) and nation's (5.2 percent) rates.

Supported in part by near record-low mortgage rates, demand for homes was robust as of September 2021. New-home sales stayed solid albeit not as frantic as earlier in the year. DFW existing-home inventories remained very tight, near record-low levels and well below the six months' supply typically associated with a balanced market. Overall existing-home inventories in DFW were at 1.2 months of supply as of August 2021. Demand for single-family permits was also strong. Through August 2021, DFW single-family permits were up 28.7 percent compared with the same period in 2020.

LONG-TERM FINANCIAL PLANNING

The District has seen strong property value growth in recent years. The District's certified net taxable property value grew from \$91.2 billion in 2016 to \$128.1 billion in 2021, a 40.1 percent increase over the five-year period. The District's certified net taxable property value for 2021 decreased by 0.2 percent versus 2020; however, this decrease was primarily due to a delay in the processing of property value protests due to the pandemic. The District's certified taxable value base also continues to be diversified among commercial, residential, and business personal property. In 2021, the District's top ten taxpayers comprised only 4.2 percent of the District's total taxable value and no one taxpayer had a significant impact on the District's property tax income.

Net taxable property values are projected to grow 5.0 percent for the 2021 tax year and are projected to grow 4.0 percent annually through the 2023 tax year. The estimated tax collection rate will remain at 98.2 percent through the forecast period. However, because House Bill 3 (HB 3) requires compression of local property tax rates, a Maintenance and Operations (M&O) tax rate of \$1.006200 will be levied for 2021-2022. HB 3 requires automatic M&O tax rate reductions if the District grows by more than 2.5 percent per year. The 5.0 percent property value increase projected above includes the 2.5 percent cap plus new construction values, which are not capped. Effective 2018-2019, the District became subject to Chapter 41 recapture and expects to pay state recapture through the foreseeable future.

Student enrollment heavily influences Average Daily Attendance, which is one of the key drivers of the District's state revenue. Enrollment fell from 2019-2020 to 2020-2021 by 5.69 percent, to 145,113, due to negative impact of the COVID-19 pandemic. The District projects enrollment of 146,500 as part of its 2021-2022 budget, which translates to a .96 percent increase from 2020-2021. The expected increase can be partly attributed to COVID-19 recovery but is primarily expected due to increasing Pre-K student enrollment. The District's strategic investment initiatives for 2021-2022 include additional investment in early learning, which will help to drive increased student enrollment and improved student performance.

In regards to General Fund federal revenue, the District projects to continue to add the Build America Bonds (BABs) and Qualified School Construction Bonds (QSCBs) rebates to the General Operating Fund revenues. The BABs and QSCBs subsidies end in 2035 and 2033, respectively. BABs and QSCBs are taxable municipal bonds that carry special tax credits and federal subsidies for either the bond issuer or the bondholder. There is flexibility to deposit the BABs tax rebate into the General Operating Fund or the Interest and Sinking (I&S) Fund. Management made the decision to recognize the BABs subsidy rebate to the Maintenance and Operations (M&O) General Fund.

Of significant note, the District has submitted funding applications under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), also known as ESSER II, and the American Rescue Plan (ARP), also known as ESSER III. The District expects to receive reimbursements on eligible expenditures during the eligibility periods of these federal awards which extend to September 2023 and September 2024, respectively. The District is also seeking to obtain reimbursements for coronavirus-related expenditures through other, smaller federal programs. Expenditures have ranged from additional purchases of technology and services for remote learning to personal protective equipment for safe onsite learning.

The District continues to invest in the renovation and replacement of aging District facilities and equipment. For context, the average age of all school buildings in 2020-2021 was 53.3 years. The District has typically pursued these improvements through voter-approved bond referendums. Recent major bond programs are summarized below.

Voters approved a \$1.6 billion bond referendum on November 3, 2015. The 2015 Bond Program includes plans to construct five new schools, including one high school and four elementary schools. In addition, the program will construct 12 additions to existing schools, including six high schools, one middle school, and five elementary schools. The program includes renovations and improvements to 128 existing District facilities including roofs, HVAC, building envelopes, interior improvements, site improvements, exterior façade improvements, plumbing, technology, gyms, locker rooms, libraries, science labs, cafeterias, auditoriums, performing arts, fine arts, and athletic facilities, and administration areas in schools. The District's 2015 Bond Program also includes \$100 million for technology improvements to campuses.

On November 6, 2018, voters approved a \$75 million bond proposition for the purchase of approximately \$60 million of new buses, for the purpose of replenishing the District's current fleet inherited from Dallas County Schools. The District is actively making such periodic replacement bus purchases. The remaining \$15 million will be used to purchase or build a new student transportation facility.

On November 3, 2020, voters approved two bond propositions totaling \$3.542 billion. The main general-purpose proposition was for \$3.272 billion for the construction, acquisition, and equipment of school buildings and for the purchase of necessary sites for school buildings. The main proposition includes projects at more than 200 of the District's 230 campuses. Voters also approved a special proposition for \$270.0 million for the acquisition and updating of District technology equipment.

RELEVANT FINANCIAL POLICIES

The Board has adopted a local fund balance policy whereby the District shall strive to maintain a fund balance in which the year-end unassigned fund balance finances two months of operating expenditures. As of June 30, 2021, the General Fund unassigned fund balance was \$662,450,197. This met the fund balance policy goal, as the 2021-2022 Adopted Budget includes \$1,805,369,539 of operating expenditures, and two-twelfths of this total is \$300,894,923. As of June 30, 2021, the General Fund ending unassigned fund balance was sufficient to finance approximately 4.4 months of operating expenditures. The District forecasts that the ending unassigned fund balance could decline to \$543.3 million by the end of 2021-2022 and \$281.1 million by the end of 2024-2025.

AWARDS AND ACKNOWLEDGMENTS

AWARDS

The District continues to earn recognition for strong financial management and to receive awards for financial reporting and budget presentation.

The FIRST (Financial Integrity Rating System of Texas) program is a financial accountability system for Texas school districts developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. FIRST measures and rates districts' financial performance, toward the dual goals of improving the quality of Texas school districts' financial management practices and encouraging districts to provide the maximum possible allocation of district resources toward direct instructional purposes. Dallas ISD was rated "Superior" for 2020-2021. The rating of Superior is the highest possible rating and demonstrates the soundness of Dallas ISD's financial management practices.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, the District published a Comprehensive Annual Financial Report in which contents conformed to program standards. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year. We believe this fiscal 2020-2021 ACFR continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District received the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting Award for the fiscal year ending June 30, 2020. This award certifies that the Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO. A Certificate of Excellence is valid for a period of one year. We believe this fiscal 2020-2021 ACFR continues to meet the Certificate of Excellence program requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance and Accounting Services Division and the Graphics Department. Our thanks go to all members of these departments who assisted and contributed to its preparation. The District thanks the members of the Board of Trustees for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.



Michael Hinojosa, Ed.D.
Superintendent of Schools



Dwayne D. Thompson, SFO
Chief Business Officer



Scott Drillette
Deputy Chief Financial Officer



Edward E. Sorola, RTSBA
Executive Director of Finance and Accounting Services



Sarbani Majumdar, CPA, RTSBA
Director of Accounting Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Dallas Independent School District
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Dallas Independent School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2020.**

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



W. Edward Chabal

W. Edward Chabal
President

David J. Lewis

David J. Lewis
Executive Director

Board of Trustees



Ben Mackey
President
District 7: North Central
Oak Cliff, Cockrell Hill,
and parts of West Dallas



Edwin Flores
First Vice President
District 1: Northwest
Dallas, including North
Dallas, Addison, and
parts of Carrollton and
Farmers Branch



Maxie Johnson
Second Vice President
District 5: Oak Lawn,
West Dallas, Wilmer,
Hutchins, and portions of
East Oak Cliff



Jose Carreón
Board Secretary
District 8: Northwest
Dallas, Love Field,
and parts of East and
West Dallas



Dustin Marshall
District 2: North and Near
East Dallas



Dan Micciche
District 3: Northeast
Dallas



Karla Garcia
District 4: Southeast
Dallas, Seagoville, Balch
Springs



Joyce Foreman
District 6: Southwest
Dallas



Justin Henry
District 9: South Dallas
and parts of Downtown
Dallas, Pleasant Grove,
Deep Ellum, Uptown,
and East Dallas



Certificate of the Board

Dallas Independent School District
Name of School District

Dallas
County

057-905-10
County-District-
Regional No.

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and (check one) approved ___ disapproved for the year ended June 30, 2021, at a meeting of the Board of School Trustees of such school district on the 18th day of November, 2021.



Signature of Board Secretary



Signature of Board President

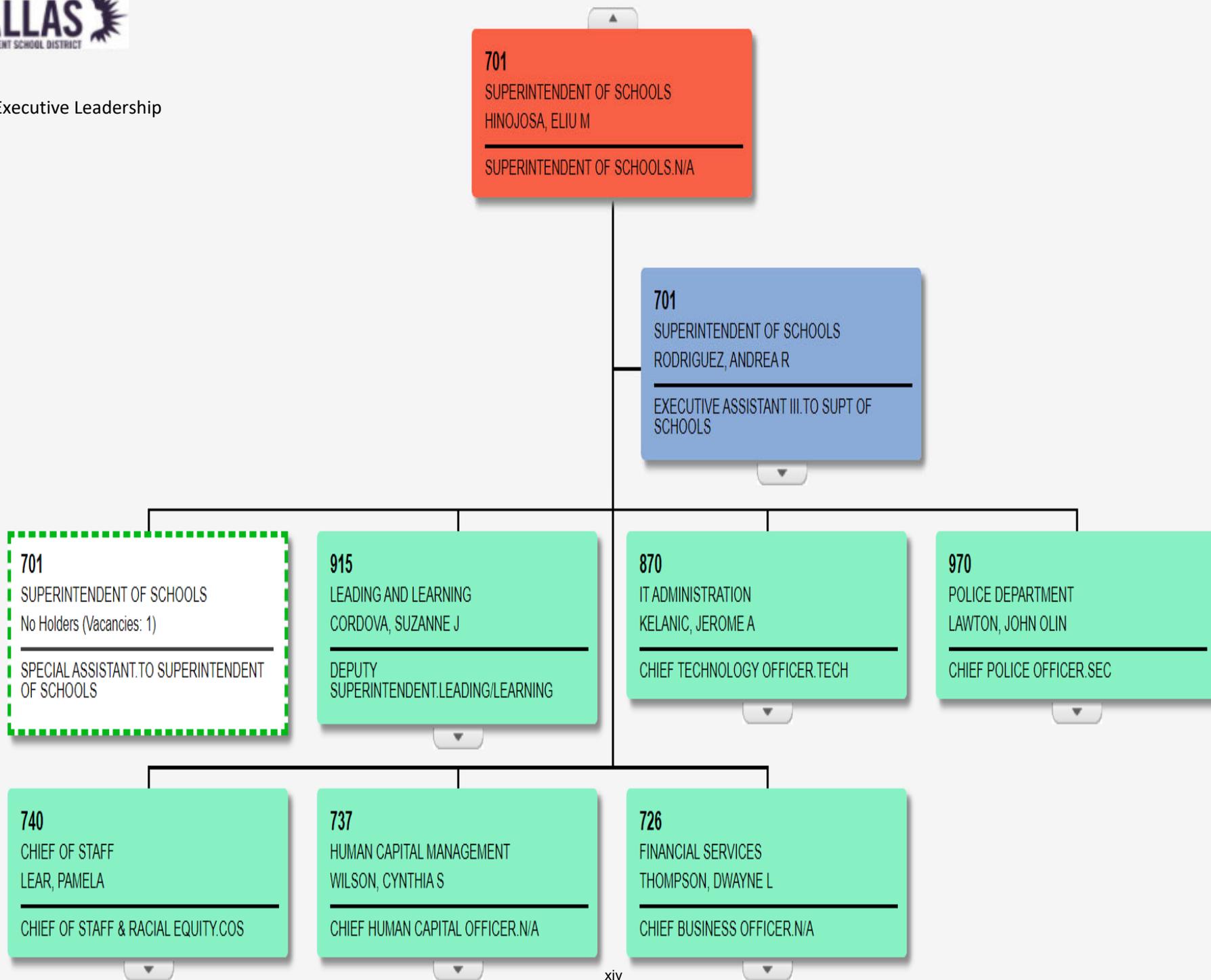
Dallas Independent School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2021

ADMINISTRATIVE OFFICIALS

**Michael Hinojosa, Ed.D.
Superintendent of Schools**

Susana Cordova.....Deputy Superintendent
Libby Daniels.....Chief of Communications
Tiffany Huitt.....Chief of School Leadership
Jack Kelanic.....Chief Technology Officer
Dr. Pamela Lear.....Chief of Staff and Racial Equity Officer
Dr. Brian Lusk..... Chief of Strategic Initiatives
Dwayne Thompson.....Chief Business Officer
Shannon Trejo.....Chief Academic Officer
Dr. Cynthia Wilson.....Chief of Human Capital Management
John Lawton.....Chief of Police and Security
Robert Rubel.....Chief Internal Audit Officer

Executive Leadership





Independent Auditor's Report

Board of Trustees
Dallas Independent School District
Dallas, Texas

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 Dallas Independent School District (the District) as of and for the year ended June 30, 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

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note A to the basic financial statements, during the year ended June 30, 2021, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Beginning net position in the custodial fiduciary fund has been restated as a result of the implementation of this statement. Our opinions are 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, budgetary comparison information and notes to the budgetary comparison, and TRS pension and other post-employment benefits schedules and notes to the TRS pension and other post-employment benefits schedules on pages 4 through 14, 68 and 69, and 70 through 74, respectively, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and other statements, required Texas Education Agency schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

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

Board of Trustees
Dallas Independent School District

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
November 1, 2021

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

This section of the District's Annual Comprehensive Financial Report (ACFR) discusses and analyzes the District's financial performance for the fiscal year ended June 30, 2021. The intent of this management discussion and analysis is to look at financial performance as a whole. Therefore, readers should also review the transmittal letter, financial statements, and the notes to the basic financial statements to further enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

The District's total combined net position as presented on the Government-wide Statement of Net Position was \$274.0 million for the year ended June 30, 2021. The net position increased by \$117.7 million.

The District's governmental funds financial statements reported a combined ending fund balance of \$1,682.6 million. This balance consists of \$923.3 million in the General Fund of which \$246.7 million is assigned, \$14.1 million is non-spendable, and \$662.5 million is unassigned and available for spending at the District's discretion. Restricted fund balance totals \$688.1 million and is used by the Debt Service Fund, Capital Projects Fund and Non-Major Funds. Fund balance in the Debt Service Fund also consists of \$57.3 million of assigned fund balance. The Non-Major Funds consists of \$6.4 million of assigned fund balance.

For the year ended June 30, 2021, total revenue from all sources, including extraordinary items, was \$2.4 billion. Program revenues accounted for \$351.9 million of total revenues. General revenues accounted for \$2.0 billion.

The General Fund had \$1.7 billion in revenues, which primarily consisted of property taxes and state aid, in addition to a \$3.6 million transfer in from the Capital Projects Fund and \$3.0 million from the Risk Management Fund, and \$1.6 billion in expenditures, in addition to a \$19.0 million transfer out to the Food Services Fund, \$0.8 million to Internal Service Funds, and \$7.2 million to the Debt Service Fund. This resulted in an increase to the fund balance of \$53.9 million.

In October 2019, three District schools were damaged by a tornado. In February 2021, district facilities were damaged due to Winter Storm Uri. Extraordinary Items (Sources) of \$19.9 million consist of \$5.0 million insurance proceeds received for winter storm damage and \$14.9 million received for tornado damage. Extraordinary Items (Uses) are expenditures of \$13.8 million, which consists of \$10.0 million related to tornado damage and \$3.8 million related to winter storm damage.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The statements are followed by a section of required supplementary information and a section of other information that further explains and supports the information in the financial statements.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the school district's finances in a manner similar to a private sector business. The government-wide statements are comprised of the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the District as a whole and present both long-term and short-term information about the District's overall financial status. The District's basic services are primarily financed by property taxes and inter-governmental revenues, and include instruction, extracurricular activities, curriculum, staff development, health services, general administration, and plant maintenance and operations.

The Statement of Net Position presents information on all of the District's assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. Over time, increases or decreases in the District's net position may serve as a useful indicator of the District's financial health. The Statement of Net Position includes all of the District's non-fiduciary assets and liabilities.

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

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

Fund Financial Statements. 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 fund financial statements provide more detailed information about the District's most significant funds rather than the District as a whole. Funds are a governmental accounting tool that the District uses to track 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 resources for specific purposes or to delineate the use of certain taxes and grants.

The District has three kinds of funds:

- **Governmental Funds**—All of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow 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 determine the availability of financial resources 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 immediately following the governmental funds statements that explain the relationship (or differences) between them. These include debt financing, capital assets, and revenue recognition.
- **Proprietary Funds**—Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The District's three proprietary funds are Internal Service Funds. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the various functions. The District uses the Internal Service Fund to report activities for its risk management, graphics, and insurance for auto liability expenses. The proprietary fund statements offer short and long-term financial information about the activities the District operates like a business.
- **Fiduciary Funds**—Fiduciary funds are used to account for resources held by the District in a custodial capacity. 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. Fiduciary funds are excluded from the District's government-wide financial statements because the District cannot use these assets to finance its operations. The fiduciary fund statement provides information about the financial relationships in which the District acts solely as a custodian or agent for funds that belong to others. In fiscal year 2021, the District implemented GASB 84 and reported a Custodial Fund. Per GASB 84, the District's fiduciary activity is reported in a separate Statement of Fiduciary Net Position and Changes in Fiduciary Net Position.

Notes to the Basic 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.

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.

Combining and Other Statements. Immediately following the required supplementary information, combining statements are included for the Non-Major Funds, Internal Service Funds and Custodial Funds.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

Exhibit 1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section explains the structure and contents of each of the statements.

**Exhibit 1
Major Features of the District's Government-wide
and Fund Financial Statements**

Type of Statement	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<i>Scope</i>	Entire District's government (except fiduciary funds) and the District's component units	The activities of the District that are not proprietary or fiduciary	Activities the District operates similar to private businesses	Instances in which the District is the trustee or agent for someone else's resources
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balance 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenses and Changes in Fund Net Position • Statement of Cash Flows 	<ul style="list-style-type: none"> • Statement of Fiduciary Net Position • Statement of Changes in Fiduciary Net Position
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
<i>Type of inflow/outflow information</i>	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The District's combined net position between fiscal years 2021 and 2020 increased by \$117.7 million. The District's net investment in capital assets is \$454.0 million and includes investments in capital assets (e.g. land, building, equipment, improvements, and construction in progress) less any debt used to acquire those assets that is still outstanding. Of the remaining net position, \$121.6 million are restricted resources subject to external restrictions on how they are used, and (\$301.6) million are unrestricted resources.

The District uses the capital assets to provide services to students; consequently these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Exhibit 2 provides a summary of the Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position for governmental activities for years ended June 30, 2021 and 2020, respectively.

**Exhibit 2
Net Position
Governmental Activities**

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>\$ Change Increase/ (Decrease)</u>	<u>% Change Increase/ (Decrease)</u>
Current and Other Assets	\$ 2,153,072,094	\$ 1,814,868,813	\$ 338,203,281	18.6%
Capital Assets	<u>3,310,553,171</u>	<u>3,087,210,885</u>	<u>223,342,286</u>	<u>7.2%</u>
Total Assets	<u>5,463,625,265</u>	<u>4,902,079,698</u>	<u>561,545,567</u>	<u>11.5%</u>
Deferred Outflows of Resources	<u>362,396,775</u>	<u>429,835,608</u>	<u>(67,438,833)</u>	<u>(15.7%)</u>
Current Liabilities	440,309,490	430,163,655	10,145,835	2.4%
Long Term Liabilities	<u>4,601,349,647</u>	<u>4,327,723,868</u>	<u>273,625,779</u>	<u>6.3%</u>
Total Liabilities	<u>5,041,659,137</u>	<u>4,757,887,523</u>	<u>283,771,614</u>	<u>6.0%</u>
Deferred Inflows of Resources	<u>510,327,805</u>	<u>417,731,484</u>	<u>92,596,321</u>	<u>22.2%</u>
Net Position:				
Net Investment in				
Capital Assets	454,034,389	396,154,426	57,879,963	14.6%
Restricted	121,618,627	114,584,087	7,034,540	6.1%
Unrestricted	<u>(301,617,918)</u>	<u>(354,442,214)</u>	<u>52,824,296</u>	<u>(14.9%)</u>
Total Net Position	<u>\$ 274,035,098</u>	<u>\$ 156,296,299</u>	<u>\$ 117,738,799</u>	<u>75.3%</u>

Other Financial Highlights. For the year ended June 30, 2021, the District's total revenues were \$2.3 billion. Exhibit 3 shows the year-over-year change in revenues and expenses. The District's total revenues increased \$21.8 million, or 0.9%, over the prior year, and the total expenses increased \$39.7 million or 1.8%, over the prior year.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

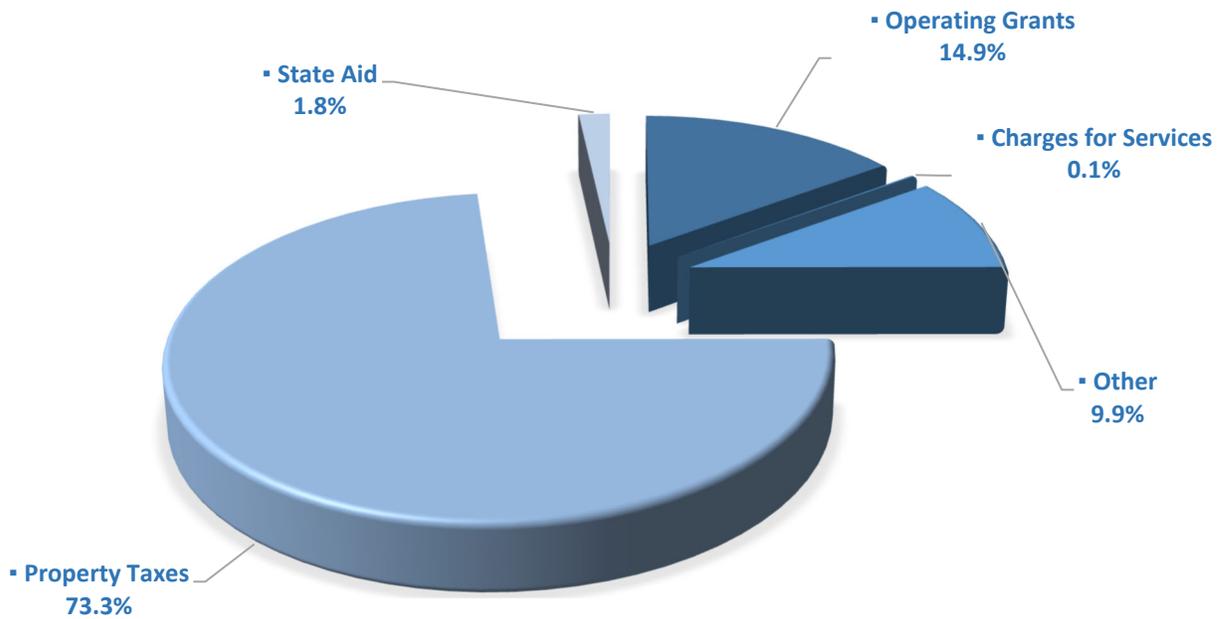
**Exhibit 3
Changes in Net Position
Governmental Activities**

	June 30, 2021	June 30, 2020	\$ Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Revenues				
Program Revenues:				
Operating Grants and Contributions	\$ 348,776,116	\$ 460,333,166	\$ (111,557,050)	(24.2%)
Charges for Services	3,110,467	5,147,745	(2,037,278)	(39.6%)
General Revenues:				
Investment Earnings	30,332,983	29,195,172	1,137,811	3.9%
Property Taxes	1,716,972,446	1,618,809,530	98,162,916	6.1%
State Aid	41,246,541	47,717,109	(6,470,568)	(13.6%)
Grants and Contributions, Unrestricted	6,291,780	130,924,356	(124,632,576)	(95.2%)
Other	188,987,283	21,773,101	167,214,182	768.0%
Total Revenues	2,335,717,616	2,313,900,179	21,817,437	0.9%
Expenses				
Instruction	1,078,164,284	1,095,737,419	(17,573,135)	(1.6%)
Instructional Resources and Media Services	18,401,935	21,402,181	(3,000,246)	(14.0%)
Curriculum and Staff Development	64,995,553	70,424,170	(5,428,617)	(7.7%)
Instructional Leadership	55,389,836	52,236,843	3,152,993	6.0%
School Leadership	123,102,392	123,359,013	(256,621)	(0.2%)
Guidance, Counseling and Evaluation Services	84,734,280	81,244,094	3,490,186	4.3%
Social Work Services	1,925,327	3,349,661	(1,424,334)	(42.5%)
Health Services	24,595,412	26,438,683	(1,843,271)	(7.0%)
Student (Pupil) Transportation	58,353,284	70,395,894	(12,042,610)	(17.1%)
National Breakfast and Lunch	97,710,527	127,056,390	(29,345,863)	(23.1%)
Cocurricular/Extracurricular Activities	42,795,172	37,457,609	5,337,563	14.2%
General Administration	53,824,592	53,816,493	8,099	0.0%
Facilities Maintenance and Operations	205,824,400	174,138,069	31,686,331	18.2%
Security and Monitoring Services	23,674,507	24,592,052	(917,545)	(3.7%)
Data Processing Services	45,694,626	44,976,107	718,519	1.6%
Community Services	12,011,566	12,978,647	(967,081)	(7.5%)
Debt Service - Interest on Long Term Debt	134,313,447	122,613,896	11,699,551	9.5%
Debt Service - Bond Related Fees	182,736	107,552	75,184	69.9%
Facilities Acquisition and Construction	8,339,925	18,944,454	(10,604,529)	(56.0%)
Contracted Instructional Services Between Schools	85,377,533	18,509,704	66,867,829	361.3%
Payments to Juvenile Justice Alt. Ed. Prg.	14,628	10,296	4,332	42.1%
Other Intergovernmental Charges	5,928,126	5,893,777	34,349	0.6%
Total Expenses	2,225,354,088	2,185,683,004	39,671,084	1.8%
Excess (Deficiency) before Extraordinary Items	110,363,528	128,217,175	(17,853,647)	(13.9%)
Extraordinary Item - Resource	19,897,264	21,195,720	(1,298,456)	(6.1%)
Extraordinary Item - (Use)	(12,544,156)	(11,977,604)	(566,552)	4.7%
Increase (decrease) in Net Position	117,716,636	137,435,291	(19,718,655)	(14.3%)
Net Position - Beginning	156,296,299	18,861,008	137,435,291	728.7%
Prior Period Adjustment	22,163	-	22,163	-
Net Position - Ending	\$ 274,035,098	\$ 156,296,299	\$ 117,738,799	75.3%

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

Approximately 73% of the District's revenue was generated from property taxes, 2% was state aid, 15% from operating grants and the remaining 10% was generated from miscellaneous revenue sources (See Exhibit 4).

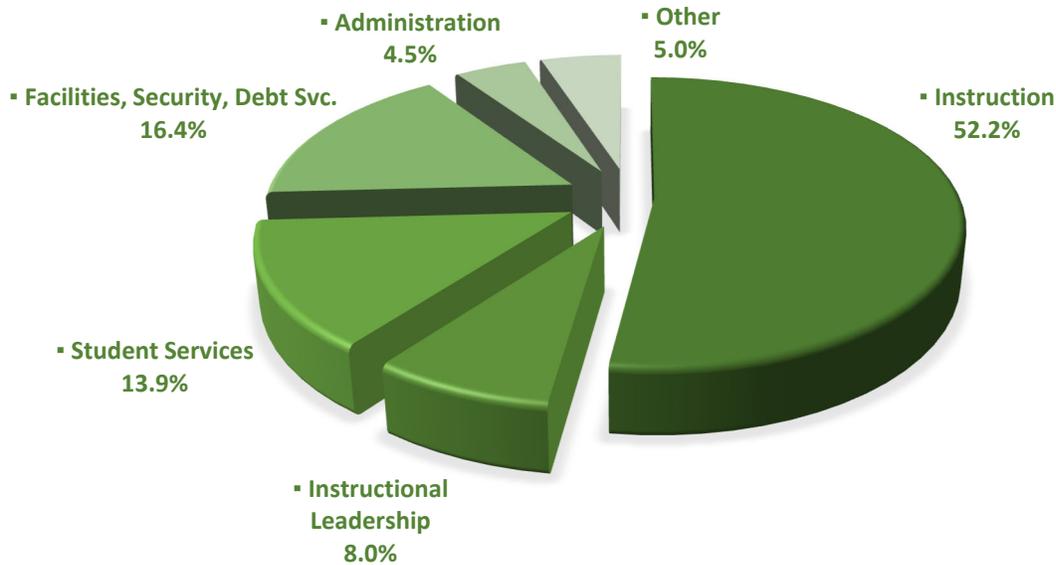
**Exhibit 4
Sources of Revenue
Governmental Activities**



**Dallas Independent School District
Management’s Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

For the year ended June 30, 2021, the District’s total cost of all programs and services was \$2.2 billion. Approximately 52% of the District’s governmental activities were dedicated to instructional areas. Direct student services, such as counseling, nursing, and transportation services, comprised approximately 14% of governmental expenses. The costs to operate facilities, including utilities, security services and debt payments comprised 16% of the cost of all programs (See Exhibit 5).

**Exhibit 5
Expense Allocations
Governmental Activities**



FINANCIAL ANALYSIS OF THE DISTRICT’S FUNDS

Fund Balance Analysis

For the fiscal year ended June 30, 2021, the District’s governmental funds reported ending fund balances of \$1.7 billion. Of this amount, \$662.5 million constitutes unassigned fund balance available for use in activities at the District’s discretion. The remainder of the fund balance is designated as non-spendable, restricted or assigned, to indicate that it is not available for new spending because it has already been purposed for bond projects, debt service and other obligations of the District.

The General Fund is the chief operating fund of the District. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned and total fund balance to the total fund expenditures. Unassigned fund balance represents 40.6 percent of the total 2021 General Fund expenditures, while total fund balance represents 56.6 percent of that same amount.

The General Fund fund balance increased \$53.9 million. The increase in fund balance in General Fund is primarily due to an increase in collection of property tax and an increase in Available School Fund funding from Texas Education Agency. Insurance proceeds were received for \$5.0 million for covering facilities maintenance expenditures related to winter storm damage. There was an increase in expenditures in function 51 due to an increase in COVID instruction expenditures, and an increase in function 91 recapture costs. The increase in function 11 is due to an increase in professional salaries.

The Debt Service Fund has a total fund balance of \$222.4 million, of which \$165.1 million is restricted for payment of debt service requirements. An increase in fund balance in Debt Service Funds of \$18.0 million is due to increased collection of property tax revenues. The Capital Projects Fund balance increased by \$250.0 million to \$515.7 million, of which \$14.9 million includes insurance proceeds received for replacement

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

and rebuilding of three tornado-damaged schools. A fund balance increase of \$250.0 million in the Capital Projects Fund is primarily due to the sale of "Unlimited Tax School Building Bonds, Series 2020" for \$278.3 million and the sale of "Unlimited Tax School Building Bonds, Series 2021" for \$275.2 million. There was also an increase of \$350.0 million in construction expenditures committed to the Bond Program as discussed below. The \$11.5 million in federal revenue in the Capital Projects Fund reflects a reimbursement related to the Prior Purchase Reimbursement Program discussed below.

The ESSER II School Emergency Relief Fund was a major fund in fiscal year 2021. The ESSER II funding was used to hold districts harmless for lost state revenue caused by ADA decreases brought on by the pandemic. Eligible payroll expenditures up to the hold harmless amount normally expended in the General Fund were expended in the ESSER II Fund. The District also received ESSER State Allotment funding for the Prior Purchase Reimbursement Program for technology-related expenses related to COVID-19 in the amount of \$1.9 million.

Non-Major Governmental Funds have a total fund balance of \$21.1 million representing an increase for the current year of \$0.2 million.

Non-Major Governmental Funds consist of Special Revenue funds. There was no significant change in the fund balance of Special Revenue funds. Revenue and expenditure in the Food Services Program decreased due to the pandemic and less meals were served since many students were on virtual learning.

Net Position Analysis

Charges for Services decreased due to a decrease in Food Services activity due to COVID, and a decrease in stadium and other facilities rent as fewer events were held due to the pandemic. Due to COVID, many events were canceled, and the events that did take place were at only 20% occupancy. In March, the district began to allow rental of outdoor facilities only.

Investment earnings decreased due to the annualized yield (interest rate) for bank balances dropping to zero. Program revenues decreased due to a drop in Food Services activity as a result of COVID and State Instructional Materials Funds as most of the funding was spent in fiscal year 2020, the first year of the new biennium for the fund. Unrestricted Grants and Contributions increased primarily due to an increase of \$8.0 million in Indirect Cost due to ESSER funds, \$5.0 million in CRF funds, \$11.7 in PPRF funding and \$23.0 million in Available School Fund funding from TEA.

Social work services, student transportation and national breakfast and lunch costs decreased due to the pandemic. Facilities Maintenance and Operations costs increased due to COVID supply purchases. Contracted Instructional Services costs increased due to an increase in recapture amount being paid to TEA.

The prior period adjustment is due to implementation of GASB 84 in fiscal year 2021.

Capital Assets. At June 30, 2021, the District had \$3.3 billion of capital assets, net of depreciation and loss on disposition of assets, including land, equipment, buildings, and vehicles. This amount represents a net increase of \$223.3 million or 7.23% over last year (See Exhibit 6.)

**Exhibit 6
District's Capital Assets**

	June 30, 2021	June 30, 2020	\$ Change	% Change
Land	\$ 260,727,146	\$ 259,279,955	\$ 1,447,191	0.56%
Building and Improvements	4,280,873,325	4,107,144,431	173,728,894	4.23%
Furniture and Equipment	330,286,132	312,464,432	17,821,700	5.70%
Total	<u>4,871,886,603</u>	<u>4,678,888,818</u>	<u>192,997,785</u>	<u>4.12%</u>
Accumulated Depreciation	(1,997,116,953)	(1,864,610,513)	(132,506,440)	7.11%
Net Book Value, net of CIP	<u>2,874,769,650</u>	<u>2,814,278,305</u>	<u>60,491,345</u>	<u>2.15%</u>
Construction in Progress	435,783,521	272,932,580	162,850,941	59.67%
Net Book Value	<u>\$ 3,310,553,171</u>	<u>\$ 3,087,210,885</u>	<u>\$ 223,342,286</u>	<u>7.23%</u>

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

For the year ended June 30, 2021, the District's capital spending totaled \$364.3 million in land, construction in progress, buildings, building improvements and capital equipment. These expenditures resulted primarily from the projects committed to the 2015 and 2020 bond programs.

Voters approved a \$1.6 billion bond referendum on November 3, 2015. The District's 2015 Bond Program began after the first sale of bonds in February 2016 and includes \$100 million for technology improvements to campuses. Under the leadership and supervision of the Construction Services Department, the \$1.6 billion is being used to improve and build District facilities. The 2015 Program includes plans to construct five new schools, including one high school and four elementary schools. In addition, the program will construct twelve additions to existing schools, including six high schools, one middle school, and five elementary schools. The program includes renovations and improvements to 128 existing District facilities including roofs, HVAC, building envelope, interior improvements, site improvements, exterior façade improvements, plumbing, technology, gyms, locker rooms, libraries, science labs, cafeterias, auditoriums, performing arts, fine arts, athletic facilities, and administration areas in schools. The completion of all construction is targeted for 2022. In addition, \$8.5 million in land, building and capital equipment were retired during the year. For more information on the District's capital assets, see Note H in the financial statements.

Debt Administration. For the year ended June 30, 2021, the District had \$4.6 billion in long-term debt outstanding. This represents a net increase of \$278.0 million, or 6.5%, over last year. (See Exhibit 7).

**Exhibit 7
District's Long Term Debt**

	June 30, 2021	June 30, 2020	\$ Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Bonds and Notes Payable	\$3,210,015,000	\$2,847,455,000	\$ 362,560,000	12.7%
Workers Compensation/Auto Liability	10,315,184	8,965,428	1,349,756	15.1%
Premium on Bonds	196,993,853	155,157,792	41,836,061	27.0%
Net Pension Liability (District's Share)	600,167,381	595,195,671	4,971,710	0.8%
Net OPEB Liability (District's Share)	557,369,210	690,114,814	(132,745,604)	(19.2%)
Long Term Debt Outstanding	<u>\$4,574,860,628</u>	<u>\$4,296,888,705</u>	<u>\$ 277,971,923</u>	<u>6.5%</u>

The District's bonds presently carry ratings as follows: Moody's Investor Series "Aaa", Standard & Poor's "AAA" and Fitch "AAA" as guaranteed by the Permanent School Fund (PSF). The District's underlying debt ratings are as follows: Moody's Investor Series "Aa1", AA+ from Standard & Poor's, and AA+ from Fitch. For more information on the District's long-term debt, see Note I in the financial statements.

BUDGETARY HIGHLIGHTS

Revenue

- Amendment approved to increase revenue for the Sulentic Family Foundation Scholarship Fund by \$0.08 million.
- Amendment approved to increase revenue by \$1.0 million as a result of the Taxable Value audit.
- Amendment approved to increase revenue by \$30.0 million due to current year property tax collections.
- Amendment approved to decrease revenue by \$10.0 million for the general funding revised investment earnings estimate.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

- Amendment approved to increase revenue by \$25.0 million due to additional TRS On-Behalf for FY21.
- Amendment approved to increase revenue estimate of \$4.0 million for 5931 School Health & Related Services (SHARS).
- Amendment approved to increase revenue by \$4.0 million due to eRate discount.
- Amendment approved for \$0.7 million increase in Other Uses and Non-Operating Revenue for Adjuster International fee.
- Amendment approved for \$4.5 million increase in Other Uses and Non-Operating Revenue for tornado insurance claims.
- Amendment approved for \$22.0 million increase in Other Uses and Non-Operating Revenue to repair damage caused by the February 2021 winter storm.
- Amendment approved to increase revenue by \$10.2 million for 2021A and 2021 Refunding Sales – contribution of funds from I&S to pay principal and COI of the sale.
- Amendment approved for \$28.0 million increase in Other Uses and Non-Operating Revenue from General Operating.

Expenditures

- Amendment approved to increase expenditures by \$0.08 million to fund the Sulentic Family Foundation Scholarship Fund.
- Amendment approved to increase Fiscal Year 2021-2022 expenditure budget by amount of unspent purchase order balances from Fiscal Year 2020-2021 totaling \$23.0 million.
- Amendment approved to increase expenditures by \$40.9 million for COVID expenses.
- Amendment approved to increase expenditures for Maintenance & Facilities by \$5.5 million.
- Amendment approved to increase expenditures by \$4.2 million for Information Technology licenses, Oracle Report, and Assessment and Analytics Tool.
- Amendment approved to increase expenditures by \$0.08 million in attorney fees for representation in the 2015 Property Taxable Value Audit.
- Amendment approved to increase expenditures by \$0.7 million in attorney fees for representation in the 2017 Property Taxable Value Audit.
- Amendment approved to increase expenditures by \$0.6 million to permanently fund Campus Security System Department positions and budget.
- Amendment approved to increase expenditures by \$4.8 million for IT prepaid invoices.
- Amendment approved to increase expenditures by \$3.0 million to fund Paul Quinn College Renovation and Lease.
- Amendment approved to increase expenditures by \$1.8 million to replace/repair obsolete equipment in Heating, Ventilation, and Air Conditioning.
- Amendment approved to increase expenditures by \$3.1 million to fund Mitigation Learning Loss Curriculum Writer stipends.
- Amendment approved to increase expenditures in recapture by \$50.8 million to align with estimated amount.
- Amendment approved to increase expenditures in \$25.0 million to properly align expenditure functions based upon projected financial results.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2021**

- Amendment approved for \$28.0 million increase in Other Uses and Non-Operating Expenses for Food Services expenditures.
- Amendment approved for \$1.9 million increase in Other Uses and Non-Operating Expenses for Adjuster International fee.
- Amendment approved for \$4.5 million increase in Other Uses and Non-Operating Expenses for tornado expenditures.
- Amendment approved for \$22.0 million increase in Other Uses and Non-Operating Expenses for February 2021 Winter Storm Damage Expenses.
- Amendment approved for \$1.0 million increase in Other Uses and Non-Operating Expenses for insurance deductible related to the February 2021 Winter Storm Damage.
- Amendment approved to increase expenditures by \$1.8 million to fund P&I Payments and Fees related to the sale of ULT Series 2020.
- Amendment approved to decrease Food Services expenditures by \$24.0 million.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In June 2021, the Board of Trustees adopted the 2021-22 budget, which supports the District's goals.

The primary factors considered in preparing the District's budget for the 2021-22 fiscal year include a 5.0% increase in local property values and a 98.2% property tax collection rate. The Maintenance and Operations tax rate was lowered to \$1.006200 per \$100 valuation for the 2021-22 year. The Interest and Sinking ("I&S") tax rate remained at \$0.242035 per \$100 valuation for the 2021-22 year.

Student enrollment is projected to be 146,500 in 2021-22.

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 funding it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District's Finance and Accounting Services Division.

BASIC FINANCIAL STATEMENTS

Dallas Independent School District
Statement of Net Position
June 30, 2021

Data Control Codes	Primary Government Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 1,442,005,100
1120 Investments	476,831,577
1220 Property Taxes Receivables (delinquent)	82,990,541
1230 Allowance for Uncollectible Taxes (credit)	(50,356,173)
1240 Due from Other Governments	140,958,577
1250 Accrued Interest	312,402
1290 Other Receivables, Net	36,442,891
1300 Inventories	15,840,781
1410 Prepaid Items	8,046,398
Capital Assets	
1510 Land	260,727,146
1520 Buildings and Improvements, Net	2,541,173,395
1530 Furniture and Equipment, Net	72,869,109
1580 Construction in Progress	435,783,521
1000 Total Assets	5,463,625,265
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Loss on Refunding	65,104,194
1705 Related to the TRS Pension	207,960,678
1706 Related to the TRS OPEB	89,331,903
1700 Total Deferred Outflows of Resources	362,396,775
LIABILITIES	
2110 Accounts Payable	96,676,455
2120 Other Liabilities	56,697
2140 Interest Payable	51,042,074
2150 Payroll Deductions & Withholdings Payable	18,277,808
2160 Accrued Wages and Benefits Payable	163,688,757
2180 Due to Other Governments	91,438,198
2190 Due to Student Groups	497
2200 Accrued Expenses	13,157,509
2300 Unearned Revenue	2,460,513
Noncurrent Liabilities	
2501 Due Within One Year	147,990,982
2502 Due in More Than One Year	3,299,333,056
2540 Net Pension Liability (District's Share)	600,167,381
2545 Net OPEB Liability (District's Share)	557,369,210
2000 Total Liabilities	5,041,659,137
DEFERRED INFLOWS OF RESOURCES	
2605 Related to the TRS Pension	96,894,596
2606 Related to the TRS OPEB	413,433,209
2600 Total Deferred Inflows of Resources	510,327,805
NET POSITION	
3200 Net Investment in Capital Assets	454,034,389
3820 Restricted for Federal and State Programs	4,353,391
3850 Restricted for Debt Service	114,064,021
3890 Restricted for Other Programs	3,201,215
3900 Unrestricted	(301,617,918)
3000 Total Net Position	\$ 274,035,098

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

**Dallas Independent School District
Statement of Activities
For the Fiscal Year Ended June 30, 2021**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	1	3	4	6
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Primary Government				
GOVERNMENTAL ACTIVITIES				
11 Instruction	\$ 1,078,164,284	\$ 488,693	\$ 166,375,309	\$ (911,300,282)
12 Instructional Resources and Media Services	18,401,935	-	1,015,991	(17,385,944)
13 Curriculum and Staff Development	64,995,553	-	41,464,352	(23,531,201)
21 Instructional Leadership	55,389,836	-	10,570,278	(44,819,558)
23 School Leadership	123,102,392	-	7,093,696	(116,008,696)
31 Guidance, Counseling and Evaluation Services	84,734,280	-	21,409,040	(63,325,240)
32 Social Work Services	1,925,327	-	742,162	(1,183,165)
33 Health Services	24,595,412	-	2,882,562	(21,712,850)
34 Student (Pupil) Transportation	58,353,284	-	3,351,361	(55,001,923)
35 Food Services	97,710,527	365,675	66,997,431	(30,347,421)
36 Cocurricular/Extracurricular Activities	42,795,172	625,955	1,131,942	(41,037,275)
41 General Administration	53,824,592	-	6,304,093	(47,520,499)
51 Facilities Maintenance and Operations	205,824,400	1,630,144	8,568,528	(195,625,728)
52 Security and Monitoring Services	23,674,507	-	1,757,807	(21,916,700)
53 Data Processing Services	45,694,626	-	1,708,704	(43,985,922)
61 Community Services	12,011,566	-	7,402,860	(4,608,706)
72 Debt Service - Interest on Long Term Debt	134,313,447	-	-	(134,313,447)
73 Debt Service - Bond Related Fees	182,736	-	-	(182,736)
81 Facilities Acquisition and Construction	8,339,925	-	-	(8,339,925)
91 Contracted Instructional Services Between Schools	85,377,533	-	-	(85,377,533)
95 Payments to Juvenile Justice Alternative Ed. Prg.	14,628	-	-	(14,628)
99 Other Intergovernmental Charges	5,928,126	-	-	(5,928,126)
TOTAL PRIMARY GOVERNMENT	\$ 2,225,354,088	\$ 3,110,467	\$ 348,776,116	\$ (1,873,467,505)

Data Control Codes	General Revenues Taxes	
MT	Property Taxes, Levied for General Purposes	1,396,475,465
DT	Property Taxes, Levied for Debt Service	320,496,981
SF	State Aid not Restricted to Specific Purpose	41,246,541
IE	Investment Earnings	6,291,780
MI	Miscellaneous Local and Intermediate Revenue	30,332,983
GC	Grants, Contributions and Other Revenue not Restricted	188,987,283
E1	Extraordinary Item - Resource	19,897,264
E2	Extraordinary Item - (Use)	(12,544,156)
TR	Total General Revenues and Extraordinary Items	1,991,184,141
CN	Change in Net Position	117,716,636
NB	Net Position - Beginning	156,296,299
PA	Adjusted for Implementation of GASB 84	22,163
NE	Net Position - Ending	<u>\$ 274,035,098</u>

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

**Dallas Independent School District
Balance Sheet
Governmental Funds
June 30, 2021**

	10 General Fund	50 Debt Service Fund
ASSETS		
1110 Cash and Cash Equivalents	\$ 841,691,951	\$ 189,063,905
1120 Investments	244,917,873	32,046,204
1220 Property Taxes Receivables (delinquent)	68,132,763	14,857,778
1230 Allowance for Uncollectible Taxes (credit)	(41,016,063)	(9,340,110)
1240 Due from Other Governments	31,461,097	625,782
1250 Accrued Interest	311,607	177
1260 Due from Other Funds	79,348,514	-
1290 Other Receivables, Net	36,364,253	-
1300 Inventories	8,635,711	-
1410 Prepaid Items	5,481,832	-
1000 Total Assets	1,275,329,538	227,253,736
LIABILITIES		
2110 Accounts Payable	23,756,156	-
2120 Other Liabilities	53,252	-
2150 Payroll Deductions and Withholdings Payable	16,209,950	-
2160 Accrued Wages and Benefits Payable	151,303,501	-
2170 Due to Other Funds	1,222,057	-
2180 Due to Other Governments	91,298,480	131,924
2190 Due to Student Groups	-	-
2200 Accrued Expenditures	10,617,559	-
2300 Unearned Revenues	73,686	-
2000 Total Liabilities	294,534,641	131,924
DEFERRED INFLOWS OF RESOURCES		
2601 Unavailable Revenue - Property Taxes	23,332,212	4,679,746
2602 Other Deferred Resource Inflows (See Note K)	34,184,046	-
2600 Total Deferred Inflows of Resources	57,516,258	4,679,746
FUND BALANCES		
Nonspendable Fund Balance		
3410 Inventories	8,635,711	-
3430 Prepaid Items	5,481,832	-
Restricted Fund Balance		
3450 Federal or State Funds Grant Restriction	-	-
3470 Capital Acquisition and Contractual Obligation	-	-
3480 Retirement of Long Term Debt	-	165,106,095
3490 Other Restricted Fund Balance	-	-
Assigned Fund Balance		
3565 Retirement of Loans or Notes Payable	-	57,335,971
3590 Other Assigned Fund Balance	246,710,899	-
3600 Unassigned Fund Balance	662,450,197	-
3000 Total Fund Balances	923,278,639	222,442,066
4000 Total Liabilities, Deferred Inflows & Fund Balances	\$ 1,275,329,538	\$ 227,253,736

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

60 Capital Projects Fund	ESSER II School Emergency Relief Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 374,802,646	\$ -	\$ 16,567,558	\$ 1,422,126,060
199,867,500	-	-	476,831,577
-	-	-	82,990,541
-	-	-	(50,356,173)
11,491,218	65,545,719	31,835,201	140,959,017
618	-	-	312,402
-	-	-	79,348,514
-	-	38,396	36,402,649
-	-	7,205,070	15,840,781
319,416	-	-	5,801,248
586,481,398	65,545,719	55,646,225	2,210,256,616
69,298,722	-	2,791,441	95,846,319
-	-	3,445	56,697
-	-	2,067,147	18,277,097
-	-	12,349,487	163,652,988
-	65,545,719	13,928,924	80,696,700
-	-	7,794	91,438,198
-	-	497	497
1,477,382	-	975,303	13,070,244
-	-	2,386,827	2,460,513
70,776,104	65,545,719	34,510,865	465,499,253
-	-	-	28,011,958
-	-	-	34,184,046
-	-	-	62,196,004
-	-	7,205,070	15,840,781
319,416	-	-	5,801,248
-	-	4,353,391	4,353,391
515,385,878	-	-	515,385,878
-	-	-	165,106,095
-	-	3,201,215	3,201,215
-	-	-	57,335,971
-	-	6,375,684	253,086,583
-	-	-	662,450,197
515,705,294	-	21,135,360	1,682,561,359
\$ 586,481,398	\$ 65,545,719	\$ 55,646,225	\$ 2,210,256,616

Dallas Independent School District

Dallas Independent School District
Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position
June 30, 2021

Total Fund Balances - Governmental Funds (from C-1) \$ 1,682,561,359

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets net of accumulated depreciation, less assets held in internal service funds, are not financial resources and therefore are not reported as assets in governmental funds. The total amount is \$3,310,363,076, which results in an increase in Net Position. (See Note H.) 3,310,363,076

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

Bonds, Commercial Paper, and Notes Payable	(3,240,015,000)	
Deferred Losses on Refundings	65,104,194	
Premium on Bonds	(196,993,854)	
		(3,371,904,660)

Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the governmental funds. The accrued interest on long term debt is \$48,328,110 in the Debt Service Funds and \$2,713,964 in the General Fund for a total of \$51,042,074. (51,042,074)

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

Deferred Resource Inflow for Property Taxes	28,011,958	
Medicaid/SHARS	34,184,046	
		62,196,004

Internal service funds are used by management to charge the costs of certain activities, such as workers' compensation. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position (see D-1). 12,433,208

The government-wide statement includes the District's proportionate share of the TRS net pension liabilities, as well as certain pension related transactions accounted for as Deferred Inflows and Outflows of Resources.

Net Pension Liability	(600,167,381)	
Deferred Outflows of Resources - TRS Pension	207,960,678	
Deferred Inflows of Resources - TRS Pension	(96,894,596)	
		(489,101,299)

The District participates in the TRS OPEB plan TRS-Care. The impact on the ending net position related to the TRS OPEB plan came from the following:

Ending Net OPEB Liability	(557,369,210)	
Deferred Outflows of Resources - TRS OPEB	89,331,903	
Deferred Inflows of Resources - TRS OPEB	(413,433,209)	
		(881,470,516)

Total Net Position of Governmental Activities (see A-1) \$ 274,035,098

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

Dallas Independent School District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2021

Data Control Codes	10 General Fund	50 Debt Service Fund
REVENUES		
5700 Local and Intermediate Sources	\$ 1,424,510,628	\$ 323,585,619
5800 State Program Revenues	207,947,329	1,864,389
5900 Federal Program Revenues	81,486,628	-
5020 Total Revenues	<u>1,713,944,585</u>	<u>325,450,008</u>
EXPENDITURES		
Current		
11 Instruction	840,971,379	-
12 Instructional Resources and Media Services	16,004,544	-
13 Curriculum and Instructional Staff Development	22,052,054	-
21 Instructional Leadership	45,597,599	-
23 School Leadership	112,218,358	-
31 Guidance, Counseling and Evaluation Services	61,742,596	-
32 Social Work Services	1,202,115	-
33 Health Services	21,620,237	-
34 Student (Pupil) Transportation	50,520,493	-
35 Food Services	1,151,408	-
36 Cocurricular/Extracurricular Activities	37,510,017	-
41 General Administration	50,390,094	-
51 Facilities Maintenance and Operations	200,906,571	-
52 Security and Monitoring Services	24,267,137	-
53 Data Processing Services	39,292,414	-
61 Community Services	3,576,074	-
Debt Service		
71 Principal on Long Term Debt	-	164,285,000
72 Interest on Long Term Debt	7,237,237	149,893,090
73 Bond Fees and Charges	500	3,874,321
Capital Outlay		
81 Facilities Acquisition and Construction	3,532,631	-
Intergovernmental		
91 Contracted Instructional Services Between Schools	85,377,533	-
95 Payments to Juvenile Justice Alternative Ed. Prg	14,628	-
99 Other Intergovernmental Charges	5,928,126	-
6030 Total Expenditures	<u>1,631,113,745</u>	<u>318,052,411</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	<u>82,830,840</u>	<u>7,397,597</u>
OTHER FINANCING SOURCES (USES)		
7901 Refunding Bonds Issued	-	568,255,000
7911 Capital Related Debt Issued (Regular Bonds)	-	-
7912 Sale of Real and Personal Property	384,463	-
7915 Transfers In	6,644,725	7,181,494
7916 Premium or Discount on Issuance of Bonds	-	64,171,166
8911 Transfers Out (Use)	(27,212,666)	-
8940 Payment to Bond Refunding Escrow Agent (Use)	-	(629,027,028)
7080 Total Other Financing Sources (Uses)	<u>(20,183,478)</u>	<u>10,580,632</u>
EXTRAORDINARY ITEMS		
7919 Extraordinary Item - Resource	5,000,000	-
8913 Extraordinary Item - (Use)	(13,768,757)	-
1200 Net Change in Fund Balance	53,878,605	17,978,229
0100 Fund Balance - Beginning	869,400,034	204,463,837
1300 Adjusted for Implementation of GASB 84	-	-
3000 Fund Balance - Ending	<u>\$ 923,278,639</u>	<u>\$ 222,442,066</u>

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

60 Capital Projects Fund	ESSER II School Emergency Relief Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 1,268,608	\$ -	\$ 4,711,835	\$ 1,754,076,690
-	-	10,914,899	220,726,617
11,491,218	57,740,978	198,607,306	349,326,130
12,759,826	57,740,978	214,234,040	2,324,129,437
22,282,786	56,885,110	62,000,494	982,139,769
-	-	236,993	16,241,537
-	-	40,575,682	62,627,736
-	679,414	7,571,767	53,848,780
-	-	822,743	113,041,101
-	110,000	18,470,444	80,323,040
-	-	631,606	1,833,721
-	-	1,222,193	22,842,430
1,312,419	-	1,042	51,833,954
-	-	86,774,930	87,926,338
-	-	345,258	37,855,275
-	-	4,706,430	55,096,524
-	-	1,690,041	202,596,612
-	-	239,491	24,506,628
-	66,454	833,978	40,192,846
-	-	7,276,637	10,852,711
-	-	-	164,285,000
-	-	-	157,130,327
3,066,363	-	-	6,941,184
350,363,754	-	54,547	353,950,932
-	-	-	85,377,533
-	-	-	14,628
-	-	-	5,928,126
377,025,322	57,740,978	233,454,276	2,617,386,732
(364,265,496)	-	(19,220,236)	(293,257,295)
-	-	-	568,255,000
553,555,000	-	-	553,555,000
-	-	-	384,463
-	-	19,380,651	33,206,870
49,320,858	-	-	113,492,024
(3,644,846)	-	-	(30,857,512)
-	-	-	(629,027,028)
599,231,012	-	19,380,651	609,008,817
14,897,264	-	-	19,897,264
-	-	-	(13,768,757)
249,862,780	-	160,415	321,880,029
265,842,514	-	20,952,782	1,360,659,167
-	-	22,163	22,163
\$ 515,705,294	\$ -	\$ 21,135,360	\$ 1,682,561,359

**Dallas Independent School District
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities
For the Fiscal Year Ended June 30, 2021**

Total Net Change in Fund Balances - Governmental Funds (from C-2) \$ 321,880,029

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. Capital outlays this current period, adjusted for dispositions and discovered assets, were \$355,848,726. The current year depreciation, excluding internal service funds (also adjusted for dispositions), was \$132,460,303. (See Note H.) The adjustment to the extraordinary loss reflected in the write-off and write-down on capital assets destroyed and damaged by the tornado loss and a winter storm is included in these amounts. Capital outlays exceeded the current year depreciation by \$223,388,423. This causes an increase in the change in net position. 223,388,423

Repayment of principal and other long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not expensed in the current period.

Principal Payments	164,285,000	
Amortization of Premium	27,189,537	
Amortization of Loss on Bond Refunding	(3,350,713)	188,123,824

The District issued new bonds during the year. The Series 2021 bonds were issued for \$275,210,000 and Series 2020 bonds were issue for \$278,345,000, for a total of \$553,555,000, and there was a \$30,000,000 issue of commercial paper. These are recognized as Other Financing Sources in the governmental funds, but these must be reclassified for the government-wide statements as in increase in long-term debt. The effect of this reclassification will decrease the change in net position in the Statement of Activities. The new bonds were sold at a premium in the amount of \$25,181,462 and \$24,139,396 for a total of \$49,320,858. This was reported in the fund statements in 7916, but must be reclassified as an increase in the unamortized premium, causing another decrease in the change in net position for Exhibit B-1. The total of these two decreases is \$602,875,858. (602,875,858)

The District also issued bonds to refund older issues. Series 2021B partially refunded Series 2012 and Series 2014A. Series 2021A refunded Series 2011 and partially refunded Series 2012A. Series 2021A was issued in the amount of \$158,900,000 with a premium of \$24,792,581. Series 2021B was issued in the amount of \$409,355,000 with a premium of \$39,378,585. The new refunding bonds and the premium were reported as Other Financing Sources in the governmental funds, but these must be reclassified for the government-wide statements as in increase in long-term debt. The effect of this reclassification will decrease the change in net position in the Statement of Activities. The total decrease from the new bonds and their premium is \$632,426,166. The refunding issues were used to refund \$594,965,000 bonds with an unamortized premium of \$44,466,425 and an unamortized deferred charge on refunding in the amount of \$35,741,249 and a new deferred charge on refunding in the amount of \$27,764,207. The payment to the escrow agent was reported as an other use and must be reclassified to show the decrease in bonds payable, etc. The amount was \$629,027,028. This will cause an increase in the change in net position. The remainder of the total cost was paid with cash and recorded as a decrease in Debt Service expenses, causing an increase in the change in net position in the amount of \$6,758,448. Interest on the refunded bonds was paid in the amount of \$4,331,227. The total effect of all of these is a decrease of \$971,917 in the change in net position. (971,917)

Dallas Independent School District
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities (Continued)
For the Fiscal Year Ended June 30, 2021

In the fund level statements, revenues are reported when they are available. In the Statement of Activities, revenues are reported when they are earned. Thus revenues reported as a deferred resource inflow in the fund level statements must be reclassified showing the portion of these earned in the current reporting period as revenues and the portion of these earned in prior periods as part of the beginning net position. Similarly, any revenues received and available in the current year which were earned in prior years must be reclassified from revenues and reported as part of the beginning net position. This includes revenues from property taxes and revenues earned in prior periods for the Medicaid/SHARS program. There was an adjustment made for the taxes due to a change between what was estimated to be collected in the previous year and what was actually collected and continued to be estimated to be collected in the current year. This caused an increase in the change in net position in the amount of \$6,942,074. The total change in the change in net position due to the SHARS adjustments was an increase in net position by \$2,901,795. The net effect of all of these adjustments was an increase in the change in net position in the amount of \$6,158,272.

6,158,272

Interest on long term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. Interest paid during this fiscal year was accrued in the prior year. This was in the amount of \$54,351,357. The change in net position will decrease by that amount. The interest accrued this year to be paid next year is \$51,042,074. The net decrease in accrued interest is \$3,309,283. The change in ending net position will increase by that amount.

3,309,283

The District uses Internal Service Funds to charge the costs of certain activities to appropriate functions in other funds. The net income of Internal Service Funds is reported with governmental activities. The net effect of this consolidation is to decrease the change in net position.

(362,049)

Adjustments were required for GASB 68 for the current fiscal year. The necessary changes in the ending net pension liability and the deferred resource outflow related to the TRS Pension and the deferred resource inflow related to the TRS Pension resulted in a decrease in the change in net position. Note the change in the deferred outflow does not include the contribution made by the District to the pension plan after the end of the measurement year. This resulted from the following changes:

Deferred Outflows decreased by	(50,052,772)	
Deferred Inflows decreased by	16,109,850	
Ending Net Pension Liability increased by	(4,971,710)	(38,914,632)

Adjustments were required for GASB 75 for the current fiscal year. The necessary changes in the District's ending net OPEB liability, the deferred resource outflow related to the TRS OPEB, and the deferred resource inflow related to the TRS OPEB resulted in an increase in the change in net position. This resulted from the following changes:

Decrease in Deferred Resource Outflow	(6,058,172)	
Increase in Deferred Resource Inflow	(108,706,171)	
Decrease in Ending Net OPEB Liability	132,745,604	<u>17,981,261</u>

Total Change in Net Position of Governmental Activities (see B-1)\$ 117,716,636

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

Dallas Independent School District
Statement of Net Position
Proprietary Funds
June 30, 2021

	Governmental Activities
	Total Internal Service Funds
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 19,879,040
Due from Other Funds	1,348,338
Other Receivables, Net	40,258
Prepayments	2,245,150
Total Current Assets	<u>23,512,786</u>
Noncurrent Assets	
Capital Assets	
Furniture and Equipment, Net	190,095
Total Noncurrent Assets	<u>190,095</u>
Total Assets	<u>23,702,881</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	830,136
Accrued Liabilities - Short Term	3,510,982
Payroll Deductions and Withholdings Payable	775
Accrued Wages and Benefits Payable	36,160
Due to Other Funds	153
Accrued Expenses	87,265
Total Current Liabilities	<u>4,465,471</u>
Noncurrent Liabilities	
Accrued Liabilities - Long Term	6,804,202
Total Noncurrent Liabilities	<u>6,804,202</u>
Total Liabilities	<u>11,269,673</u>
NET POSITION	
Investment in Capital Assets	190,095
Unrestricted Net Position	12,243,113
Total Net Position	<u>\$ 12,433,208</u>

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

Dallas Independent School District
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Governmental Activities
	Total Internal Service Funds
OPERATING REVENUES	
Charges for Services	\$ 16,055,608
Total Operating Revenues	<u>16,055,608</u>
OPERATING EXPENSES	
Personnel Services	7,617,658
Contractual Services	2,239,551
Supplies	570,480
Other Operating Expenses	3,594,472
Depreciation Expense	46,138
Total Operating Expenses	<u>14,068,299</u>
Operating Income	1,987,309
NON-OPERATING REVENUES (EXPENSES)	
Transfer In	823,666
Transfers Out	<u>(3,173,024)</u>
Total Non-Operating Revenues (Expenses)	<u>(2,349,358)</u>
Change in Net Position	(362,049)
Total Net Position - Beginning	<u>12,795,257</u>
Total Net Position - Ending	<u>\$ 12,433,208</u>

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

**Dallas Independent School District
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2021**

	Governmental Activities
	Total Internal Service Funds
Cash Flows from Operating Activities	
Cash Received from User Charges	\$ 14,051,298
Cash Payments to Employees for Services	(3,929,379)
Cash Payments for Insurance Claims	(3,201,825)
Cash Payments for Suppliers	(7,890,163)
Net Cash Provided by (Used for) Operating Activities	<u>(970,069)</u>
Cash Flows from Non-Capital Financing Activities	
Transfers Out	(3,173,024)
Transfers In	823,666
Net Cash used for Non-Capital Activities	<u>(2,349,358)</u>
Net Decrease in Cash and Cash Equivalents	(3,319,427)
Cash and Cash Equivalents at Beginning of Year	<u>23,198,467</u>
Cash and Cash Equivalents at End of Year	<u><u>19,879,040</u></u>
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities	
Operating Income	1,987,309
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities	
Depreciation	46,138
Effect of Increases and Decreases in Current Assets and Liabilities	
Decrease (increase) in Due from Other Funds	240,840
Decrease (increase) in Prepayments	(2,245,150)
Increase (decrease) in Accounts Payable	(1,567,220)
Increase (decrease) in Payroll Deductions	575
Increase (decrease) in Accrued Wages Payable	18,829
Increase (decrease) in Due to Other Funds	(96)
Increase (decrease) in Accrued Expenses	30,751
Increase (decrease) in Accrued Liabilities - Long Term	522,573
Increase (decrease) in Accrued Liabilities - Short Term	(4,618)
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ (970,069)</u></u>

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

**Dallas Independent School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021**

	Custodial Fund
ASSETS	
Cash and Cash Equivalents	\$ 2,737,740
Total Assets	<u>2,737,740</u>
LIABILITIES	
Accounts Payable	40,651
Accrued Expenses	<u>108,792</u>
Total Liabilities	<u>\$ 149,443</u>
NET POSITION	
Restricted for Student Clubs	<u>2,588,297</u>
Total Net Position	<u>\$ 2,588,297</u>

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

Dallas Independent School District
Statement of Changes in Fiduciary Fund Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2021

	Custodial Fund
Additions	
Contributions and Donations	\$ 111,397
Fundraising	143,151
Dues	191,837
Other	582,703
Total Additions	<u>1,029,088</u>
Deductions	
Personnel Services	127,330
Contractual Services	179,614
Supplies	447,816
Other	391,433
Total Deductions	<u>1,146,193</u>
Income (Loss)	(117,105)
Change in Fiduciary Net Position	(117,105)
Total Net Position - Beginning	-
Adjusted for Implementation of GASB 84	<u>2,705,402</u>
Total Net Position - Ending	<u><u>\$ 2,588,297</u></u>

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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

<u>Note</u>		<u>Page</u>
A.	Summary of Significant Accounting Policies	32
B.	Cash, Cash Equivalents and Investments	39
C.	Local Revenues and Property Taxes	43
D.	Receivables	44
E.	Unearned Revenue	44
F.	Interfund Receivables, Payables, and Transfers	45
G.	Operating Leases	46
H.	Capital Assets	46
I.	Long Term Obligations	47
J.	Short Term Obligations	52
K.	Deferred Inflows of Resources	53
L.	General Fund Federal Source Revenue	53
M.	Defined Benefit Pension Plan	53
N.	Other Post-Employment Benefits	58
O.	Risk Management / Auto Liability	62
P.	Litigation, Contingencies and Commitments	63
Q.	New Accounting Pronouncements	63
R.	Extraordinary Items	65
S.	Subsequent Events	65

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Dallas Independent School District have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in GASB Statement No. 56, and complies with the requirements of the Texas Education Agency's Financial Accountability System Resource Guide (FASRG) and the requirements of contracts and grants of agencies from which the District receives funds.

Reporting Entity. The Board of Trustees (the "Board") consists of nine members and has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the Dallas Independent School District (the "District"). Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters.

In evaluating how to define the government for financial reporting purposes, the District's management has considered all potential component units. By applying the criteria set forth in Generally Accepted Accounting Principles ("GAAP"), the District has determined that no other organizations require inclusion in its reporting entity.

Government-wide and Fund 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 non-fiduciary activities of the District. The effect of the interfund activity in the government-wide statements eliminates services provided and used in the process of consolidation. Governmental activities are mainly supported by tax revenues and intergovernmental revenues.

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. All capital asset depreciation is reported as a direct expense of the functional program that benefits from the use of the capital assets. Program revenues include: 1) charges for services and tuition charged by a given function and 2) grants and contributions that are restricted to meeting operational requirements of a particular function. Taxes, state aid, grants and contributions not restricted to specific programs are properly excluded from program revenues and reported instead as general revenues.

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

Basis of Accounting/Measurement Focus. 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 when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures and claims and judgments are recorded only when matured and payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long term debt and acquisitions under notes payable are reported as other financing sources. Property tax revenues and revenues received from the State of Texas and investment earnings are considered to be susceptible to accrual and so have been recognized as revenues in the current period. Property taxes collected within 60 days of year-end and included in revenue were \$5,315,097 and \$1,137,134 for the General Fund and Debt Service Fund, respectively.

Grant revenues and contributions are recognized when all eligibility requirements have been met. Grant funds received in advance are recorded as unearned revenue until earned. Contributions received with

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

purpose restrictions are recorded as revenue and the related fund balance is designated until restrictions are satisfied. Amounts reported as program revenues include operating grants and contributions, food services user charges, rentals and tuition. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. The Texas Education Agency (TEA), through its application of state law, allocates state revenues to school districts by formula allocation. The District receives two allocations, a per capita allocation and a foundation program allocation. The District also recognizes revenues for the state's share of the contributions to the Teacher Retirement System of Texas. See Note M for additional information on the employee's retirement plan. Other state revenues are received through other state miscellaneous programs on an allocated basis. Charges for services and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

The District has accrued state aid revenues of \$19,267,978 which is included in Receivables from Other Governments in the governmental funds balance sheet, to reflect cash that will be received in fiscal year 2022, which was generated by attendance and the type of instructional services provided in fiscal year 2021. The District has also accrued an offsetting liability of \$91,299,136 which is included in Due to Other Governments, to reflect an anticipated Texas Education Agency final fiscal year 2021 settle-up adjustment that will occur in 2022.

The District, by law, is required to prepare and file a budget with the Texas Education Agency (TEA). Activities of the General Fund, Food Services Fund, and Debt Service Fund are included in the District's formally adopted budget. Budgets for Special Revenue funds (other than the Food Services Fund) and Capital Projects Fund are prepared on a project basis, based on grant regulations or applicable bond ordinances. Budgetary control (the level at which expenditures cannot legally exceed appropriations) is maintained at the functional category level with each fund. These functional categories are defined by TEA and identify the purpose of transactions. Oversight control of all expenditures is maintained at this level by the Finance and Accounting staff. TEA requires school districts to present exhibits with budget comparison for Food Services Fund (Exhibit J-2) and the Debt Service Fund (Exhibit J-3). These exhibits are in the financial section of the Annual Comprehensive Financial Report.

The District's accounts are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts. The District reports the following Major Governmental funds:

- The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund. All general tax revenues and other receipts not allocated by law or contractual agreement to some other funds are accounted for in this fund.
- The Debt Service Fund accounts for the use of ad valorem taxes and other revenues collected for the purposes of retiring bond principal and paying interest when due. The main source of revenue for debt service is the apportionment of local property taxes.
- The Capital Projects Fund is used to account for proceeds from long term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions.
- The ESSER II (Elementary and Secondary Emergency Relief Fund) is for preventing, preparing, and responding to COVID-19 plus addressing learning loss, reopening schools, and addressing air quality issues. In FY21, use of these funds was limited to the District's General Fund state funding formula-determined hold harmless amount, after considering the impact of decreased student attendance due to the pandemic.

The District reports the following Non-Major funds:

- The Special Revenue Funds are used to account for Food Services activities, federal and state financed programs and other local programs. The budget for the Food Services Fund is adopted by the Board each fiscal year. The budget for the Campus Activity Fund is adopted based on the prior year's ending fund balance.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

The District reports the following Proprietary Funds:

Internal service funds provide services from one department to other departments of the District on a cost-reimbursement basis. Internal service funds distinguish operating revenues from non-operating revenues. Operating revenues and expenses generally result from providing services and delivering goods in connection with an internal service fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The District reports the following internal service funds:

- The Graphics Shop Fund is used to account for printing services.
- The Risk Management Fund is used to account for the costs associated with the workers' compensation self-funded program. Accrued liabilities include provisions for claims reported and claims incurred but not reported for workers' compensation insurance. The provision for reported claims is determined by estimating the amount that will ultimately be paid to each claimant. The provision for claims incurred but not yet reported is estimated based on the District's experience since the inception of the program.
- The Auto Liability Insurance Fund was established on July 1, 2018, to accumulate and allocate all externally incurred liability expenses relating to student transportation and white fleet vehicle accidents such as physical damage, third party medical claims, and third party administrator costs, as well as contracted services and parts to repair district buses damaged in such incidents.

The District reports Custodial Funds as Fiduciary Funds. Custodial Funds are custodial in nature and account for activities of student and employee groups. Custodial funds use the accrual basis of accounting to recognize assets and liabilities. The Custodial Funds exist with the explicit approval of, and are subject to revocation by, the Board. The District reports the following Custodial Fund:

- The Student Activity Fund accounts for the receipt and disbursement of monies from student activity organizations.

Assets, Liabilities, and Deferred Outflows and Inflows of Resources

Cash, Cash Equivalents and Investments. The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of 3 months or less from the date of acquisition. All investments in pools are considered cash equivalents.

Investments can consist of certificates of deposit, U.S. Treasury instruments, U.S. Government agency obligations, commercial paper, investments in government sponsored enterprises, repurchase agreements, and obligations of states and their political subdivisions. Investments with maturities at the time of acquisition of over 12 months are recorded at fair value. Fair value is determined by the amount by which a financial instrument could be exchanged in a current transaction between willing parties. The District accrues interest on temporary investments based on the terms and effective interest rates of the specific investments. See Note B for additional discussion.

Property Taxes. Property taxes are levied each October 1 on the assessed value as of the prior January 1 for all real and business personal property located in the District. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the subsequent year. On January 1 of each year a lien attaches to the 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 60 days thereafter. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based upon historical experience in collecting property taxes and historical experience of adjustments to tax receivables. Uncollectible taxes are written off according to the Texas Property Tax Code. See Note C for the discussion of the write-off of uncollectible taxes in the current year.

Interfund Receivables and Payables. Advances between funds are accounted for in the appropriate interfund receivable and payable accounts. All legally authorized transfers are appropriately treated as transfers and are included in the results of operations. Such balances are eliminated within the governmental activities for the government-wide financial statements. See Note F for additional discussion.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

Inventories and Prepaid Items. The consumption method is used to account for inventories of supplies and materials. Under this method, these items are carried in an inventory account of the respective fund at cost, using the weighted average method of accounting and are subsequently charged to expenditures when consumed or requisitioned. Although food commodities are received at no cost, their fair value is supplied by the Texas Department of Agriculture and is recorded as inventory on the date received. Prepaid items on the balance sheet are accounted for using the consumption method and are recognized as expenditures over the periods in which the service is provided. In the governmental funds, inventories and prepaid items are reported as non-spendable fund balance.

Capital Assets. Capital assets, which include land, buildings, furniture and equipment, and construction in progress are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Construction cost includes direct and all indirect costs. Donated capital assets are measured at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized, and land and construction in progress are not depreciated. Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

Asset Classification	Useful Life in Years
Buildings:	
Buildings – Permanent	40
Buildings – Improvements	20
Portable Buildings and Building Systems	15
Equipment:	
Heavy Installed Equipment	20
Maintenance/Warehouse/Custodial Equipment	15
Heavy Equipment – Tractors/Construction Equipment	12
Furniture and Fixture Equipment – Others	10
Kitchen Equipment	10
Other Vehicles	10
Buses	7
Trucks and Vans	7
Automobiles	5
Technology Equipment	3
Software	3

Deferred Outflows and Inflows of Resources. In addition to assets, the Statement of Net Position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows 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 (expenditures) until then. The District has three items that qualify for reporting in this category. They are deferred loss on refunding, TRS pension costs, and TRS OPEB costs, which are reported in the Government-wide Statement of Net Position.

In addition to liabilities, the Statement of Net Position will 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 therefore will not be recognized as an inflow of resources (revenue) until then. The District has four items that qualify for reporting in this category. They are related to TRS pension, TRS OPEB, unavailable revenue, and other deferred resource inflows. Unavailable revenue is reported only in the Governmental Funds Balance Sheet, and TRS pension investment earnings are reported only on the Government-wide Statement of Net Position. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. See Note K for the detail of other deferred resource inflows.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

Compensated Absences. Certain employees are entitled to receive accrued vacation and compensatory pay in a lump-sum cash payment upon termination of employment with the District. The amount of \$3,238,077 represents the recorded liability for employees vested in accumulated vacation and compensatory pay. The General Fund and the Food Services Fund are used to liquidate compensated absences.

Long Term Obligations. In the government-wide financial statements, long term debt and other long term obligations are reported as liabilities under governmental activities. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred. Gains or losses on refundings are capitalized and amortized over the shorter of the life of the new issuance or the life of the existing debt using the straight-line interest method, which approximates the interest method.

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

Use of Estimates. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Encumbrances. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in the accounting system in order to assign the portion of the applicable appropriation, is employed in the governmental fund financial statements. Encumbrances that have not been liquidated are reported as an assigned portion of fund balance in the governmental funds.

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

Government-wide Net Position

Net position represents the difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources. The District's net position is composed of the following:

Net Investment in Capital Assets. The component of net position that reports capital assets less both the accumulated depreciation and the outstanding balance of debt that is directly attributable to the acquisition, construction, or improvements of these capital assets.

Restricted for Federal and State Programs. The component of net position that reports the difference between assets and liabilities of the Federal and State special revenue programs that consists of assets with constraints placed on their use by the Department of Education, Health and Human Services, Labor, Agriculture or TEA.

Restricted for Debt Service. The component of net position that reports the difference between assets and liabilities of the Debt Service Funds net of accrued interest at June 30, that consists of assets with constraints placed on their use by the bond covenants.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

Restricted for Other Purposes. The component of net position that reports the difference between assets and liabilities of the Restricted for Other Purposes Funds at June 30, that consists of assets with constraints placed on their use by external parties.

Unrestricted. The difference between the assets and liabilities that are not reported in net position invested in capital assets, net position restricted for debt service, net position restricted for federal and state programs, net position restricted for capital projects, and net position restricted for other purposes.

Governmental Fund Balances

According to the District's fund balance policy, fund balance is comprised of the following components:

Nonspendable Fund Balance. The portion of fund balance that is not expendable or is legally earmarked for a specific use. Nonspendable fund balance reserves may include items like inventory or prepaid items.

Spendable Fund Balance. The portion of fund balance that is comprised of restricted, committed, assigned, and unassigned fund balances.

- **Restricted Fund Balance.** The portion of fund balance that reflects resources that are subject to externally enforceable legal restrictions imposed by parties outside the District. Restricted fund balances include funds for the Food Services, funds restricted for capital acquisitions, funds used to retire long term debts or resources from granting agencies.
- **Committed Fund Balance.** The portion of fund balance that reflects resources whose use is limited based upon resolutions by the District's Board of Trustees. At June 30, 2021, the District had no committed fund balance.
- **Assigned Fund Balance.** The portion of fund balance that is self-imposed by the District to be used for a particular purpose. The assigned fund balance can only be removed by the Superintendent of Schools or the Chief Business Officer.
- **Unassigned Fund Balance.** The portion of the spendable fund balance within the General Fund that has not been classified within any categories above. It is the portion of fund balance available to finance operating expenditures.

In general, it is in the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which restricted and unrestricted (i.e. committed, assigned, or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used after the other resources have been used.

As of the end of the current fiscal year, the District's Governmental Fund Balance was \$1,682,561,359 reported as follows:

<u>Fund Balances</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable					
Inventories	\$ 8,635,711	\$ -	\$ -	\$ 7,205,070	\$ 15,840,781
Prepaid Items	5,481,832	-	319,416	-	5,801,248
Restricted					
Federal or State Grants	-	-	-	4,353,391	4,353,391
Capital Acquisition	-	-	515,385,878	-	515,385,878
Debt Services	-	165,106,095	-	-	165,106,095
Local	-	-	-	3,201,215	3,201,215
Assigned					
Retirement of Loans/Notes Payable	-	57,335,971	-	-	57,335,971
Other Assigned Fund Balance	246,710,899	-	-	6,375,684	253,086,583
Unassigned					
	662,450,197	-	-	-	662,450,197
Total Fund Balances	\$923,278,639	\$222,442,066	515,705,294	\$ 21,135,360	\$1,682,561,359

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

The Other Assigned Fund Balance consists of funds assigned for mitigating learning loss of \$33.8 million for Fiscal Year 2025 and \$38.4 million for Fiscal Year 2026. \$26.5 million has been assigned for virtual schools, \$86.0 million for QSCB notes, \$15.0 million for a transfer of funds to Food Services to cover costs, \$11.5 million for COVID-19 safety measures and supplies, \$0.15 million for JROTC LC Curriculum, \$0.14 million for library redesign, \$0.20 million for Athletics transportation, and \$7.5 million to cover planned initiatives. Additionally, \$8.0 million is earmarked to cover potential expenditure overages in Title I and Title II programs and \$19.6 million is for encumbrances carried forward to FY22 as detailed below.

Note: Encumbrances are documented by purchase orders and contracts. They are commitments to expend resources. Appropriations lapse at June 30 and encumbrances outstanding at that time are either canceled or provided for in the subsequent year's budget. Outstanding encumbrances at June 30, 2021, that were subsequently provided for in the 2021-2022 budget totaled \$19,551,899 in Other Assigned Fund Balance in the General Fund, and were broken down by functions as follows:

Function 00 - Extraordinary Items	\$ 2,791,568
Function 11 - Instruction	1,703,858
Function 12 - Instructional Resources and Media Services	197,388
Function 21 - Instructional Leadership	72,069
Function 31 - Guidance, Counseling and Evaluation Services	223,399
Function 34 - Student Transportation	325
Function 36 - Extracurricular Activities	431,144
Function 41 - General Administration	1,310,186
Function 51 - Plant Maintenance and Operations	7,184,043
Function 52 - Security and Monitoring Services	118,236
Function 53 - Data Processing Services	2,035,082
Function 61 - Community Services	15,951
Function 81 - Facility Acquisition & Construction	3,468,650
Total	\$ 19,551,899

Data Control Codes. In accordance with the Financial Accountability System Resource Guide published by the TEA, the District has adopted and installed an accounting system which meets the minimum requirements prescribed by the State Board of Education and has been approved by the state auditor. The TEA requires the display of these codes in the financial statements filed with the TEA in order to ensure accuracy in building a statewide database for policy development and funding plans.

In fiscal year 2021, GASB 84 pronouncements were implemented by the District. GASB Statement No. 84, *Fiduciary Activities*, was issued in January 2017 and provides guidance to enhance the consistency and comparability of fiduciary activity reporting by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. The Fiduciary Activities beginning balance was adjusted by \$2,704,502, and the Non-Major Governmental Funds and Governmental Activities were adjusted by \$22,163.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

NOTE B: CASH, CASH EQUIVALENTS AND INVESTMENTS

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the School Depository Act. The depository bank deposits for safekeeping and trust with The Bank of New York Mellon, under a tri-party collateral agreement between the District, the depository bank and The Bank of New York Mellon. The Bank of New York Mellon deposits approved pledged securities, as authorized by Chapter 2257, Collateral for Public Funds of the Government Code, in an amount sufficient to protect the District's funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") coverage. In order to maximize return on cash balances, the District uses consolidated bank accounts from which all disbursements are made, with cash in excess of the District's total daily requirement being invested for future needs.

At June 30, 2021, the net carrying amount of the District's cash deposits, excluding student activity fund deposits of \$2,737,740, was \$44,414,472. The bank balance of \$63,438,992 was on deposit with the contracted depository bank. District funds are insured up to \$250,000 for the combined amount of all time and savings accounts, and up to an additional \$250,000 for the combined total of all Demand Deposit Accounts (DDA's). Interest-bearing accounts were collateralized by pledged United States government securities with a fair value of \$88,444,339 at June 30, 2021, held by The Bank of New York Mellon. Because The Bank of New York Mellon holds the pledged securities in trust on behalf of the District, the deposits were deemed collateralized under Texas law. All campus activity funds were centralized and were on deposit with the contracted depository. Custodial and activity funds were in separate non-interest-bearing bank accounts at the depository bank, and as such, have full FDIC coverage of \$250,000 per bank account. At June 30, 2021, cash on hand in Custodial Funds totaled \$2,737,740 and was on deposit with the contracted depository and separate bank accounts. The District's Custodial Fund bank balance on June 30, 2021, was covered by federal depository insurance or by collateral held in the District's name.

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

- a. Depository bank: Wells Fargo Bank, N.A.
- b. The date of highest deposit was March 3, 2021, with combined cash and certificates of deposit balance of \$102,101,114.
- c. On March 4, 2021, the amount of bonds, securities pledged, and FDIC coverage was \$116,224,039.
- d. The FDIC coverage portion of the collateral listed above was \$250,000/\$250,000.
- e. The District had no occasions during the year of not being sufficiently collateralized, in which the pledged collateral requirement was less than the collateral requirement.

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

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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

- Bonds issued, assumed or guaranteed by the State of Israel, and
- Secured corporate bonds rated not lower than “AA—” or the equivalent.

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

As of June 30, 2021, the following are the District's cash equivalents and investments, with respective maturities and credit rating:

Type of Investment	Book Value	Percent	Fair Value	Percent	Maturity in Less Than 1 Year	Maturity in 1-10 Years	Maturity in Over 10 Years	Credit Rating
Cash	\$ 47,152,212	2.5%	\$ 47,152,212	2.5%	\$ 47,152,212	\$ -	\$ -	N/A
Money markets and FDIC insured investment accounts	11,634,321	0.6%	11,634,321	0.6%	11,634,321	-	-	N/A
Investment pools:								
LOGIC	132,651,375	6.9%	132,651,375	6.9%	132,651,375	-	-	AAAm
Lone Star	459,033,668	23.9%	459,033,668	23.9%	459,033,668	-	-	AAAm
Texas CLASS	219,931,313	11.4%	219,931,313	11.4%	219,931,313	-	-	AAAm
TexasTERM Daily	36,261,435	1.9%	36,261,435	1.9%	36,261,435			AAAm
TexasTERM Fixed Term	325,136,426	16.9%	325,136,426	16.9%	325,136,426			AAAf
TexPool	127,700,688	6.6%	127,700,688	6.6%	127,700,688			AAAm
Texas FIT	85,241,402	4.4%	85,241,402	4.4%	85,241,402			AAAf
Total Investment pools	1,385,956,307	72.1%	1,385,956,307	72.1%	1,385,956,307	-	-	
*Total cash and cash equivalents	1,444,742,840	75.2%	1,444,742,840	75.2%	1,444,742,840	-	-	
Commercial Paper	324,803,247	16.9%	324,803,247	16.9%	324,803,247	-	-	A1/P1
American Municipal Power Authority - Ohio	960,841	0.0%	960,841	0.0%		960,841		A1
Boone County Kentucky Municipal Bond	1,393,276	0.1%	1,393,276	0.1%		1,393,276		AA-
City of Alice, Texas GO LTD Bond	1,067,519	0.1%	1,067,519	0.1%		1,067,519		AA
City of West Palm Beach, Florida Bond	1,291,776	0.1%	1,291,776	0.1%		1,291,776		Aa3
Corpus Christi GO Municipal Bond	477,259	0.0%	477,259	0.0%			477,259	Aa2
Fannie Mae Agency	20,000,833	1.0%	20,000,833	1.0%		20,000,833		Aaa
Federal Farm Credit Bureau Agency	19,938,253	1.0%	19,938,253	1.0%		19,938,253		Aaa
Federal Home Loan Bank Agency	80,189,838	4.2%	80,189,838	4.2%	20,225,622	59,964,216		Aaa
Fontana Unified School District Municipal Bond	870,180	0.0%	870,180	0.0%		870,180		Aa3
Gainesville Florida Pension Municipal Bond	1,729,124	0.1%	1,729,124	0.1%		1,729,124		Aa3
Green Bay Wisconsin Municipal Bond	541,458	0.0%	541,458	0.0%		541,458		A2
Indiana State Finance Authority	770,771	0.0%	770,771	0.0%			770,771	A+
North Hudson Sewerage Authority, NJ (A)	1,168,170	0.1%	1,168,170	0.1%			1,168,170	A+
Oregon State School Board Assoc GO Pension Municipal Bond	613,088	0.0%	613,088	0.0%		613,088		Aa2
Oregon State School Board Assoc Pension Municipal Bond	1,963,148	0.1%	1,963,148	0.1%		1,963,148		Aa2
Pennsylvania Economic Development Municipal Bond	3,080,037	0.2%	3,080,037	0.2%		3,080,037		A2
Port Douglas County Washington Municipal Bond	709,673	0.0%	709,673	0.0%			709,673	A+
Reading Pennsylvania Municipal Bond	4,460,929	0.2%	4,460,929	0.2%			4,460,929	A2
San Bernardino County Redevelopment Successor Muni Bond	2,146,111	0.1%	2,146,111	0.1%			2,146,111	AA
San Francisco City & County Redevelopment Municipal Bond	1,542,984	0.1%	1,542,984	0.1%			1,542,984	Aa3
Texas State Public Finance Municipal Bond	1,608,954	0.1%	1,608,954	0.1%		783,624	825,330	A1
Texas State University System	1,030,569	0.1%	1,030,569	0.1%			1,030,569	Aa2
University of North Texas	1,660,118	0.1%	1,660,118	0.1%		1,660,118		Aa2
Walnut Valley Unified School District Municipal Bond	3,124,997	0.2%	3,124,997	0.2%			3,124,997	Aa1
*Total Investments	477,143,153	24.8%	477,143,153	24.8%	345,028,869	115,857,489	16,256,794	
Total cash, cash equivalents and investments	\$ 1,921,885,993	100.0%	\$ 1,921,885,993	100.0%	\$ 1,789,771,710	\$ 115,857,489	\$ 16,256,794	

*Total cash and cash equivalents and total investments include accrued interest. The accrued interest total includes \$826 that is applied to the Texas TERM Daily under the Investment Pool section of Note B.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

In accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the District's investments with a maturity date of greater than one year have been recorded at fair value based upon quoted market prices as of June 30, 2021 with increase or decrease in fair value being recorded as a component of earnings on investments. Investment Pools are measured at amortized cost or net asset value, i.e. fair value. As such, these investments are not required to be reported in the fair value hierarchy.

The Texpool and Lone Star Overnight investment pools are external investment pools measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share, have weighted average maturity of 60 days or less, and weighted average life of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. Texpool and Lone Star Overnight have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium, or national or state emergency that affects the pool's liquidity.

Texas CLASS, TexasTERM, LOGIC, and TX-Fit investment pools are external investment pools measured at net asset value. Texas CLASS, TexasTERM, LOGIC, and TX-Fit's strategy is to seek preservation of principal, liquidity, and current income through investment in a diversified portfolio of short-term marketable securities. The District has no unfunded commitments related to the investment pools. Texas CLASS, TexasTERM, LOGIC, and TX-Fit have a redemption notice period of one day and may redeem daily. The investment pools' authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium, or national or state emergency that affects the pool's liquidity.

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

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

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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

The District has recurring fair value measurements as presented in the table below. The District's investment balances and weighted average maturity of such investments are as follows:

	Fair Value Measurements Using				Percent of Total Investments
	June 30, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<i>Investments not Subject to Fair Value:</i>					
Money markets and FDIC insured investment accounts	\$ 11,634,321	\$ -	\$ -	\$ -	0.62%
Investment Pools:					
LOGIC	\$ 132,651,375	\$ -	\$ -	\$ -	7.08%
Lone Star	459,033,668	-	-	-	24.49%
Texas Class	219,931,313	-	-	-	11.73%
Texas TERM Daily	36,261,435	-	-	-	1.93%
TexasTERM Fixed Term	325,136,426	-	-	-	17.34%
TexPool	127,700,688	-	-	-	6.81%
Texas Fit	85,241,402	-	-	-	4.55%
<i>Investments by Fair Value Level:</i>					
Commercial Paper	\$ 324,803,247	\$ -	\$ 324,803,247	\$ -	17.33%
US Government Agency Securities:					
Fannie Mae Agency	20,000,833	-	20,000,833	-	1.07%
Federal Farm Credit Bureau Agency	19,938,253	-	19,938,253	-	1.06%
Federal Home Loan Bank Agency	80,189,838	-	80,189,838	-	4.28%
Municipal Bonds:					
American Municipal Power Authority - Ohio	\$ 960,841	\$ -	\$ 960,841	\$ -	0.05%
Boone County Kentucky Municipal Bond	1,393,276	-	1,393,276	-	0.07%
City of Alice, Texas GO LTD Bond	1,067,519	-	1,067,519	-	0.06%
City of West Palm Beach, Florida Bond	1,291,776	-	1,291,776	-	0.07%
Corpus Christi GO Municipal Bond	477,259	-	477,259	-	0.03%
Fontana Unified School District Municipal Bond	870,180	-	870,180	-	0.05%
Gainesville Florida Pension Municipal Bond	1,729,124	-	1,729,124	-	0.09%
Green Bay Wisconsin Municipal Bond	541,458	-	541,458	-	0.03%
Indiana State Finance Authority	770,771	-	770,771	-	0.04%
North Hudson Sewerage Authority, NJ (A)	1,168,170	-	1,168,170	-	0.06%
Oregon State School Board Assoc GO Pension Municipal Bond	613,088	-	613,088	-	0.03%
Oregon State School Board Assoc Pension Municipal Bond	1,963,148	-	1,963,148	-	0.10%
Pennsylvania Economic Development Municipal Bond	3,080,037	-	3,080,037	-	0.16%
Port Douglas County Washington Municipal Bond	709,673	-	709,673	-	0.04%
Reading Pennsylvania Municipal Bond	4,460,929	-	4,460,929	-	0.24%
San Bernardino County Redevelopment Successor Muni Bond	2,146,111	-	2,146,111	-	0.11%
San Francisco City & County Redevelopment Municipal Bond	1,542,984	-	1,542,984	-	0.08%
Texas State Public Finance Municipal Bond	1,608,954	-	1,608,954	-	0.09%
Texas State University System	1,030,569	-	1,030,569	-	0.05%
University of North Texas	1,660,118	-	1,660,118	-	0.09%
Walnut Valley Unified School District Municipal Bond	3,124,997	-	3,124,997	-	0.17%
	-	-	-	-	-
Total Investments	\$ 1,874,733,781	\$ -	\$ 477,143,153	\$ -	100.0%

U.S. Government Agency Securities and Commercial Paper are classified in Level 2 of the fair value hierarchy and are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. In accordance with the District's investment policy, investments are made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a twelve-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. The District's investment strategy states that no individual transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio. Some investments are also purchased with longer

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

maturities to match the \$143.3 million General Fund liability for 2013 QSCB notes due in August 2033. These bear a risk that market interest rates could at some point exceed the yield of the investments purchased.

Credit Risk. State law limits investment purchases in commercial paper to not less than A1-P1 or equivalent rating by at least two nationally recognized credit rating agencies. The District's investments in Local Government Investment Pools (LGIP's) include: Texas CLASS, LOGIC, Lone Star, TexPool, Texas TERM Daily, Texas TERM Fixed Term, and TX-Fit. These are all public funds investment pools operating in full compliance with the Public Funds Investment Act. All are rated "AAAm/AAAf" by Standard and Poor's. The District's no-load money market fund maintains weighted-average maturity of 90-days or less. This money market fund invests only in first-tier securities. Under SEC Rule 2a-7 of the 1940 Act, a first-tier security is a debt instrument that is an eligible investment for money market funds and has received a rating in the highest short-term category from a nationally recognized statistical rating organization. On August 5, 2011, Standard and Poor's, one of three nationally recognized raters of US debt and securities, downgraded the rating of long-term US sovereign debt from AAA to AA+ for the first time since 1941. The two other national raters, Moody's and Fitch, continue to have the highest ratings. As of July 13, 2013, and March 21, 2014, respectively, US long term sovereign debt outlook is listed as "Stable" by Standard and Poor and by Fitch. The District utilizes Wells Fargo Securities for money market investments and Wells Fargo Bank, N.A. for the daily operating funds.

Concentration of Credit Risk. The District's investment portfolio is diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity or specific issuer.

Custodial Credit Risk – Deposits. This is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. All deposits not covered by FDIC insurance but held in the depository bank, Bank of America, were fully collateralized.

Custodial Credit Risk – Investments. This is the risk that, in the event of failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District also uses an Insured Cash Shelter Account that, similar to a Certificate of Deposit Account Registry Service (CDARS) program, holds investment balances of \$250,000 or less at multiple depositories to maintain full FDIC coverage for the whole account.

Foreign Currency Risk. As of June 30, 2021, there are no foreign currency investments in the District's portfolio.

NOTE C: LOCAL REVENUES AND PROPERTY TAXES

Local and intermediate sources are comprised of the following:

	General Fund	Debt Service Fund	Capital Projects Fund	Non-Major Funds	Total Governmental Funds
Property Taxes	\$ 1,410,744,361	\$ 323,334,418	\$ -	\$ -	\$ 1,734,078,779
Food Services	-	-	-	543,744	543,744
Gifts and Bequests	623,296	-	-	2,039,697	2,662,993
Campus Activity Funds	-	-	-	1,514,442	1,514,442
Interest Income	4,772,399	251,201	1,268,179	-	6,291,779
Tuition, Fees and Cocurricular	1,007,296	-	-	-	1,007,296
Rental Income	1,622,681	-	-	-	1,622,681
Other	5,740,595	-	429	609,290	6,350,314
Totals	\$ 1,424,510,628	\$ 323,585,619	\$ 1,268,608	\$ 4,707,173	\$ 1,754,072,028

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

Property Taxes. The appraisal of property within the District is the responsibility of the Dallas County Appraisal District. The District's ad valorem property tax is levied each October 1 on the assessed value as of the prior January 1 for all real and business personal property located in the District. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the subsequent year. On January 1 of each year a tax lien attaches to the property to secure the payment of all taxes, penalties, and interest ultimately imposed. The assessed value of the roll on January 1, 2020 was \$166,750,133,044. After deductions of all exemptions and reductions provided by law and those granted by the District, the 2020 tax year levy was based on property values of \$128,056,436,790.

The tax rates assessed for the year ended June 30, 2021, to finance General Fund operations and the payment of principal and interest on long term debt were \$1.054700 and \$0.242035 per \$100 valuation, respectively, for a total of \$1.296735 per \$100 valuation. The resolution levying the ad valorem taxes specifies the individual tax rates for the General Fund and Debt Service Fund. Current tax collections for the year ended June 30, 2021, were 98.3% of the adjusted tax levy.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. The District has provided an allowance for estimated uncollectible property taxes and estimated adjustments within the General Fund and Debt Service Fund of \$41,016,063 and \$9,340,110 respectively, based upon historical collection experience and historical adjustment experience.

The Texas Property Tax Code directs tax collectors to cancel and remove from the tax rolls real property taxes that have been delinquent more than 20 years and personal property taxes that have been delinquent more than 10 years. Additionally, the Texas Property Tax Code provides that personal property may not be seized and a suit may not be filed to collect a tax on personal property that has been delinquent more than four years.

NOTE D: RECEIVABLES

Property tax receivable as of June 30, 2021, for the District's Major Funds and Non-Major Funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Debt Service</u>	<u>Totals</u>
Property Taxes	\$ 68,132,763	\$ 14,857,778	\$ 82,990,541
Less: Allowance for uncollectible	<u>(41,016,063)</u>	<u>(9,340,110)</u>	<u>(50,356,173)</u>
Totals	<u>\$ 27,116,700</u>	<u>\$ 5,517,668</u>	<u>\$ 32,634,368</u>

In addition, the District has recorded a state aid receivable of \$19.2 million and a receivable from other governmental entities of \$121.6 million as of June 30, 2021.

NOTE E: UNEARNED REVENUE

Governmental funds defer revenue recognition in connection with resources that have been received but not yet earned. As of June 30, 2021, the components of unearned revenue reported in the General Fund and Non-Major Governmental funds were as follows:

	<u>General</u>	<u>Non-Major</u>	<u>Totals</u>
Grants	\$ -	\$ 2,386,827	\$ 2,386,827
Other	<u>73,686</u>	<u>-</u>	<u>73,686</u>
Totals	<u>\$ 73,686</u>	<u>\$ 2,386,827</u>	<u>\$ 2,460,513</u>

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

NOTE F: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund balances at June 30, 2021, consisted of the following individual fund receivables and payables:

Fund	Receivables	Payables
General Fund:		
ESSER II School Emergency Relief Fund	\$ 65,545,719	\$ -
Non-Major Governmental Funds	13,802,795	-
Internal Service Funds	-	1,222,057
	<u>79,348,514</u>	<u>1,222,057</u>
ESSER II School Emergency Relief Fund		
General Fund	-	65,545,719
	<u>-</u>	<u>65,545,719</u>
Non-Major Governmental Funds:		
General Fund	-	13,802,795
Internal Service Funds	-	126,129
	<u>-</u>	<u>13,928,924</u>
Internal Service Funds:		
General Fund	1,222,057	-
Non-Major Governmental Funds	126,281	152
	<u>1,348,338</u>	<u>152</u>
	<u>\$ 80,696,852</u>	<u>\$ 80,696,852</u>

The interfund receivable and payable between General Fund and Major and Non-Major Governmental Funds occurs when expenditures take place before the reimbursement is received from the granting agency. The interfund balances between General Fund and Internal Service Fund occur due to payments made from the General Fund operating account on behalf of these funds. The interfund balances between Internal Service Fund, General Fund, and Major and Non-Major Governmental Funds occur due to recording of workers' compensation liabilities recorded but not yet funded. Transfers occur monthly, unless significantly larger payments are noted and the transfer occurs more frequently. All interfund balances are expected to be repaid within the next fiscal year.

Interfund transfers are defined as "flows of assets without equivalent flows of assets in return and without a requirement for repayment". Interfund transfers during the year ended June 30, 2021, were as follows:

Transfer Out	Transfer In	Amount
General Fund	Debt Service	7,167,000 *
General Fund	Internal Service Fund	823,666
Capital Projects	General Fund	3,630,352 **
General Fund	Non-Major Governmental Funds	19,000,000 **
Internal Service Fund	General Fund	3,014,373 **
Capital Projects	Debt Service	14,494
Internal Service Fund	Non-Major Governmental Funds	158,651
General Fund	Non-Major Governmental Funds	222,000

*\$7.2 million transferred from the General Fund to the 2013 Qualified School Construction Bonds Fund to provide for the QSCB principal of \$143.3 million due in August 2033.

**In 2021, the District transferred \$3.0 million from the Risk Management Fund to the General Fund to reduce excess net position in the Risk Management Fund, \$19.0 million from the General Fund to the Food Services Fund to cover Food Services costs, and \$3.6 million from Capital Projects to the General Fund to cover tornado related costs.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

NOTE G: OPERATING LEASES

The District leases offices, copiers, warehouse space, playground area and parking under non-cancelable operating leases. Rent expenditures including non-cancelable leases and other rent charges for the year ended June 30, 2021 was approximately \$6.7 million. Minimum future lease commitments on non-cancelable leases are summarized as follows:

For the Year Ending June 30	Minimum Future Lease Commitments
2022	\$4,720,325
2023	3,538,908
2024	3,340,361
2025	717,951
2026	639,326

NOTE H: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 is as follows:

	Balance at June 30, 2020	Additions	Transfers	Deletions	Balance at June 30, 2021
Capital assets, not being depreciated:					
Land	\$ 259,279,955	\$ 1,447,191	\$ -	\$ -	\$ 260,727,146
Construction in progress	272,932,580	344,197,440	(181,346,499)	-	435,783,521
Total capital assets, not being depreciated	532,212,535	345,644,631	(181,346,499)	-	696,510,667
Capital assets, being depreciated:					
Building and improvements	4,107,144,431	2,810,640	173,498,546	(2,580,292)	4,280,873,325
Furniture and equipment	312,464,432	15,852,772	7,847,953	(5,879,025)	330,286,132
Total capital assets, being depreciated	4,419,608,863	18,663,412	181,346,499	(8,459,317)	4,611,159,457
Less accumulated depreciation for:					
Buildings and improvements	1,620,914,283	121,365,939	-	(2,580,292)	1,739,699,930
Furniture and equipment	243,696,230	19,254,895	-	(5,534,102)	257,417,023
Total accumulated depreciation	1,864,610,513	140,620,834	-	(8,114,394)	1,997,116,953
Total capital assets, being depreciated, net	2,554,998,350	(121,957,422)	181,346,499	(344,923)	2,614,042,504
Capital assets, net	\$ 3,087,210,885	\$ 223,687,209	\$ -	\$ (344,923)	\$ 3,310,553,171

Capital assets include assets recorded in Internal Service Funds, net of depreciation, of \$190,095.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

Depreciation expense was charged to functions of government activities as follows:

Depreciation by Function	Depreciation Expense
11 Instruction	\$ 82,117,255
12 Instructional Resources and Media Services	1,966,461
13 Curriculum and Instructional Staff Development	628,717
21 Instructional Leadership	635,464
23 School Leadership	8,586,173
31 Guidance, Counseling and Evaluation Services	2,981,818
32 Social Work Services	52,651
33 Health Services	1,396,415
34 Student (Pupil) Transportation	6,226,600
35 Food Services	9,825,608
36 Cocurricular/Extracurricular Activities	4,803,510
41 General Administration	928,524
51 Facilities Maintenance and Operations	10,396,762
52 Security and Monitoring Services	1,162,024
53 Data Processing Services	5,824,088
61 Community Services	692,330
81 Facilities Acquisition and Construction	2,396,435
Total	\$ 140,620,834

Depreciation is allocated to functions of governmental activities by specific identification whenever possible. Depreciation related to campus facilities is allocated to functions based on the relative square footage of the respective functional areas. Technology equipment is allocated in total to data processing services.

The District has active construction projects. These projects include new school construction and renovation of existing facilities. The total construction commitments as of June 30, 2021 are \$552,317,999 for projects under the bond programs.

NOTE I: LONG TERM OBLIGATIONS

The District's long-term debt includes general obligation bonds, maintenance tax notes and provisions for workers' compensation liability. Bond premiums and deferred losses on refundings are amortized using the effective interest method.

Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

General Obligation Bonds. These bonds are secured by ad valorem taxes levied against all taxable property and are serviced by the Debt Service Fund with an apportionment of the ad valorem tax levy. Interest rates on the bonds range from 0.00% to 6.00% and are due through 2050. At June 30, 2021, \$221,110,108 in cash, cash equivalents, investments, and accrued interest is restricted or assigned in the Debt Service Fund to service the outstanding bonds:

Series	Bond Series Name - General Obligation Bonds Maturity or Mandatory Redemption Date	Interest Rates	Original Issue Amount (in thousands)	Total Outstanding Principal Amount (in thousands)
2010C	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2018 to February 15, 2026 and Term Bonds due 2030 and 2035	4.05% - 6.00%	950,300	\$ 868,805
2012	Unlimited Tax Refunding Bonds - Serially in varying amounts from August 15, 2013 to August 15, 2031	2.00% - 5.00%	390,235	26,340
2012A	Unlimited Tax Refunding Bonds - Serially in varying amounts from August 15, 2013 to August 15, 2031	4.00% - 5.00%	46,825	3,610
2014A	Unlimited Tax Refunding Bonds - Serially in varying amounts from August 15, 2015 to August 15, 2034	1.00% - 5.00%	356,115	176,630
2015	Unlimited Tax Refunding Bonds - Serially in varying amounts from February 15, 2016 to February 15, 2032	2.125% - 5.00%	234,760	200,195
2016A	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2022 to February 15, 2036	3.00% - 5.00%	305,785	305,785
2017	Qualified Zone Academy Bonds, Taxable, No interest, principal due August 15, 2027	0.00% - 0.00%	4,405	4,405
2019	Unlimited Tax Refunding Bonds - Serially in varying amounts from February 15, 2020 to February 15, 2034	3.00% - 5.00%	68,025	61,565
2019B	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2021 to February 15, 2040	3.00% - 5.00%	311,975	302,195
2020	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2021 to February 15, 2050	2.00% - 5.00%	278,345	273,680
2021	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2021 to February 15, 2045	1.75% - 4.00%	275,210	275,210
2021A	Unlimited Tax Refunding Bonds - Serially in varying amounts from February 15, 2022 to February 15, 2031	3.00% - 5.00%	158,900	158,900
2021B	Unlimited Tax School Building Bonds - Taxable Serially in varying amounts from August 15, 2023 to August 15, 2034	1.935% - 4.00%	409,355	409,355
Total				\$ 3,066,675

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

On April 11, 2018, the District established a defeasance escrow to defease all or a portion of the District's outstanding bonds, Dallas Independent School District Multi-Modal Unlimited Tax School Building Bonds, Series 2016B-6, in the current year for a total of \$47,155,000, prior to their scheduled maturities. The District deposited directly with a paying agent for the Defeased Bonds available funds of the District into an escrow fund in an amount of approximately \$49,520,480, sufficient to provide the payment, redemption, or defeasance of all or a portion of the Defeased Bonds and such deposit shall continue the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Defeased Bonds. The Defeased Bonds are no longer regarded as being outstanding, except for the purpose of being paid from funds on deposit in the escrow fund. The escrow proceeds were recorded as debt service expenditures and not other financing uses.

Maintenance Tax Notes. On December 1, 2013, the District issued \$143,340,000 in Limited Maintenance Tax Qualified School Construction Bonds. The Maintenance Tax Notes are paid from the General Fund. The amount outstanding for Maintenance Tax Notes as of June 30, 2021 was as follows:

Series	Maintenance Tax Notes Maturity or Mandatory Redemption Date	Yield Rates	Total Outstanding Principal Amount (in thousands)
2013	Principal due at maturity - interest due each February 15 and August 15 from August 15, 2014 to August 15, 2033	5.05%	\$ 143,340
		Total	<u>\$ 143,340</u>

As of June 30, 2021, the District has transferred \$57,335,971 from the General Fund to a specially established Debt Service fund for the 2013 Qualified School Construction Bonds Fund to pay the 2013 Limited Maintenance Tax Qualified School Construction Bonds (QSCB) due in 2033. In addition, the District expects to annually transfer \$7,167,000 from the General Fund to the 2013 Qualified School Construction Bonds Fund to provide for the QSCB principal of \$143,340,000 due in August 2033.

Variable Rate Debt. In March 2016, the District issued \$266,445,000 in "Unlimited Tax School Building Bonds, Series 2016B" with initial interest rates ranging from 3.00% to 5.00%. As of June 30, 2021, none remains and all has been paid or fully defeased.

Debt Issuance. As of June 30, 2021, the District has no remaining of approved and unissued authorizations from the \$1.6 billion 2015 Bond Authorization, and \$45,000,000 remaining of the \$75 million 2018 Bond Authorization.

In August 2020, the District issued \$278,345,000 in "Unlimited Tax School Building Bonds, Series 2020" with interest rates ranging from 2.00% to 5.00%. The District received a net premium of \$24,139,396. The total proceeds, less issuance costs and underwriter's discount of \$896,872 and \$992,524, respectively, were used for school building construction and renovation. Principal and interest payments are due every February 15 and August 15, beginning February 15, 2021 until February 15, 2050. The total interest requirements of these bonds aggregate \$118,093,750, as of June 30, 2021. The proceeds were invested in local government investment pools, commercial paper, or US government agencies. The debt is subject to federal arbitrage regulations and is serviced by the Debt Service Fund.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

In February 2021, the District issued \$275,210,000 in “Unlimited Tax School Building Bonds, Series 2021” with interest rates ranging from 1.75% to 4.00%. The District received a net premium of \$25,181,462. The total proceeds, less issuance costs and underwriter’s discount of \$793,573 and \$397,889, respectively, were used for school building construction and renovation. Principal and interest payments are due every February 15 and August 15, beginning February 15, 2021 until February 15, 2045. The total interest requirements of these bonds aggregate \$89,420,344, as of June 30, 2021. The proceeds were invested in local government investment pools, commercial paper, or US government agencies. The debt is subject to federal arbitrage regulations and is serviced by the Debt Service Fund.

In April 2021, the District issued \$158,900,000 in “Unlimited Tax Refunding Bonds, Series 20121A” with interest rates ranging from 3.00% to 5.00%. The District received a net premium of \$24,792,581. The total proceeds, less issuance costs and underwriter’s discount of \$564,625 and \$72,882, respectively, were used to fully refund \$146,445,000 in Unlimited Tax Refunding Bonds, Series 2011 and partially refund \$34,520,000 in Unlimited Tax Refunding Bonds, Taxable Series 2012A. Principal and interest payments are due every February 15 and August 15, beginning August 15, 2021 until February 15, 2031. The total interest requirements of these bonds aggregate \$28,969,015, as of June 30, 2021. An amount of \$185,155,234 was placed in an irrevocable trust to provide for future debt service payments relating to the defeased bonds. Accordingly, the trust assets and liabilities for the defeased bonds are not included in the District’s financial statements. The aggregate difference in debt service between the refunding debt and the refunded debt is a savings of \$27,902,122 which is a net present value economic gain of \$27,903,972. The debt is subject to federal arbitrage regulations and is serviced by the Debt Service Fund.

In April 2021, the District issued \$409,355,000 in “Unlimited Tax School Building Bonds-Taxable, Series 2021B” with interest rates ranging from 1.935% to 4.00%. The District received a net premium of \$39,378,585. The total proceeds, less issuance costs and underwriter’s discount of \$1,208,990 and \$1,546,254, respectively, were used to refund \$293,220,000 in Unlimited Tax Refunding Bonds, Series 2012 and \$120,780,000 in Unlimited Tax Refunding Bonds, Taxable Series 2014A. Principal and interest payments are due every February 15 and August 15, beginning August 15, 2021 until August 15, 2034. The total interest requirements of these bonds aggregate \$97,709,456, as of June 30, 2021. An amount of \$450,630,242 was placed in an irrevocable trust to provide for future debt service payments relating to the defeased bonds. Accordingly, the trust assets and liabilities for the defeased bonds are not included in the District’s financial statements. The aggregate difference in debt service between the refunding debt and the refunded debt is a savings of \$40,590,552 which is a net present value economic gain of \$40,595,089. The debt is subject to federal arbitrage regulations and is serviced by the Debt Service Fund.

The District’s underlying debt rating was last changed on November 22, 2019, an increase by Standard & Poor’s from AA to AA+ with outlook stable.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

The following is a summary of the changes in the District's long-term debt for the year ended June 30, 2021:

Description	Long-Term Liabilities Outstanding July 1, 2020 (in thousands)	Additions and Interest Accretion (in thousands)	Retired/ Refunded (in thousands)	Long-Term Liabilities Outstanding June 30, 2021 (in thousands)	Amount Due Within One Year from June 30, 2021 (in thousands)
General Obligation Bonds:					
Series 2010	\$ 28,560	\$ -	\$ 28,560	\$ -	\$ -
Series 2010C	890,940	-	22,135	868,805	23,665
Series 2011	162,075	-	162,075	-	-
Series 2012	329,770	-	303,430	26,340	7,940
Series 2012A	39,415	-	35,805	3,610	1,075
Series 2014A	300,805	-	124,175	176,630	10,215
Series 2015	200,195	-	-	200,195	9,440
Series 2016A	305,785	-	-	305,785	14,620
Series 2016B	65,315	-	65,315	-	-
Series 2017 QZAB	4,405	-	-	4,405	-
Series 2019	64,875	-	3,310	61,565	3,480
Series 2019B	311,975	-	9,780	302,195	10,280
Series 2020	-	278,345	4,665	273,680	5,150
Series 2021	-	275,210	-	275,210	7,595
Series 2021A	-	158,900	-	158,900	21,020
Series 2021B	-	409,355	-	409,355	-
Total General Obligation Bonds	\$ 2,704,115	\$ 1,121,810	\$ 759,250	\$ 3,066,675	\$ 114,480
Maintenance Tax Notes Payable:					
Series 2013-QSCB	\$ 143,340	\$ -	\$ -	\$ 143,340	\$ -
Total Maintenance Tax Notes	\$ 143,340	\$ -	\$ -	\$ 143,340	\$ -
Total Bonds and Notes Payable	\$ 2,847,455	\$ 1,121,810	\$ 759,250	\$ 3,210,015	\$ 114,480
Commercial Paper	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Other Long-Term Obligations:					
Workers Compensation/Auto Liability	\$ 9,801	\$ 3,875	\$ 3,360	\$ 10,315	\$ 3,511
Premium on Bonds	155,158	69,026	27,190	196,994	-
Net Pension Liability	595,196	64,299	59,328	600,167	-
Net OPEB Liability	690,115	34,675	167,421	557,369	-
	\$ 1,450,269	\$ 171,874	\$ 257,298	\$ 1,364,846	\$ 3,511
Totals	\$ 4,327,724	\$ 1,323,684	\$ 1,046,548	\$ 4,604,861	\$ 147,991

For fiscal year ending June 30, 2021, the legal debt margin of the District is \$12,608,649,826.

Debt Service Requirements. The annual requirements to pay principal and interest on the bond obligations and notes payable outstanding as of June 30, 2021, are as follows:

General Obligation Bonds

Year Ended June 30,	Principal (in thousands)	Interest (in thousands)	Total Requirements (in thousands)
2022	\$ 114,480	\$ 132,210	\$ 246,690
2023	122,475	130,413	252,888
2024	137,350	124,312	261,662
2025	165,445	117,677	283,122
2026	156,930	109,948	266,878
2027-2031	942,820	429,892	1,372,712
2032-2036	1,058,845	181,338	1,240,183
2037-2041	201,140	30,733	231,873
2042-2046	115,995	12,131	128,126
2047-2051	51,195	2,815	54,010
Totals	\$ 3,066,675	\$ 1,271,469	\$ 4,338,144

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

Maintenance Tax Notes

Year Ended June 30,	Principal (in thousands)	Interest (in thousands)	Total Requirements (in thousands)
2022	\$ -	\$ 7,237	\$ 7,237
2023	-	7,237	7,237
2024	-	7,237	7,237
2025	-	7,237	7,237
2026	-	7,237	7,237
2027-2031	-	36,187	36,187
2032-2036	143,340	18,093	161,433
Totals	<u>\$ 143,340</u>	<u>\$ 90,465</u>	<u>\$ 233,805</u>

The District legally defeased certain bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. Accordingly, the trust account assets and the liability for these defeased bonds are not included in the District's basic financial statements. There are currently \$118,585,000 defeased bonds that remain in escrow at June 30, 2021 that have not met their redemption date.

Arbitrage. The Federal Tax Reform Act of 1986 requires issuers of tax exempt debt to make payments to the United States Treasury of investment income received at yields that exceed the issuer's tax-exempt borrowing rates. The U.S. Treasury requires payment for each issue every five years. The estimated liability is updated annually for any tax-exempt issuances or changes in yields until such time payment of the calculated liability is due. For fiscal year ended June 30, 2021, the District had a Yield Restriction Liability of \$533,254 for the 2016B Bonds and issued a required payment of \$497,929 to the IRS to avoid penalty.

NOTE J: SHORT TERM OBLIGATIONS

Short Term Debt. In August 2018, the Board approved the issuance of Dallas Independent School District Commercial Paper Notes, Series A (Commercial Paper) in an aggregate principal amount not to exceed \$299,200,000. The purpose of the Commercial Paper is for constructing, improving, renovating and equipping school buildings of the District and acquiring real property as authorized in the 2015 Bond Election; purchasing school buses and constructing and equipping bus maintenance and operating facilities for the District as authorized in the 2018 Bond Election; and refinancing, renewing or refunding outstanding Notes and Loans from time to time. The Commercial Paper Notes mature in not more than 365 days from issuance and are supported by a standby letter of credit with JPMorgan Chase Bank, National Association. Thirty million (\$30,000,000) of the Commercial Paper, Series A was offered on June 25, 2020 under the 2018 bond authorization. The sale closed on June 26, 2020, and the proceeds of the sale were received on June 26, 2020. This Commercial Paper was issued at a rate of 0.25% for 100 days and matured on October 5, 2020. This \$30,000,000 was reissued at a rate of 0.28% until July 2, 2021.

The Commercial Paper is secured by a pledge of the proceeds of future general obligation bonds or loans issued by the District to pay the principal of the Commercial Paper or proceeds from ad valorem property taxes. As of June 30, 2021, the District had a \$30,000,000 outstanding balance of Commercial Paper issued.

Changes in the Commercial Paper are as follows:

Description	June 30, 2021	June 30, 2020
Beginning of the Period Liability	\$ 30,000,000	\$ 800,000
Bonds Issued	-	-
Commercial Paper Retirements	(30,000,000)	(800,000)
Commercial Paper Issuances	30,000,000	30,000,000
End of the Period Liability	<u>\$ 30,000,000</u>	<u>\$ 30,000,000</u>

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

NOTE K: DEFERRED INFLOWS OF RESOURCES

Governmental funds report an amount that represents an acquisition of net position for a future period that will not be recognized as revenue until that time. As of June 30, 2021, the District had the following Deferred Inflows of Resources reported in the General Fund and Debt Service Fund:

	General	Debt Service	Total
Property Taxes	\$ 23,332,212	\$ 4,679,746	\$ 28,011,958
Medicaid/SHARS	34,184,046	-	34,184,046
Totals	\$ 57,516,258	\$ 4,679,746	\$ 62,196,004

NOTE L: GENERAL FUND FEDERAL SOURCE REVENUE

Federal revenues recorded in the General Fund consist of the following:

Build America Bonds Subsidy	\$ 18,215,026
CRF PPRP Program	221,767
E-Rate	3,067,528
Medicaid/School Health and Related Services	39,114,098
Qualified School Construction Bonds Subsidy	6,822,905
Indirect Cost Reimbursement	11,598,275
Junior Reserve Officer Training Corps	2,447,029
Total	\$ 81,486,628

NOTE M: DEFINED BENEFIT PENSION PLAN

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

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

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

Benefits Provided. TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3% (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description in (A) above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

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

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 through 2017. The 85th Texas Legislature, General Applications Act (GAA) affirmed that the employer contribution rates for fiscal years 2018 and 2019 would remain the same. SB12 in the 86th Legislature set higher contribution rates for fiscal year 2020 and fiscal year 2021. Beginning September 1, 2019, all employers are required to pay the Public Education Employer contribution of 1.5%. This "surcharge" was previously only charged to employers not participating in social security. Contribution Rates can be found in the TRS 2020 ACFR, Note 11, on page 82.

Contribution Rates

	<u>2020</u>	<u>2021</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	7.5%	7.5%
Employers	7.5%	7.5%
Dallas ISD 2021 Employer Contributions	\$ 48,324,908	
Dallas ISD 2021 Member Contributions	\$ 93,028,756	
Dallas ISD 2021 NECE On-Behalf Contributions	\$ 85,867,021	

Contributors to the plan include members, employers, and the State of Texas as the only non-employer contributing entity. The State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.
- When the employing district is a public or charter school, the employer shall contribute 1.5% of covered payroll to the pension fund beginning in fiscal year 2020. This contribution rate called the Public Education Employer Contribution will replace the Non(OASDI) surcharge that was in effect in fiscal year 2019.
- In addition to the employer contributions listed above, there is an additional surcharge an employer is subject to.
- 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.
- When a school district or charter school does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees. This surcharge was in effect through fiscal year 2019 and was replaced with the Public Education Employer Contribution explained above.

Actuarial Assumptions. Roll Forward. A change was made in the measurement date of the total pension liability for the 2020 measurement year. The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the total pension liability to August 31, 2020.

The following table discloses the assumptions that were applied to this measurement period:

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-Term Expected Rate	7.25%
Municipal Bond Rate as of August 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 GO AA Index."
Last year ending August 31 in Projection Period (100 years)	2119
Inflation	2.30%
Salary Increases	3.05% to 9.05% Including Inflation
Ad Hoc Post Employment Benefit Changes	None

The actuarial methods and assumptions 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 TRS actuarial valuation report dated November 14, 2019.

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

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2020 (see page 53 of the TRS ACFR) are summarized below:

Asset Class	Target Allocation*	Long-Term Expected Geometric Real Rate of Return**	Expected Contribution to Long Term Portfolio Returns
Global Equity			
U.S.	18.0%	3.9%	0.99%
Non-U.S. Developed	13.0%	5.1%	0.92%
Emerging Markets	9.0%	5.6%	0.83%
Directional Hedge Funds	0.0%	0.0%	0.00%
Private Equity	14.0%	6.7%	1.41%
Stable Value			
Government Bonds	16.0%	(0.7)%	(0.05)%
Stable Value Hedge Funds	5.0%	1.9%	0.11%
Absolute Return (including Credit Sensitive Investments)	0.0%	1.8%	0.00%
Real Return			
Real Estate	15.0%	4.6%	1.02%
Energy, Natural Resources, and Infrastructure	6.0%	6.0%	0.42%
Commodities	0.0%	0.8%	0.00%
Risk Parity			
Risk Parity	8.0%	3.0%	0.30%
Asset Allocation Leverage			
Asset Allocation Leverage Cash	2.0%	(1.5)%	(0.03)%
Asset Allocation Leverage	(6.0)%	(1.3)%	0.08%
Inflation Expectation			2.00%
Volatility Drag***			(0.67)%
Expected Return	100.0%		7.33%

* New Target Allocation based on the FY2020 policy model.

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

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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.25%) in measuring the Net Pension Liability. The discount rate can be found in the 2020 TRS ACFR, Note 11, page 84.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
DISD's proportionate share of the net pension liability	\$ 925,447,361	\$ 600,167,381	\$ 335,884,524

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, Dallas Independent School District reported a liability of \$600,167,381 for its proportionate share of TRS's net pension liability. This liability reflects a reduction for state pension support provided to Dallas Independent School 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	\$ 600,167,381
State's proportionate share that is associated with the District	713,905,847
Total	\$ 1,314,073,228

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 August 31, 2019 rolled forward to August 31, 2020. 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 through August 31, 2020.

At August 31, 2020, the employer's proportion of the collective net pension liability was 1.1205941805%. In the prior year, this was 1.1449786011%. This year there was a decrease of 0.0243844206% from the previous proportion measured as of August 31, 2019.

Changes Since the Prior Actuarial Valuation. Assumptions, methods, and plan changes, which are specific to the Pension Trust Fund, were updated from the prior year's report. The Net Pension Liability increased significantly since the prior measurement date due to a change in the following actuarial assumptions:

- The total pension liability as of August 31, 2020, was developed using a roll-forward method from the August 31, 2019 valuation.
- The single discount rate of as of August 31, 2018, was a blended rate of 6.907 percent and that has changed to the long-term rate of return of 7.25 percent as of August 31, 2019.
- With the enactment of SB 3 by the 2019 Texas Legislature, an assumption has been made about how this would impact future salaries. It is assumed that eligible active members will each receive a \$2,700 increase in fiscal year 2021. This is in addition to the salary increase expected based on the actuarial assumptions.

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

For the year ended June 30, 2021, Dallas Independent School District recognized pension expense of \$173,159,192, and revenue of \$85,867,021 for support provided by the state in the Government-wide Statement of Activities.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

At June 30, 2021, Dallas Independent School District's proportionate share of TRS's deferred outflows of resources and deferred inflows of resources related to pensions were from the following sources. (The amounts shown below will be the cumulative layers from the current and prior years combined.)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,095,858	\$ 16,749,079
Changes in actuarial assumptions	139,260,186	59,212,460
Difference between projected and actual investment earnings	12,149,875	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	14,663,332	20,933,057
Contributions paid to TRS subsequent to the measurement date	40,791,427	-
Total	<u>\$ 207,960,678</u>	<u>\$ 96,894,596</u>

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions (not including the deferred contribution paid subsequent to the measurement date) will be recognized by TRS in pension expense as follows:

Year Ended June 30:	Pension Expense Amount
2022	\$ 18,502,585
2023	27,264,862
2024	25,038,300
2025	7,533,489
2026	(7,426,135)
Thereafter	(638,446)
Total	<u>\$ 70,274,655</u>

NOTE N: OTHER POST- EMPLOYMENT BENEFITS

Texas Public School Retired Employees Group Insurance Program Plan Description. The District contributes to the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.

OPEB Plan Fiduciary Net Position. Detailed information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

Components of the net OPEB liability of the TRS-Care plan as of August 31, 2020 are as follows:

Net OPEB Liability	Total
Total OPEB Liability	\$ 40,010,833,815
Less: Plan Fiduciary Net Position	1,996,317,932
Net OPEB Liability	<u>\$ 38,014,515,883</u>
Net Position as percentage of Total OPEB Liability	4.99%

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

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. 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. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for retirees are presented in the following table:

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

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

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public. The actual employer contribution rate, which is 0.75% of each active employee's pay for fiscal year 2020, is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

<u>Contribution Rates</u>		
	<u>2020</u>	<u>2021</u>
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding Remitted by Employers	1.25%	1.25%
Dallas ISD 2021 Employer Contributions	\$ 11,456,201	
Dallas ISD 2021 Member Contributions	\$ 7,850,989	
Dallas ISD 2021 NECE On-Behalf Contributions	\$ 5,200,569	

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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$3.3 million in fiscal year 2020.

Actuarial Assumptions. The total OPEB liability in the August 31, 2019 actuarial valuation was rolled forward to August 31, 2020. The actuarial valuation was determined by actuarial assumptions. The following assumptions and other inputs used for members of TRS-Care 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	Rates of Termination	Rates of Disability Incidence
Rates of Retirement	Wage Inflation	Expected Payroll Growth
General Inflation		

Additional Actuarial Methods and Assumptions:

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

The impact of the Cadillac Tax that is returning in fiscal year 2023, has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

- 2018 thresholds of \$850/\$2,292 were indexed annually by 2.30 percent.
- Premium data submitted was not adjusted for permissible exclusions to the Cadillac Tax.
- There were no special adjustments to the dollar limit other than those permissible for non-Medicare retirees over 55.

Results indicate that the value of the excise tax would be reasonably represented by a 25-basis point addition to the long-term trend rate assumption.

Discount Rate. A single discount rate of 2.33% was used to measure the total OPEB liability. There was a decrease of 0.30% 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 non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

Sensitivity of the Net OPEB Liability

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%)
DISD's proportionate share of the net OPEB liability	\$ 668,841,777	\$ 557,369,210	\$ 469,321,882

Healthcare Cost Trend Rates Sensitivity Analysis. The following presents the Net OPEB Liability of the plan using the assumed healthcare cost trend rate, 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 assumed healthcare cost trend rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
DISD's proportionate share of the net OPEB liability	\$ 455,299,235	\$ 557,369,210	\$ 693,311,991

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2021, Dallas Independent School District reported a liability of \$557,369,210 for its proportionate share of TRS's net OPEB liability. This liability reflects a reduction for state OPEB support provided to Dallas Independent School 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	\$ 557,369,210
State's proportionate share that is associated with the District	748,970,612
Total	\$ 1,306,339,822

The Net OPEB Liability was measured as of 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 the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2019 through August 31, 2020.

At August 31, 2020, the employer's proportion of the collective Net OPEB Liability was 1.4662009954% compared to the 1.4592872454% as of August 31, 2019. This is an increase of 0.0069137500%.

Changes Since the Prior Actuarial Valuation. The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB Liability since the prior measurement period:

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

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

For the year ended June 30, 2021, Dallas Independent School District recognized OPEB expense of \$11,725,611, and revenue of \$5,200,569 for support provided by the state.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

At June 30, 2021, Dallas Independent School District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 29,183,632	\$ 255,080,650
Changes in actuarial assumptions	34,378,091	153,056,465
Net difference between projected and actual investment earnings	181,123	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	15,910,092	5,296,094
Contributions paid to TRS subsequent to the measurement date (to be calculated by employer)	9,678,966	-
Total	<u>\$ 89,331,904</u>	<u>\$ 413,433,209</u>

The net amounts of the employer's balances of deferred outflows and inflows of resources (not including the deferred contribution paid subsequent to the measurement date) related to OPEBs will be recognized in OPEB expense as follows:

Year Ended June 30:	OPEB Expense Amount
2022	\$ (56,081,984)
2023	(56,106,197)
2024	(56,120,046)
2025	(56,116,254)
2026	(41,228,679)
Thereafter	(68,127,111)
Total	<u>\$ (333,780,271)</u>

NOTE O: RISK MANAGEMENT / AUTO LIABILITY

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. The District purchases commercial insurance to cover property losses. There were no significant reductions in insurance coverage from the prior year. There have been no claim settlements in excess of insurance coverage in the last three years.

Workers' Compensation. Beginning in 1989, the District moved from a self-insured workers' compensation program administered by a third party to a self-insured program administered by the District. The District currently reports all of its risk management activities in its Internal Service Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. The provision for reported claims and for claims incurred but not yet reported is determined by an actuary for the District management. The District has an agreement with a third party administrator to contract directly with medical providers for their workers' compensation program and their injured employees. At June 30, 2021, the accrued liability for workers' compensation self-insurance of \$10.3 million includes incurred but not reported claims.

This liability is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements, and the amount of loss can be reasonably estimated. Because actual claim liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing the liability does not necessarily result in an exact amount. This liability is the District's best

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

estimate based on available information and management's estimate of administration costs necessary to provide future claims management.

Auto Liability. On July 1, 2018, the District established an internal service fund to accumulate and allocate all externally incurred liability expenses relating to student transportation and white fleet vehicle accidents such as physical damage, third party medical claims, and third party administrator costs, as well as contracted services and parts to repair district buses damaged in such incidents.

Changes in the reported accrued liability for Risk Management and Auto Liability resulted from the following:

Fiscal Year	Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at End of Year
2020 - 2021	\$ 9,800,591	\$ 3,874,523	\$ (3,359,930)	\$ 10,315,184
2019 - 2020	\$ 9,389,172	\$ 3,490,181	\$ (3,078,762)	\$ 9,800,591

Health Insurance. The Board of Trustees approved the District's participation in the Teacher Retirement System (TRS) Active Care Health Insurance Program as sponsored by the Teacher Retirement System. From September 1, 2014 until August 31, 2020, the TRS-ActiveCare Health Insurance Program was administered by Aetna and CVS/Caremark Pharmacy. Effective September 1, 2020, the TRS-ActiveCare Health Insurance Program was administered by Blue Cross Blue Shield of Texas (BCBSTX). This is a premium based plan. Employees pay for the insurance on a monthly basis.

Medicare Part D. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the years ended June 30, 2021 and 2020, these on-behalf payments were \$5,433,032 and \$5,431,266, respectively, and were recorded as equal revenues and expenditures in the General Fund.

NOTE P: LITIGATION, CONTINGENCIES AND COMMITMENTS

The District participates in a number of federal and state financial assistance programs. These programs are governed by various statutory rules and regulations, and amounts received and receivable under the funding programs are subject to periodic audit and adjustment by the funding agencies. The District is also subject to audit by the Texas Education Agency, including student attendance data upon which many payments from the agency are based. Any non-compliance could result in questioned costs or refunds to be paid back to the granting agencies. The District has established appropriate liabilities for these items.

There are other claims and lawsuits arising principally in the normal course of operations. In the opinion of the District's management, the potential losses, after insurance coverage, on all allegations, claims, and lawsuits will not have a material effect on the District's financial position, results of operations, or liquidity.

NOTE Q: NEW ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 84: Fiduciary Activities. Statement 84 was issued in January 2017. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This standard became effective for the District in fiscal year 2021. In FY 2021, the District implemented GASB 84.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

GASB Statement No. 87: Leases. Statement 87 was issued in June 2017. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This standard becomes effective for the District in fiscal year 2022. The District has not yet determined the impact of this statement.

GASB Statement No. 89: Accounting for Interest Cost Incurred Before the End of a Construction Period. Statement 89 was issued in June 2018. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement becomes effective for the District in fiscal year 2022. The District has not yet determined the impact of this statement.

GASB Statement No. 90: Majority Equity Interests – an Amendment to GASB Statements No. 14 and No. 61. Statement 90 was issued in August 2018. The primary objectives of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statements information for certain component units. The Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. This standard became effective for the District in fiscal year 2021. The implementation had no significant effect on the District's financial statements.

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

GASB Statement No. 92: Omnibus 2020. Statement 92 was issued in January 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This standard becomes effective for the District in fiscal year 2022. The District has not yet determined the impact of this statement.

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

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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

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

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

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

GASB Statement No. 98: *The Annual Comprehensive Financial Report.* Statement 98 was issued in October 2021. This Statement establishes the term “annual comprehensive financial report” and its acronym “ACFR”. That new term and acronym replace instances of “comprehensive annual financial report” and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for “comprehensive annual financial report” sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. This standard becomes effective for fiscal years ending after December 15, 2021. The District has not yet determined the impact of this statement.

NOTE R: EXTRAORDINARY ITEMS

Extraordinary items are defined as events that are both unusual in nature and infrequent in occurrence. In October 2019, three District schools were damaged by a tornado. In February 2021, district facilities were damaged due to Winter Storm Uri. Extraordinary Items (Sources) of \$19.9 million consisted of \$5.0 million of insurance proceeds received for winter storm damage and \$14.9 million received for tornado damage. Extraordinary Items (Uses) of \$13.8 million consisted of \$10.0 million related to tornado damage, and \$3.8 million related to winter storm damage.

NOTE S: SUBSEQUENT EVENTS

The District's management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended June 30, 2021 through November 1, 2021, the date the financial statements were issued. Management is not aware of any subsequent events, other than those described above, that would require recognition or disclosure in the accompanying financial statements.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021**

On July 2, 2021, the District rolled \$30 million of commercial paper for an additional 60 days at 8 bps to finance the purchase of school buses and the construction and equipping of bus maintenance and operating facilities for the District as authorized in the 2018 Bond Election.

On July 29, 2021, the \$500 million 2021 commercial paper was initiated, and a \$1,225,000 note was issued to pay the cost of issuance for the new program. This note is due on February 17, 2022. The new program will provide interim financing to pay project costs for eligible projects for the District.

On August 12, 2021, the 2021C bonds (\$70 million) were sold and closed on August 31, 2021. The proceeds will be used to refund the \$30 million commercial paper and provide \$40 million in project cash for 2020 bond authorization expenditures.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Dallas Independent School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance with Final Budget
	Original	Final		
REVENUES				
5700 Local and Intermediate Sources	\$1,383,120,840	\$ 1,403,209,692	\$ 1,424,510,628	\$ 21,300,936
5800 State Program Revenues	200,566,400	225,767,939	207,947,329	(17,820,610)
5900 Federal Program Revenues	319,171,925	66,871,525	81,486,628	14,615,103
5020 Total Revenues	<u>1,902,859,165</u>	<u>1,695,849,156</u>	<u>1,713,944,585</u>	<u>18,095,429</u>
EXPENDITURES				
Current				
11 Instruction	962,052,867	968,728,149	840,971,379	127,756,770
12 Instructional Resources and Media Services	15,140,175	18,215,288	16,004,544	2,210,744
13 Curriculum and Instructional Staff Development	20,692,000	28,473,416	22,052,054	6,421,362
21 Instructional Leadership	49,018,355	50,808,077	45,597,599	5,210,478
23 School Leadership	116,344,382	118,257,976	112,218,358	6,039,618
31 Guidance, Counseling and Evaluation Services	65,658,432	69,709,542	61,742,596	7,966,946
32 Social Work Services	2,219,393	1,581,586	1,202,115	379,471
33 Health Services	23,020,402	26,377,907	21,620,237	4,757,670
34 Student (Pupil) Transportation	55,141,374	60,708,510	50,520,493	10,188,017
35 Food Services	-	1,277,086	1,151,408	125,678
36 Cocurricular/Extracurricular Activities	34,962,505	41,172,446	37,510,017	3,662,429
41 General Administration	55,271,937	60,598,691	50,390,094	10,208,597
51 Facilities Maintenance and Operations	157,480,629	232,072,303	200,906,571	31,165,732
52 Security and Monitoring Services	25,729,417	32,119,843	24,267,137	7,852,706
53 Data Processing Services	37,376,920	52,078,405	39,292,414	12,785,991
61 Community Services	3,927,773	4,072,910	3,576,074	496,836
Debt Service				
72 Interest on Long Term Debt	7,252,237	7,237,237	7,237,237	-
73 Bond Fees and Charges	-	15,000	500	14,500
Capital Outlay				
81 Facilities Acquisition and Construction	-	8,206,463	3,532,631	4,673,832
Intergovernmental				
91 Contracted Instructional Services Between Schools	19,155,811	70,000,000	85,377,533	(15,377,533)
95 Payments to Juvenile Justice Alternative Ed. Prg.	86,300	86,300	14,628	71,672
99 Other Intergovernmental Charges	5,929,882	5,929,882	5,928,126	1,756
6030 Total Expenditures	<u>1,656,460,791</u>	<u>1,857,727,017</u>	<u>1,631,113,745</u>	<u>226,613,272</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	<u>246,398,374</u>	<u>(161,877,861)</u>	<u>82,830,840</u>	<u>244,708,701</u>
OTHER FINANCING SOURCES (USES)				
7912 Sale of Real and Personal Property	-	-	384,463	384,463
7915 Transfers In	7,167,000	-	6,644,725	6,644,725
8911 Transfers Out (Use)	(7,167,000)	(35,387,000)	(27,212,666)	8,174,334
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>(35,387,000)</u>	<u>(20,183,478)</u>	<u>15,203,522</u>
7919 Extraordinary Item - Resource	-	27,237,064	5,000,000	(22,237,064)
8913 Extraordinary Item - (Use)	-	(29,387,064)	(13,768,757)	15,618,307
1200 Net Change in Fund Balances	246,398,374	(199,414,861)	53,878,605	253,293,466
0100 Fund Balance - Beginning	869,400,034	869,400,034	869,400,034	-
3000 Fund Balance - Ending	<u>\$1,115,798,408</u>	<u>\$ 669,985,173</u>	<u>\$ 923,278,639</u>	<u>\$ 253,293,466</u>

See Notes of Required Supplementary Information.

Dallas Independent School District
Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Required Supplementary Information
For the Fiscal Year Ended June 30, 2021

The District uses Generally Accepted Accounting Principles (GAAP) as the budget basis.

1. Before June 30 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Before July 1, the Board legally adopts the budget through passage of a resolution.

After budget approval, amendments (transfers between functions within a campus or organization) will be subject to approval by the Budget Services Department. The Board must approve budget amendments affecting the District's overall functional alignment. All budget amendments are reported to the Board on a monthly basis by the chief financial officer. Additionally, fund level amendments which impact the fund balance require approval of majority of the members of the Board. Fund balance transactions are executed following the approval by the Board of Trustees, and reflected in the official minutes.

The budget manager at the expenditure function/object level controls each budget. For budgetary purposes, appropriations lapse at fiscal year-end, and outstanding encumbrances at year-end are re-appropriated in the next year.

TEA requires the budgets for the governmental fund types to be filed with the TEA. The expenditure should not exceed the budget in any functional category under TEA requirements. For the year ended June 30, 2021, expenditures exceeded budget in Function 91 due to recapture expenditures required by TEA. The reduction in State funding created a calculated change in entitlement resulting in an increase in the Chapter 49 cost. These reductions were not finalized until after the final amendment went to the Board of Trustees, therefore creating a small variance with final budget.

Dallas Independent School District
Schedule of the District's Proportionate Share of the Net Pension Liability
Teacher Retirement System
For the Fiscal Year Ended June 30, 2021

	2021	2020	2019	2018	2017	2016	2015
District's Proportionate Share of Net Pension Liability (Asset)	\$ 600,167,381	\$ 595,195,671	\$ 628,056,748	\$ 371,237,578	\$ 459,885,905	\$ 427,149,463	\$ 248,867,951
State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	713,905,847	667,880,494	711,627,494	445,725,181	536,455,724	521,628,830	418,542,854
Total	\$ 1,314,073,228	\$ 1,263,076,165	\$ 1,339,684,242	\$ 816,962,759	\$ 996,341,629	\$ 948,778,293	\$ 667,410,805
District's Proportion of the Net Pension Liability (Asset)	1.1205942%	1.1449786%	1.1410412%	1.1610385%	1.2169992%	1.2083891%	0.9316925%
District's Covered Payroll	\$ 1,157,059,685	\$ 1,068,981,717	\$ 1,029,193,387	\$ 1,034,387,378	\$ 1,024,643,933	\$ 980,349,284	\$ 913,475,811
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	51.87%	55.68%	61.02%	35.89%	44.88%	43.57%	27.24%
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: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31 2016 for year 2017, August 31, 2015 for year 2016, and August 31, 2014 for year 2015.

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

**Dallas Independent School District
Schedule of District Contributions
Teacher Retirement System
For the Fiscal Year Ended June 30, 2021**

	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution (Current Fiscal Year)	\$ 48,324,908	\$ 43,761,017	\$ 38,563,940	\$ 37,597,460	\$ 36,836,790	\$ 36,370,962	\$ 33,027,288
Contribution in Relation to the Contractually Required Contribution	(48,324,908)	(43,761,017)	(38,563,940)	(37,597,460)	(36,836,790)	(36,370,962)	(33,027,288)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 1,207,148,078	\$ 1,143,025,181	\$ 1,063,626,066	\$ 1,028,852,109	\$ 1,037,266,640	\$ 1,020,185,302	\$ 969,551,901
Contributions as a Percentage of Covered Payroll	4.00%	3.83%	3.63%	3.65%	3.55%	3.57%	3.41%

Note: GASB 68, Paragraph 81 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding years.

Note: In accordance with GASB 68, Paragraph 138, the years of data presented this reporting period are those for which data is available. "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."

Dallas Independent School District
Schedule of the District's Proportionate Share of the Net OPEB Liability
Teacher Retirement System
For the Fiscal Year Ended June 30, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportionate Share of Net Post Employment Benefit Liability (Asset)	\$ 557,369,210	\$ 690,114,814	\$ 716,208,922	\$ 629,337,928
State's Proportionate Share of the Net Post Employment Benefit Liability (Asset) associated with the District	748,970,612	917,008,223	832,185,726	766,999,910
Total	\$ 1,306,339,822	\$ 1,607,123,037	\$ 1,548,394,648	\$ 1,396,337,838
District's Proportion of the Net Liability (Asset) for Other Post Employment Benefits	1.4662010%	1.4592872%	1.4343997%	1.4472114%
District's Covered Payroll	\$ 1,157,059,685	\$ 1,068,981,717	\$ 1,029,193,387	\$ 1,034,387,378
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	61.70%	64.56%	69.59%	60.84%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	4.99%	2.66%	1.57%	0.91%

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

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

Dallas Independent School District
Schedule of District Contributions for Other Post Employment Benefits (OPEB)
Teacher Retirement System
For the Fiscal Year Ended June 30, 2021

	2021	2020	2019	2018
Contractually Required Contribution (Current Fiscal Year)	\$ 11,456,201	\$ 11,081,106	\$ 10,269,166	\$ 9,642,810
Contribution in Relation to the Contractually Required Contribution	(11,456,201)	(11,081,106)	(10,269,166)	(9,642,810)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 1,207,148,078	\$ 1,143,025,181	\$ 1,063,626,066	\$ 1,028,852,109
Contributions as a Percentage of Covered Payroll	0.95%	0.97%	0.97%	0.94%

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

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

Dallas Independent School District
Notes to Teacher Retirement System and Other Post Employment Benefits Schedules
Required Supplementary Information
For the Fiscal Year Ended June 30, 2021

Pension Changes of Benefit Terms

There were no changes of benefit terms that affected measurement of the Total Pension Liability during the measurement period.

Pension Changes of Assumptions

There were no changes in the actuarial assumptions used in the determination of the Total Pension Liability during the measurement period.

The single discount rate was a blended rate of 7.25% as of August 31, 2019, and that has not changed to the long-term rate of return of 7.25% as of August 31, 2020.

With the enactment of SB 3 by the 2019 Texas Legislature, an assumption has been made about how this would impact future salaries.

Other Post Employment Benefits Changes of Benefit Terms

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

Other Post Employment Benefits Changes of Assumptions

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

- The discount rate changed from 2.63% as of August 31, 2019 to 2.33% as of August 31, 2020. This change increased the Total OPEB Liability.
- The trend rates were reset to better reflect the plan's anticipated experience. This change increased the Total OPEB Liability.
- The participation rate for pre-65 retirees remained the same at 65 percent. The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. Twenty-five percent of pre-65 retirees are assumed to discontinue their coverage at age 65. There was no lapse assumption in the prior valuation. These changes decreased the Total OPEB Liability.
- The percentage of retirees who are assumed to have two-person coverage was lowered from 20 percent to 15 percent. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20 percent to 10 percent. These changes decreased the Total OPEB Liability.

COMBINING AND OTHER STATEMENTS

Dallas Independent School District

Non-Major Governmental Funds

The Non-Major Governmental Funds, which are made up of Special Revenue Funds, are used to account for funds that are legally restricted for specified purposes excluding capital projects.

ESEA Title X, Part C Homeless (Fund 206) – These funds are to be used to account for, on a project basis, allocation to local educational agencies to provide a variety of staff development and supplemental services, including in-service training, counseling, psychological services and tutoring. They also facilitate the identification, enrollment, attendance, and academic success of homeless children and youth by removing barriers and promoting school stability for students experiencing homelessness. This program is authorized under P.L. 107-110, McKinney-Vento Homeless Education Assistance Improvement as amended by ESSA of 2015, Title X, Part C and Subtitle VII-B, reauthorized by Title IX, Part A, of ESSA (42 U.S.C. 11431 et seq.).

ESSA Title I, Part A, D, SIP, School Redesign and Transformation Fund Planning/Implementation (Fund 211) – These funds are to be used to account, on a project basis, for funds allocated to local educational agencies to enable schools to provide opportunities for children served to acquire the knowledge and skills to meet the challenging State performance standards developed for all children. The funds also implement the redesign model that supports the aggressive improvement of learning environments that can substantially increase student achievement. This program is authorized under P.L. 107-110 and 107-11, ESEA of 1965.

IDEA – Part B, Formula (Fund 224) – These funds are to be used to account, on a project basis, for funds granted to operate educational programs for children with disabilities. This funding also includes capacity building and improvement (silver) sub-grants. This program is authorized under P.L. 108-446.

IDEA – Part B, Preschool (Fund 225) – These funds are to be used to account, on a project basis, for funds granted for preschool children with disabilities. This program is authorized under P.L. 105-17.

IDEA – Part B, High Cost EDI and Evaluation Capacity Award (Fund 226) – High Cost Funds (HCF) are used to account for, on a project basis, the financial impact on districts that provide educational services to high-need children with disabilities. High-need children with disabilities receive educational services which exceed three times the average per pupil expenditure (APPE). HCF cover only costs identified in the child's Individualized Education Program (IEP) and associated with providing direct special education and related services. Evaluation Capacity Funds are used to secure appropriately certified and/or licensed staff for the purpose of completing evaluations for eligibility for special education services.

Food Services Program (Fund 240) – This fund is used to account for allowable expenditures, as determined under the National School Lunch Program, for the operation and improvement of the National Breakfast and Lunch Programs.

Career and Technical – Basic Grant (Fund 244) – These funds are to be used to account, on a project basis, for funds granted to provide career and technology education to develop new and/or improve career and technology education programs for paid and unpaid employment. Full participation in the basic grant is from individuals who are members of special populations. This program is authorized by P.L. 109-270.

ESSA Title II, Part A – Improving Teacher Quality and Principal Preparation Grant, Cycle II (Fund 255) – These funds are used to provide financial assistance to LEAs to increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals in schools, and hold LEAs accountable for improving student academic achievement. They also afford the opportunity to build strong campus leaders and help support internal leadership pipelines through full-time, year-long principal residencies. This program is authorized under P.L. 107-110.

Title III, Part A – English Language Acquisition (Fund 263) – These funds are used to account, on a project basis, for funds granted to improve the education of limited English proficient children, by assisting

the children to learn English and meet State academic content and student academic achievement standards. This program is authorized under P.L. 107-110.

Elementary and Secondary School Emergency Relief Grant (ESSER I) (Fund 266) – These funds are to be used to account, on a project basis, for funds allocated to local education agencies to prevent, prepare for, and respond to the coronavirus. This program is authorized under P.L. 116-136 Coronavirus Aid, Relief and Economic Security Act (CARES).

Medicaid Administrative Claiming Program – MAC (Fund 272) – These funds are used to account, on a project basis, for funds allocated to local education agencies for reimbursement of eligible administrative costs for activities attributed to the implementation of the Medicaid state plan.

Title I Sip Academy Grant (Fund 276) – These funds are to be used to account, on a project basis, for funds allocated to local education agencies to support improved student outcomes on targeted support and improvement campuses. In addition, these are to be used to increase the capacity of LEA's to facilitate instructional continuity and distance, remote, and/or virtual learning for identified targeted support and improvement campuses that have been affected by campus closures due to COVID-19. This program is authorized under P.L. 107-110 Elementary and Secondary Education Act of 1965 as amended by No Child Left Behind Act of 2001, Section 1003 (g).

Other Federal Special Revenue Funds (Fund 289) – These funds are to be used to account, on a project basis, for federally funded special revenue funds that have not been previously mentioned. This fund includes the Indian Education; Refugee School Impact; Home Instruction for Parents of Preschool Youngsters (HIPPPY); Industry Cluster/P-TECH; Title IV, Part A, Subpart I; Summer School LEP; and i3 Spurwink BARR Grant. These programs are designed to address the unique and culturally related needs of students.

SSA IDEA, Part B – Discretionary Deaf (Fund 315) – These funds are used to account, on a project basis, for funds used to support an Education Service Center (“ESC”) special education component, priority projects in secondary special education, and adaptive/assertive devices component through ESCs, private residential placements, state school student support, support of student in care and treatment or hospital facilities, enhanced Braille production, and other emerging needs.

SSA IDEA, Part C – Deaf - Early Intervention (Fund 340) – These funds are used to account, on a project basis, for funds granted to assist local Regional Day School for the Deaf programs and the Texas School for the Deaf in providing direct services to hearing impaired infants to toddlers, age's birth through two years of age. This program provides supplemental and appropriate series to eligible students that are provided by a certified and trained teacher. This program is authorized under P.L. 101-119.

Texas Successful Schools Program (Fund 393) – This fund classification is used to account, on a project basis, for grant monies applied for by school districts after being notified by TEA of their eligibility based on Academic Excellence Indicator System (AEIS) criteria. (TEC 39.091)

Advanced Placement Incentives (Fund 397) – This fund classification is used to account, on a project basis, for funds awarded to school districts under the Texas Advanced Placement Award Incentive Program, Chapter 28, Subchapter C, TEC.

State Instructional Materials (Fund 410) – This fund classification is used to account, on a project basis, for funds awarded to school districts under the textbook allotment (see 411 Technology Allotment). (TEC Chapter 31, Subchapter B).

Other State Special Revenue Funds (Fund 429) – These are state funded special revenue funds not otherwise listed. This fund includes the Educator Excellence Innovation Program, Math and Literacy Achievement Academies, SSI Community Partnership Planning, P-TECH, and Math Innovative Zones. The goal of these programs is to improve educator effectiveness in Texas public schools and to create a transformative school model to equip students with STEM based knowledge and skills needed to qualify for 21st Century careers. The programs will improve student performance by fostering open, supportive and collaborative campus cultures that allow teachers and students to seek and attain growth within their field.

SSA Regional Day School - Deaf (Fund 435) – These funds are used by the fiscal agent of a shared services arrangement to account, on a project basis, for funds allocated for staff and activities of the Regional Day School Program for the Deaf.

Special Revenue: Shared Services Arrangement (Fund 459) – These special revenue funds are used to account for state or local funds held by a fiscal agent school district or regional education service center that either provides or pays for all services to member districts; provides and pays for some services to member districts to expend; receives funds from member districts to expend on shared personnel, etc.; or sends all the grant to member districts to expend. This fund includes the Services to Students with Autism Grant.

Campus Activity Funds (Fund 461) – This fund classification is used to account for transactions related to a principal's activity fund if the monies generated are not subject to recall by the school district's board of trustees into the General Fund. Gross revenues from sales are recorded in revenue object code 5755. The cost of goods sold is recorded in Function 36, using the appropriate expenditure object code.

Other Local Special Revenue Funds (Fund 499) – These are locally funded special revenue funds not otherwise listed. These funds include Advanced Placement Incentive Program; Dallas Education Foundation: HIPP; Autism: A+; Head Start; More Time for Learning Initiative/Summer Camp; CRIS-Bill & Melinda Gates; NextGen-Personalized Learning; King Foundation; Baron & Blue; Texas Instruments; Korean Education; PLTW; and New School Venture. These programs are designed to address expanded learning time programs for poor city children, enhance college readiness through development of performance metrics, and the pursuance of personalized, rigorous, and relevant learning experiences.

**Dallas Independent School District
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021**

Data Control Codes	206 ESEA Title X, Pt. C Homeless	211 ESSA Title I Part A, D, SIP, School Redesign/ Transformation	224 IDEA - Part B Formula
ASSETS			
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -
1240 Receivables from Other Governments	31,155	15,022,672	5,755,404
1290 Other Receivables, Net	-	-	-
1300 Inventories	-	-	-
1000 Total Assets	<u>31,155</u>	<u>15,022,672</u>	<u>5,755,404</u>
LIABILITIES			
2110 Accounts Payable	-	681,119	39,254
2120 Short Term Debt Payable - Current	-	-	-
2150 Payroll Deductions and Withholdings Payable	-	1,078,952	534,131
2160 Accrued Wages and Benefits Payable	-	6,534,207	3,144,306
2170 Due to Other Funds	30,729	6,391,756	1,975,961
2180 Due to Other Governments	-	-	224
2190 Due to Student Groups	-	-	-
2200 Accrued Expenditures	426	336,638	61,528
2300 Unearned Revenues	-	-	-
2000 Total Liabilities	<u>31,155</u>	<u>15,022,672</u>	<u>5,755,404</u>
FUND BALANCES			
Nonspendable Fund Balance			
3410 Inventories	-	-	-
Restricted Fund Balance			
3450 Federal or State Funds Grant Restriction	-	-	-
3490 Other Restricted Fund Balance	-	-	-
Assigned Fund Balance			
3590 Other Assigned Fund Balance	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	<u>\$ 31,155</u>	<u>\$ 15,022,672</u>	<u>\$ 5,755,404</u>

225		226		240		244	
IDEA - Part B Preschool		IDEA - Part B High Cost EDI Evaluation Capacity		Food Services Program		Career and Technical - Basic Grant	
\$	-	\$	-	\$	-	\$	-
	25,350		268,858		5,048,012		254,083
	-		-		931		-
	-		-		7,205,070		-
	25,350		268,858		12,254,013		254,083
	-		-		512,431		-
	-		-		-		-
	751		-		324,180		-
	5,985		-		1,874,860		-
	18,614		268,858		2,026,273		115,000
	-		-		-		-
	-		-		-		-
	-		-		-		139,083
	-		-		84,405		-
	25,350		268,858		4,822,149		254,083
	-		-		7,205,070		-
	-		-		226,794		-
	-		-		-		-
	-		-		-		-
	-		-		7,431,864		-
\$	25,350	\$	268,858	\$	12,254,013	\$	254,083

Dallas Independent School District
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021

Data Control Codes	255	263	266
	ESSA Title II, Part A Improving Teacher Quality and Principal Preparation	Title III, Part A English Lang. Acquisition	ESSER School Emergency Relief Fund
ASSETS			
1110 Cash and Cash Equivalents	\$ 17,567	\$ -	\$ -
1240 Receivables from Other Governments	948,095	788,478	307,483
1290 Other Receivables, Net	-	-	-
1300 Inventories	-	-	-
1000 Total Assets	<u>965,662</u>	<u>788,478</u>	<u>307,483</u>
LIABILITIES			
2110 Accounts Payable	258,190	159,015	30,943
2120 Short Term Debt Payable - Current	-	-	-
2150 Payroll Deductions and Withholdings Payable	8,363	26,797	-
2160 Accrued Wages and Benefits Payable	48,940	147,024	-
2170 Due to Other Funds	579,148	360,861	276,540
2180 Due to Other Governments	-	-	-
2190 Due to Student Groups	-	-	-
2200 Accrued Expenditures	60,932	94,781	-
2300 Unearned Revenues	10,089	-	-
2000 Total Liabilities	<u>965,662</u>	<u>788,478</u>	<u>307,483</u>
FUND BALANCES			
Nonspendable Fund Balance			
3410 Inventories	-	-	-
Restricted Fund Balance			
3450 Federal or State Funds Grant Restriction	-	-	-
3490 Other Restricted Fund Balance	-	-	-
Assigned Fund Balance			
3590 Other Assigned Fund Balance	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	<u>\$ 965,662</u>	<u>\$ 788,478</u>	<u>\$ 307,483</u>

EXHIBIT H-1 (Cont'd)

272	276	289	315	340
Medicaid Admin. Claim MAC	Title I SIP Academy Grant	Other Federal Special Revenue Funds	SSA IDEA, Part B Discretionary Deaf	SSA - IDEA Part C Deaf - Early Intervention
\$ 3,933,434	\$ -	\$ 4,169	\$ 74,727	\$ -
-	-	1,079,134	285	750
-	-	-	-	-
-	-	-	-	-
<u>3,933,434</u>	<u>-</u>	<u>1,083,303</u>	<u>75,012</u>	<u>750</u>
553	-	594,611	-	-
-	-	-	-	-
-	-	10,423	10,373	-
-	-	78,672	63,960	-
-	-	312,018	679	-
-	-	4,373	-	-
-	-	-	-	-
-	-	83,150	-	750
-	-	56	-	-
<u>553</u>	<u>-</u>	<u>1,083,303</u>	<u>75,012</u>	<u>750</u>
-	-	-	-	-
3,932,881	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>3,932,881</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ 3,933,434	\$ -	\$ 1,083,303	\$ 75,012	\$ 750

**Dallas Independent School District
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021**

Data Control Codes	393	397	410	429
	Texas Successful Schools Prog.	Advanced Placement Incentives	State Instructional Materials	Other State Special Revenue Funds
ASSETS				
1110 Cash and Cash Equivalents	\$ 26,682	\$ 164,318	\$ -	\$ 44,199
1240 Receivables from Other Governments	-	-	1,013,072	307,759
1290 Other Receivables, Net	-	-	-	-
1300 Inventories	-	-	-	-
1000 Total Assets	<u>26,682</u>	<u>164,318</u>	<u>1,013,072</u>	<u>351,958</u>
LIABILITIES				
2110 Accounts Payable	-	-	140,400	239,312
2120 Short Term Debt Payable - Current	-	-	-	-
2150 Payroll Deductions and Withholdings Payable	-	-	-	169
2160 Accrued Wages and Benefits Payable	-	-	-	1,350
2170 Due to Other Funds	-	-	872,672	26,300
2180 Due to Other Governments	-	-	-	3,197
2190 Due to Student Groups	-	-	-	-
2200 Accrued Expenditures	-	-	-	40,628
2300 Unearned Revenues	-	-	-	-
2000 Total Liabilities	<u>-</u>	<u>-</u>	<u>1,013,072</u>	<u>310,956</u>
FUND BALANCES				
Nonspendable Fund Balance				
3410 Inventories	-	-	-	-
Restricted Fund Balance				
3450 Federal or State Funds Grant Restriction	26,682	164,318	-	2,716
3490 Other Restricted Fund Balance	-	-	-	-
Assigned Fund Balance				
3590 Other Assigned Fund Balance	-	-	-	38,286
3000 Total Fund Balances	<u>26,682</u>	<u>164,318</u>	<u>-</u>	<u>41,002</u>
4000 Total Liabilities and Fund Balances	<u>\$ 26,682</u>	<u>\$ 164,318</u>	<u>\$ 1,013,072</u>	<u>\$ 351,958</u>

EXHIBIT H-1 (Cont'd)

435	459	461	499	
SSA Regional Day School - Deaf	Other SSA Special Revenue Funds	Campus Activity Funds	Other Local Special Revenue Funds	Total Non-Major Governmental Funds
\$ 119,299	\$ 41,827	\$ 6,011,293	\$ 6,130,043	\$ 16,567,558
942,393	18,315	-	23,903	31,835,201
-	-	23,409	14,056	38,396
-	-	-	-	7,205,070
1,061,692	60,142	6,034,702	6,168,002	55,646,225
-	18,067	28,505	89,041	2,791,441
-	-	-	3,445	3,445
72,918	-	-	90	2,067,147
449,465	-	-	718	12,349,487
415,510	-	243,944	14,061	13,928,924
-	-	-	-	7,794
-	-	497	-	497
4,500	42,075	85,700	25,112	975,303
-	-	-	2,292,277	2,386,827
942,393	60,142	358,646	2,424,744	34,510,865
-	-	-	-	7,205,070
-	-	-	-	4,353,391
-	-	-	3,201,215	3,201,215
119,299	-	5,676,056	542,043	6,375,684
119,299	-	5,676,056	3,743,258	21,135,360
\$ 1,061,692	\$ 60,142	\$ 6,034,702	\$ 6,168,002	\$ 55,646,225

Dallas Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2021

Data Control Codes	206	211	224
	ESEA Title X, Pt. C Homeless	ESSA Title I Part A, D, SIP, School Redesign/ Transformation	IDEA - Part B Formula
REVENUES			
5700 Local and Intermediate Sources	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-
5900 Federal Program Revenues	251,556	75,968,622	28,759,330
5020 Total Revenues	<u>251,556</u>	<u>75,968,622</u>	<u>28,759,330</u>
EXPENDITURES			
Current			
11 Instruction	19,747	31,540,920	14,208,757
12 Instructional Resources and Media Services	-	60,885	-
13 Curriculum and Instructional Staff Development	-	30,179,765	480,235
21 Instructional Leadership	-	3,694,350	782,291
23 School Leadership	-	86,633	-
31 Guidance, Counseling and Evaluation Services	-	2,612,649	12,308,981
32 Social Work Services	-	211,668	419,938
33 Health Services	-	-	9,578
34 Student (Pupil) Transportation	-	-	-
35 Food Services	-	-	-
36 Cocurricular/Extracurricular Activities	-	-	-
41 General Administration	-	1,772,600	95,781
51 Facilities Maintenance and Operations	-	409	-
52 Security and Monitoring Services	-	18,778	-
53 Data Processing Services	-	-	445,333
61 Community Services	231,809	5,789,965	8,436
Capital Outlay			
81 Facilities Acquisition and Construction	-	-	-
6030 Total Expenditures	<u>251,556</u>	<u>75,968,622</u>	<u>28,759,330</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
7915 Transfers In	-	-	-
1200 Net Change in Fund Balance	-	-	-
0100 Fund Balance - Beginning	-	-	-
1300 Adjusted for Implementation of GASB 84	-	-	-
3000 Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EXHIBIT H-2

225	226	240	244
IDEA - Part B Preschool	IDEA - Part B High Cost EDI Evaluation Capacity	Food Services Program	Career and Technical - Basic Grant
\$ -	\$ -	\$ 543,744	\$ -
-	-	475,413	-
367,947	268,858	67,888,737	1,798,543
367,947	268,858	68,907,894	1,798,543
191,827	268,858	-	593,780
-	-	-	-
2,375	-	-	385,589
173,745	-	-	819,174
-	-	-	-
-	-	-	-
-	-	-	-
-	-	86,774,930	-
-	-	-	-
-	-	-	-
-	-	1,574,129	-
-	-	-	-
-	-	-	-
-	-	-	-
367,947	268,858	88,349,059	1,798,543
-	-	(19,441,165)	-
-	-	19,158,651	-
-	-	(282,514)	-
-	-	7,714,378	-
-	-	-	-
\$ -	\$ -	\$ 7,431,864	\$ -

Dallas Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2021

Data Control Codes	255	263	266
	ESSA Title II, Part A Improving Teacher Quality and Principal Preparation	Title III, Part A English Lang. Acquisition	ESSER School Emergency Relief Fund
REVENUES			
5700 Local and Intermediate Sources	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-
5900 Federal Program Revenues	7,626,686	6,782,438	497,304
5020 Total Revenues	<u>7,626,686</u>	<u>6,782,438</u>	<u>497,304</u>
EXPENDITURES			
Current			
11 Instruction	-	3,007,770	276,540
12 Instructional Resources and Media Services	-	-	-
13 Curriculum and Instructional Staff Development	4,900,297	2,999,965	-
21 Instructional Leadership	981,622	-	-
23 School Leadership	6,640	-	-
31 Guidance, Counseling and Evaluation Services	-	-	-
32 Social Work Services	-	-	-
33 Health Services	-	-	-
34 Student (Pupil) Transportation	-	-	-
35 Food Services	-	-	-
36 Cocurricular/Extracurricular Activities	-	-	-
41 General Administration	1,738,127	22,500	220,764
51 Facilities Maintenance and Operations	-	68	-
52 Security and Monitoring Services	-	-	-
53 Data Processing Services	-	-	-
61 Community Services	-	752,135	-
Capital Outlay			
81 Facilities Acquisition and Construction	-	-	-
6030 Total Expenditures	<u>7,626,686</u>	<u>6,782,438</u>	<u>497,304</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
7915 Transfers In	-	-	-
1200 Net Change in Fund Balance	-	-	-
0100 Fund Balance - Beginning	-	-	-
1300 Adjusted for Implementation of GASB 84	-	-	-
3000 Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

272	276	289	315	340
Medicaid Admin. Claim MAC	Title I SIP Academy Grant	Other Federal Special Revenue Funds	SSA IDEA, Part B Discretionary Deaf	SSA - IDEA Part C Deaf - Early Intervention
\$ -	\$ -	\$ -	\$ -	\$ -
761,640	178,330	6,988,426	437,719	7,267
761,640	178,330	6,988,426	437,719	7,267
-	178,330	958,689	437,719	7,267
-	-	-	-	-
-	-	688,784	-	-
-	-	662,695	-	-
-	-	-	-	-
-	-	3,094,770	-	-
-	-	-	-	-
446,828	-	764,160	-	-
-	-	-	-	-
-	-	-	-	-
-	-	415,725	-	-
-	-	43,262	-	-
-	-	-	-	-
-	-	360,341	-	-
-	-	-	-	-
446,828	178,330	6,988,426	437,719	7,267
314,812	-	-	-	-
-	-	-	-	-
314,812	-	-	-	-
3,618,069	-	-	-	-
-	-	-	-	-
\$ 3,932,881	\$ -	\$ -	\$ -	\$ -

Dallas Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2021

Data Control Codes	393	397	410	429
	Texas Successful Schools Prog.	Advanced Placement Incentives	State Instructional Materials	Other State Special Revenue Funds
REVENUES				
5700 Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	21,461	2,720,800	2,577,790
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>-</u>	<u>21,461</u>	<u>2,720,800</u>	<u>2,577,790</u>
EXPENDITURES				
Current				
11 Instruction	-	-	2,720,800	1,696,462
12 Instructional Resources and Media Services	-	-	-	884
13 Curriculum and Instructional Staff Development	-	350	-	105,927
21 Instructional Leadership	-	-	-	6,084
23 School Leadership	-	-	-	77,166
31 Guidance, Counseling and Evaluation Services	-	-	-	453,546
32 Social Work Services	-	-	-	-
33 Health Services	-	-	-	-
34 Student (Pupil) Transportation	-	-	-	-
35 Food Services	-	-	-	-
36 Cocurricular/Extracurricular Activities	-	-	-	-
41 General Administration	-	-	-	-
51 Facilities Maintenance and Operations	-	-	-	-
52 Security and Monitoring Services	-	-	-	220,064
53 Data Processing Services	-	-	-	-
61 Community Services	-	-	-	10,013
Capital Outlay				
81 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>-</u>	<u>350</u>	<u>2,720,800</u>	<u>2,570,146</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	-	21,111	-	7,644
OTHER FINANCING SOURCES (USES)				
7915 Transfers In	-	-	-	-
1200 Net Change in Fund Balance	-	21,111	-	7,644
0100 Fund Balance - Beginning	26,682	143,207	-	33,358
1300 Adjusted for Implementation of GASB 84	-	-	-	-
3000 Fund Balance - Ending	<u>\$ 26,682</u>	<u>\$ 164,318</u>	<u>\$ -</u>	<u>\$ 41,002</u>

435	459	461	499	
SSA Regional Day School - Deaf	Other SSA Special Revenue Funds	Campus Activity Funds	Other Local Special Revenue Funds	Total Non-Major Governmental Funds
\$ -	\$ -	\$ 1,519,104	\$ 2,648,987	\$ 4,711,835
4,432,108	687,327	-	-	10,914,899
-	-	-	23,903	198,607,306
4,432,108	687,327	1,519,104	2,672,890	214,234,040
4,312,809	386,497	535,833	657,889	62,000,494
-	-	59,809	115,415	236,993
-	289,288	34,295	508,812	40,575,682
-	-	-	451,806	7,571,767
-	-	632,332	19,972	822,743
-	-	-	498	18,470,444
-	-	-	-	631,606
-	-	1,627	-	1,222,193
-	-	1,042	-	1,042
-	-	-	-	86,774,930
-	-	304,781	40,477	345,258
-	-	-	440,933	4,706,430
-	-	50,233	21,940	1,690,041
-	-	-	649	239,491
-	-	-	388,645	833,978
-	11,542	1,945	110,451	7,276,637
-	-	8,197	46,350	54,547
4,312,809	687,327	1,630,094	2,803,837	233,454,276
119,299	-	(110,990)	(130,947)	(19,220,236)
-	-	-	222,000	19,380,651
119,299	-	(110,990)	91,053	160,415
-	-	5,764,883	3,652,205	20,952,782
-	-	22,163	-	22,163
\$ 119,299	\$ -	\$ 5,676,056	\$ 3,743,258	\$ 21,135,360

Internal Service Funds

The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost reimbursement basis. These funds are as follows:

Graphics Shop – This fund is used to account for printing services.

Risk Management – This fund is used to account for the costs associated with the worker's compensation self-funded program.

Auto Liability Insurance – This fund is used to account for all externally incurred liability expenses relating to student transportation and white fleet vehicle accidents, as well as contracted services and parts to repair vehicles damaged in such incidents.

**Dallas Independent School District
Combining Statement of Net Position
Internal Service Funds
June 30, 2021**

Data Control Codes	752	753	771	Total Internal Service Funds
	Graphics Shop	Risk Management	Auto Liability Insurance	
ASSETS				
Current Assets				
1110 Cash and Cash Equivalents	\$ 382,410	\$ 17,287,538	\$ 2,209,092	\$ 19,879,040
1260 Due from Other Funds	-	1,348,338	-	1,348,338
1290 Other Receivables, Net	-	30,016	10,242	40,258
1410 Prepaid Items	-	2,245,150	-	2,245,150
Total Current Assets	<u>382,410</u>	<u>20,911,042</u>	<u>2,219,334</u>	<u>23,512,786</u>
Noncurrent Assets				
Capital Assets				
1530 Furniture and Equipment, Net	190,095	-	-	190,095
Total Noncurrent Assets	<u>190,095</u>	<u>-</u>	<u>-</u>	<u>190,095</u>
Total Assets	<u>572,505</u>	<u>20,911,042</u>	<u>2,219,334</u>	<u>23,702,881</u>
LIABILITIES				
Current Liabilities				
2110 Accounts Payable	226,026	593,098	11,012	830,136
2120 Accrued Liabilities - Short Term	-	3,235,263	275,719	3,510,982
2150 Payroll Deductions and Withholdings Payable	775	-	-	775
2160 Accrued Wages and Benefits Payable	35,817	343	-	36,160
2170 Due to Other Funds	153	-	-	153
2200 Accrued Expenses	75,164	5,963	6,138	87,265
Total Current Liabilities	<u>337,935</u>	<u>3,834,667</u>	<u>292,869</u>	<u>4,465,471</u>
Noncurrent Liabilities				
2590 Accrued Liabilities - Long Term	-	6,197,311	606,891	6,804,202
Total Noncurrent Liabilities	<u>-</u>	<u>6,197,311</u>	<u>606,891</u>	<u>6,804,202</u>
Total Liabilities	<u>337,935</u>	<u>10,031,978</u>	<u>899,760</u>	<u>11,269,673</u>
NET POSITION				
3200 Net Investment in Capital Assets	190,095	-	-	190,095
3900 Unrestricted Net Position	44,475	10,879,064	1,319,574	12,243,113
Total Net Position	<u>\$ 234,570</u>	<u>\$ 10,879,064</u>	<u>\$ 1,319,574</u>	<u>\$ 12,433,208</u>

Dallas Independent School District
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2021

	752 Graphics Shop	753 Risk Management	771 Auto Liability Insurance	Total Internal Service Funds
OPERATING REVENUES				
Charges for Services	\$ 1,806,504	\$ 12,923,603	\$ 1,325,501	\$ 16,055,608
Total Operating Revenues	<u>1,806,504</u>	<u>12,923,603</u>	<u>1,325,501</u>	<u>16,055,608</u>
OPERATING EXPENSES				
Personnel Services	1,306,068	6,311,590	-	7,617,658
Contractual Services	1,065,636	873,746	300,169	2,239,551
Supplies	247,204	323,276	-	570,480
Other Operating Expenses	-	3,233,536	360,936	3,594,472
Depreciation Expense	44,475	1,663	-	46,138
Total Operating Expenses	<u>2,663,383</u>	<u>10,743,811</u>	<u>661,105</u>	<u>14,068,299</u>
Operating Income (Loss)	<u>(856,879)</u>	<u>2,179,792</u>	<u>664,396</u>	<u>1,987,309</u>
NON-OPERATING REVENUES (EXPENSES)				
Transfer In	823,666	-	-	823,666
Transfers Out	-	(3,173,024)	-	(3,173,024)
Total Non-Operating Revenues(Expenses)	<u>823,666</u>	<u>(3,173,024)</u>	<u>-</u>	<u>(2,349,358)</u>
Change in Net Position	<u>(33,213)</u>	<u>(993,232)</u>	<u>664,396</u>	<u>(362,049)</u>
Total Net Position - Beginning	<u>267,783</u>	<u>11,872,296</u>	<u>655,178</u>	<u>12,795,257</u>
Total Net Position - Ending	<u>\$ 234,570</u>	<u>\$ 10,879,064</u>	<u>\$ 1,319,574</u>	<u>\$ 12,433,208</u>

**Dallas Independent School District
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2021**

	752	753	771	Total
	Graphics Shop	Risk Management	Auto Liability Insurance	Internal Service Funds
Cash Flows from Operating Activities				
Cash Received from User Charges	\$ 1,806,504	\$ 10,929,535	\$ 1,315,259	\$ 14,051,298
Cash Payments to Employees for Services	(1,286,579)	(2,642,800)	-	(3,929,379)
Cash Payments for Insurance Claims	-	(3,201,825)	-	(3,201,825)
Cash Payments for Suppliers	(1,214,867)	(6,051,056)	(624,240)	(7,890,163)
Net Cash Provided by (Used for) Operating Activities	<u>(694,942)</u>	<u>(966,146)</u>	<u>691,019</u>	<u>(970,069)</u>
Cash Flows from Non-Capital Financing Activities				
Transfers Out	-	(3,173,024)	-	(3,173,024)
Transfers In	<u>823,666</u>	<u>-</u>	<u>-</u>	<u>823,666</u>
Net Cash Provided by (Used for) Non-Capital Activities	<u>823,666</u>	<u>(3,173,024)</u>	<u>-</u>	<u>(2,349,358)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	128,724	(4,139,170)	691,019	(3,319,427)
Cash and Cash Equivalents at Beginning of Year	<u>253,686</u>	<u>21,426,708</u>	<u>1,518,073</u>	<u>23,198,467</u>
Cash and Cash Equivalents at End of Year	<u>\$ 382,410</u>	<u>\$ 17,287,538</u>	<u>\$ 2,209,092</u>	<u>\$ 19,879,040</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	<u>(856,879)</u>	<u>2,179,792</u>	<u>664,396</u>	<u>1,987,309</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Depreciation	44,475	1,663	-	46,138
Effect of Increases and Decreases in Current Assets and Liabilities				
Decrease (increase) in Due from Other Funds	-	251,082	(10,242)	240,840
Increase (decrease) in Accounts Payable	45,628	(1,623,860)	11,012	(1,567,220)
Increase (decrease) in Payroll Deductions	591	(16)	-	575
Increase (decrease) in Accrued Wages Payable	18,994	(165)	-	18,829
Increase (decrease) in Due to Other Funds	(96)	-	-	(96)
Increase (decrease) in Accrued Liabilities Short Term	-	(44,242)	39,624	(4,618)
Increase (decrease) in Accrued Liabilities Long Term	-	514,750	7,823	522,573
Decrease (increase) in Prepayments	-	(2,245,150)	-	(2,245,150)
Increase (decrease) in Accrued Expenses	52,345	-	(21,594)	30,751
Net Cash Provided by (Used for) Operating Activities	<u>\$ (694,942)</u>	<u>\$ (966,146)</u>	<u>\$ 691,019</u>	<u>\$ (970,069)</u>

Dallas Independent School District

**TEXAS EDUCATION AGENCY
REQUIRED SCHEDULES**

**DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Exhibit J-1

Fiscal year (1)	Tax Rates		3 Net Assessed/ Appraised Value for School Tax Purposes	10 Beginning Balance	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance
	1 Maintenance	2 Debt Service							
2012	(2) 1.04000-1.50000	0.109500-0.250297	636,396,170,023	\$ 12,324,702	-	\$ 1,533,439	\$ 236,729	\$ (797,498)	\$ 9,757,036
2013	1.040050	0.250297	76,274,060,956	1,952,239	-	224,347	53,991	(7,736)	1,666,165
2014	1.040050	0.242035	80,040,860,095	2,366,489	-	259,513	60,392	(6,588)	2,039,996
2015	1.040050	0.242035	85,633,556,319	3,349,427	-	344,538	80,179	(18,990)	2,905,720
2016	1.040050	0.242035	91,173,609,390	4,310,515	-	428,557	99,731	(136,620)	3,645,607
2017	1.040050	0.242035	100,935,505,829	5,143,828	-	677,491	157,662	29,369	4,338,044
2018	1.040050	0.242035	108,482,803,909	6,754,360	-	1,027,914	239,211	149,962	5,637,197
2019	1.170000	0.242035	119,329,737,566	12,154,885	-	1,912,962	395,729	(1,225,669)	8,620,525
2020	1.068350	0.242035	128,350,910,821	28,312,191	-	1,169,862	265,032	(13,158,536)	13,718,761
2021	1.054700	0.242035	128,056,436,790	-	1,606,870,221	1,392,012,929	319,442,358	134,900,526	30,315,460
Wilmer Hutchins (1)				392,726	-	34,477		(12,218)	346,030
1000 Totals				<u>\$ 77,061,362</u>	<u>\$ 1,606,870,221</u>	<u>\$ 1,399,626,029</u>	<u>\$ 321,031,014</u>	<u>\$ 119,716,002</u>	<u>\$ 82,990,541</u>

(1) Wilmer Hutchins ISD was annexed by the District effective July 1, 2007.
(2) Highest and lowest level for 10 years (1999-2009)

Dallas Independent School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Food Services Program
For the Fiscal Year Ended June 30, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance with Final Budget	
	Original	Final			
REVENUES					
5700	Local and Intermediate Sources	\$ 3,304,207	\$ 3,304,207	\$ 543,744	\$ (2,760,463)
5800	State Program Revenues	825,000	825,000	475,413	(349,587)
5900	Federal Program Revenues	113,477,714	89,477,714	67,888,737	(21,588,977)
5020	Total Revenues	<u>117,606,921</u>	<u>93,606,921</u>	<u>68,907,894</u>	<u>(24,699,027)</u>
EXPENDITURES					
Current					
6035	Food Services	115,691,921	115,691,921	86,774,930	28,916,991
6051	Facilities Maintenance and Operations	1,915,000	1,915,000	1,574,129	340,871
6030	Total Expenditures	<u>117,606,921</u>	<u>117,606,921</u>	<u>88,349,059</u>	<u>29,257,862</u>
1100	Excess (Deficiency) of Revenues Over Expenditures	-	(24,000,000)	(19,441,165)	4,558,835
OTHER FINANCING SOURCES (USES)					
7915	Transfers In	-	28,000,000	19,158,651	(8,841,349)
7080	Total Other Financing Sources (Uses)	-	28,000,000	19,158,651	(8,841,349)
1200	Net Change in Fund Balances	-	4,000,000	(282,514)	(4,282,514)
0100	Fund Balance - Beginning	<u>7,714,378</u>	<u>14,919,448</u>	<u>7,714,378</u>	<u>(7,205,070)</u>
3000	Fund Balance - Ending	<u>\$ 7,714,378</u>	<u>\$ 18,919,448</u>	<u>\$ 7,431,864</u>	<u>\$ (11,487,584)</u>

Dallas Independent School District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Debt Service Fund
For the Fiscal Year Ended June 30, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance with Final Budget	
	Original	Final			
REVENUES					
5700	Local and Intermediate Sources	\$ 314,178,915	\$ 314,178,915	\$ 323,585,619	\$ 9,406,704
5800	State Program Revenues	-	-	1,864,389	1,864,389
5020	Total Revenues	<u>314,178,915</u>	<u>314,178,915</u>	<u>325,450,008</u>	<u>11,271,093</u>
EXPENDITURES					
Debt Service					
71	Principal on Long Term Debt	305,773,088	164,285,000	164,285,000	-
72	Interest on Long Term Debt	-	149,893,092	149,893,090	2
73	Bond Fees and Charges	-	3,780,229	3,874,321	(94,092)
6030	Total Expenditures	<u>305,773,088</u>	<u>317,958,321</u>	<u>318,052,411</u>	<u>(94,090)</u>
1100	Excess (Deficiency) of Revenues Over Expenditures	<u>8,405,827</u>	<u>(3,779,406)</u>	<u>7,397,597</u>	<u>11,177,003</u>
OTHER FINANCING SOURCES (USES)					
7901	Refunding Bonds Issued	-	-	568,255,000	568,255,000
7915	Transfers In	7,167,000	7,167,000	7,181,494	14,494
7916	Premium or Discount on Issuance of Bonds	-	-	64,171,166	64,171,166
8940	Payment to Bond Refunding Escrow Agent (Use)	-	-	(629,027,028)	(629,027,028)
7080	Total Other Financing Sources (Uses)	<u>7,167,000</u>	<u>7,167,000</u>	<u>10,580,632</u>	<u>3,413,632</u>
1200	Net Change in Fund Balances	<u>15,572,827</u>	<u>3,387,594</u>	<u>17,978,229</u>	<u>14,590,635</u>
0100	Fund Balance - Beginning	<u>204,463,837</u>	<u>204,463,837</u>	<u>204,463,837</u>	<u>-</u>
3000	Fund Balance - Ending	<u>\$ 220,036,664</u>	<u>\$ 207,851,431</u>	<u>\$ 222,442,066</u>	<u>\$ 14,590,635</u>

Dallas Independent School District

Index for Statistical Section

This section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the Dallas Independent School District's overall financial health.

Contents	Page
Financial Trends Information – These schedules contain trend information intended to help the reader understand how the District's financial position has changed over time.	
S-1 Government-wide Changes in Net Position	104
S-2 Government-wide Net Position by Component	106
S-3 All Governmental Funds - Changes in Fund Balances	108
S-4 All Governmental Funds - Revenues as a Percentage of Total Revenue and Expenditures as a Percentage of Total Expenditures	110
S-5 All Governmental Funds - Fund Balances	112
Revenue Capacity Information – These schedules contain information intended to help the reader assess the District's most significant revenue source, tax collections.	
S-6 Property Tax Levies and Collections	113
S-7 Schedule of Tax Rate Distribution Per \$100 Valuation	114
S-8 Assessed and Actual Value of Taxable Property	115
S-9 Property Tax Rates – Direct and Overlapping Governments	116
S-10 Principal Property Tax Payers	118
Debt Capacity Information – These schedules contain information intended to assist users in understanding and assessing the District's current levels of outstanding debt and the ability to issue additional debt.	
S-11 Computation of Direct and Overlapping Debt	119
S-12 Ratio of Net Bonded Debt to Taxable Assessed Valuation and Net Bonded Debt Per Capita	120
S-13 Legal Debt Margin Information	122
S-14 Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total Expenditures	124
S-15 Outstanding Debt by Type	125
Demographic and Economic Information – These schedules provide demographic and economic indicators intended to help the reader understand the socioeconomic environment within which the District's financial activities take place.	
S-16 Per Student Calculations (General Fund Only) Based on Revenues and Expenditures	127
S-17 Demographic Data and Economic Statistics	128
S-18 North Texas Principal Employers	130
Operating Information – These schedules provide contextual information about the District's operations and resources intended to assist readers in using financial statement information to understand and assess the District's economic condition.	
S-19 Expenditures, Enrollment, and Per Student Costs	132
S-20 Teacher Salary	133
S-21 Full Time Equivalents by Function	134
S-22 General Operating Expenditures by Program Intent Code (PIC)	136
S-23 Dallas ISD Student/Teacher Ratio	138
S-24 Dallas ISD Enrollment Trend	140
S-25 School Building Information	141
S-26 General Operating Expenditures by Function	142

Dallas Independent School District

Dallas Independent School District

Dallas Independent School District

Government-wide Changes in Net Position Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	2021	2020	2019	2018
Expenses				
Governmental Activities:				
Instruction	\$ 1,078,164,284	\$ 1,095,737,419	\$ 972,334,416	\$ 650,662,754
Instructional Resources and Media Services	18,401,935	21,402,181	21,169,253	14,203,567
Curriculum and Staff Development	64,995,553	70,424,170	63,888,041	35,993,922
Instructional Leadership	55,389,836	52,236,843	42,121,680	26,067,193
School Leadership	123,102,392	123,359,013	110,067,219	64,548,864
Guidance, Counseling and Evaluation Services	84,734,280	81,244,094	74,521,153	45,798,249
Social Work Services	1,925,327	3,349,661	2,931,749	1,609,764
Health Services	24,595,412	26,438,683	21,876,353	12,806,971
Student (Pupil) Transportation	58,353,284	70,395,894	66,868,011	49,670,287
Food Services	97,710,527	127,056,390	124,943,934	103,681,948
Cocurricular/Extracurricular Activities	42,795,172	37,457,609	37,551,758	29,291,340
General Administration	53,824,592	53,816,493	48,798,452	34,962,724
Facilities Maintenance and Operation	205,824,400	174,138,069	141,865,719	119,466,649
Security and Monitoring Services	23,674,507	24,592,052	21,494,308	13,495,855
Data Processing Services	45,694,626	44,976,107	48,959,455	38,018,316
Community Services	12,011,566	12,978,647	12,029,540	8,209,966
Debt Service - Interest and Fees on Long-Term Debt	134,313,447	122,613,896	121,968,174	124,140,537
Debt Service - Bond Issuance Cost and Fees	182,736	107,552	1,944,555	49,021
Facilities Acquisition and Construction	8,339,925	18,944,454	1,613,647	2,831,109
Contracted Instructional Services Between Schools	85,377,533	18,509,704	67,373,116	-
Payments to Juvenile Justice Alternative Ed. Prg.	14,628	10,296	3,000	7,332
Payments to Tax Increment Fund	-	-	64,955	65,673
Other Intergovernmental Charges	5,928,126	5,893,777	5,445,908	5,069,208
Total Primary Government Program Expenses	<u>2,225,354,088</u>	<u>2,185,683,004</u>	<u>2,009,834,396</u>	<u>1,380,651,249</u>
Program Revenues				
Governmental Activities:				
Charges for Service:				
Instruction	488,693	437,708	541,675	2,592
Curriculum and Staff Development	-	-	-	382,990
Instructional Leadership	-	-	-	42,554
Food Services	365,675	1,615,674	1,646,080	1,587,248
Cocurricular/Extracurricular Activities	625,955	963,354	973,006	1,135,602
Facilities Maintenance and Operations	1,630,144	2,131,009	2,555,272	3,748,263
Operating Grants and Contributions	348,776,116	460,333,166	345,125,422	49,994,516
Total Primary Government Program Revenues	<u>351,886,583</u>	<u>465,480,911</u>	<u>350,841,455</u>	<u>56,893,765</u>
Net (Expense)/Revenue				
Total Primary Government Expenses	<u>(1,873,467,505)</u>	<u>(1,720,202,093)</u>	<u>(1,658,992,941)</u>	<u>(1,323,757,484)</u>
General Revenues				
Governmental Activities				
Taxes				
Property Taxes Levied for General Purposes	1,396,475,465	1,319,796,489	1,330,674,650	1,086,494,144
Property Taxes Levied for Debt Services	320,496,981	299,013,041	275,270,197	253,771,120
State Aid not Restricted to Specific Purpose	41,246,541	47,717,109	82,073,509	150,206,649
Grants, Contributions and Other Revenue not Restricted	188,987,283	130,924,356	151,059,331	109,392,657
Investment Earnings	6,291,780	29,195,172	33,470,753	20,599,310
Gain (loss) on Sale of Equipment	-	-	-	-
Miscellaneous	30,332,983	21,773,101	9,079,224	49,183,203
Extraordinary Items	7,353,108	9,218,116	-	41,512,474
Total Primary Government	<u>1,991,184,141</u>	<u>1,857,637,384</u>	<u>1,881,627,664</u>	<u>1,711,159,557</u>
Change in Net Position				
Total primary government	<u>\$ 117,716,636</u>	<u>\$ 137,435,291</u>	<u>\$ 222,634,723</u>	<u>\$ 387,402,073</u>

Source: Statement of Activities for the Dallas Independent School District

Dallas Independent School District

S-1

	2017	2016	2015	2014	2013	2012
\$	956,576,387	\$ 998,278,934	\$ 918,378,917	\$ 838,734,964	\$ 837,619,961	\$ 842,891,794
	24,430,222	25,176,186	24,268,027	23,293,647	23,618,126	22,736,721
	51,704,106	58,250,759	50,396,457	48,023,182	36,333,128	38,062,123
	37,602,700	36,526,926	31,039,518	26,485,116	21,583,374	21,705,813
	106,125,020	107,487,393	94,868,296	86,999,537	82,180,544	79,358,915
	72,535,828	73,248,880	66,733,501	58,852,078	59,251,653	54,901,981
	2,997,092	3,313,751	2,965,574	2,775,531	2,485,963	2,745,665
	21,451,753	21,511,094	20,099,689	17,948,403	18,162,354	17,813,557
	55,779,292	53,830,113	46,322,785	35,812,881	25,497,358	22,738,339
	123,592,132	118,626,758	107,517,917	101,484,589	93,529,323	90,910,150
	38,266,030	36,421,282	30,184,490	28,452,778	23,425,259	21,786,201
	51,693,840	53,243,020	48,175,732	39,655,687	34,292,907	40,363,776
	157,815,314	166,498,335	145,367,996	142,000,753	147,466,378	148,301,564
	23,036,834	21,386,056	23,283,265	19,989,832	19,098,721	18,912,935
	45,348,246	46,293,855	44,278,942	38,590,780	41,618,908	41,579,518
	12,992,401	13,166,512	12,067,736	9,614,304	8,371,779	7,341,491
	126,555,232	199,431,914	27,515,111	124,428,173	128,536,048	136,081,451
	85,007	4,410,076	4,427,183	1,259,936	-	-
	1,078,436	1,336,580	33,668	2,145,951	5,047,018	2,242,121
	-	-	-	-	-	-
	8,814	5,622	6,762	2,736	10,488	302,328
	7,476	-	-	69,898	3,749,780	3,327,159
	4,919,416	4,791,696	4,578,190	4,410,880	3,835,557	3,738,645
	<u>1,914,601,578</u>	<u>2,043,235,742</u>	<u>1,702,509,756</u>	<u>1,651,031,636</u>	<u>1,615,714,627</u>	<u>1,617,842,247</u>
	-	309,722	172,766	233,006	261,509	2,870
	446,980	629,792	1,611,367	1,817,454	1,278,066	-
	49,664	69,977	179,041	201,939	127,807	-
	1,464,642	1,600,005	2,821,535	3,801,181	5,558,516	6,391,706
	909,673	946,391	1,152,755	1,160,349	1,167,991	727,573
	4,672,484	2,026,208	1,917,887	1,413,139	6,482,941	1,297,529
	334,916,110	361,222,410	356,499,886	293,878,890	286,311,657	256,242,350
	<u>342,459,553</u>	<u>366,804,505</u>	<u>364,355,237</u>	<u>302,505,958</u>	<u>301,188,487</u>	<u>264,662,028</u>
	<u>(1,572,142,025)</u>	<u>(1,676,431,237)</u>	<u>(1,338,154,519)</u>	<u>(1,348,525,678)</u>	<u>(1,314,526,140)</u>	<u>(1,353,180,219)</u>
	1,003,755,255	910,501,189	854,963,342	801,098,678	767,724,171	752,839,796
	233,607,228	211,887,005	198,979,050	186,427,489	184,313,028	180,706,403
	257,588,928	345,639,301	346,230,033	334,227,912	337,558,928	416,548,421
	70,160,602	81,703,893	87,298,011	53,752,263	41,041,051	56,229,252
	10,901,449	8,457,518	3,084,819	2,478,190	2,439,424	3,995,586
	-	-	-	-	-	549,733
	34,387,827	36,477,865	25,615,604	19,352,649	10,052,203	3,845,898
	-	-	-	-	-	-
	<u>1,610,401,289</u>	<u>1,594,666,771</u>	<u>1,516,170,859</u>	<u>1,397,337,181</u>	<u>1,343,128,805</u>	<u>1,414,715,089</u>
\$	<u>38,259,264</u>	<u>(81,764,466)</u>	<u>178,016,340</u>	<u>48,811,503</u>	<u>28,602,665</u>	<u>61,534,870</u>

Dallas Independent School District

Government-wide Net Position by Component Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	2021	2020	2019	2018
Governmental Activities:				
Net Investment in Capital Assets	\$ 454,034,389	\$ 396,154,426	\$ 353,356,942	\$ 322,930,292
Restricted	121,618,627	114,584,087	110,047,571	102,613,514
Unrestricted	<u>(301,617,918)</u>	<u>(354,442,214)</u>	<u>(444,543,505)</u>	<u>(629,317,521)</u>
Total Governmental Activities Net Position	<u>\$ 274,035,098</u>	<u>\$ 156,296,299</u>	<u>\$ 18,861,008</u>	<u>\$ (203,773,715)</u>

Source: Statement of Net Position for the Dallas Independent School District

Dallas Independent School District

2017	2016	2015	2014	2013	2012
\$ 268,379,771	\$ 19,321,452	\$ 222,450,356	\$ 169,438,211	\$ 226,638,835	\$ 285,655,589
79,484,886	254,277,208	154,385,740	76,265,991	84,729,743	75,926,853
165,806,871	201,813,604	180,340,634	419,545,825	326,193,821	247,377,292
<u>\$ 513,671,528</u>	<u>\$ 475,412,264</u>	<u>\$ 557,176,730</u>	<u>\$ 665,250,027</u>	<u>\$ 637,562,399</u>	<u>\$ 608,959,734</u>

Dallas Independent School District

All Governmental Funds Changes in Fund Balances Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	2021	2020	2019	2018
Revenues				
Local Sources:				
Property Taxes	\$ 1,734,078,779	\$ 1,625,503,526	\$ 1,613,635,986	\$ 1,350,404,734
Interest	6,291,779	29,195,172	33,470,753	20,588,573
Other	13,706,132	16,613,086	18,710,996	38,782,856
State Sources	220,726,617	227,916,217	234,689,340	271,922,516
Federal Sources	349,326,130	349,753,100	341,258,766	305,326,146
Total Revenue	<u>2,324,129,437</u>	<u>2,248,981,101</u>	<u>2,241,765,841</u>	<u>1,987,024,825</u>
Expenditures				
Instruction	982,139,769	949,551,494	855,476,205	881,359,309
Instructional Resources and Media Services	16,241,537	18,345,682	18,647,553	19,599,778
Curriculum and Staff Development	62,627,736	61,708,030	57,630,975	51,168,167
Instructional Leadership	53,848,780	47,312,204	38,923,482	38,663,853
School Leadership	113,041,101	107,685,615	97,849,280	94,023,624
Guidance, Counseling, and Evaluation Services	80,323,040	71,969,377	67,602,079	67,279,886
Social Work Services	1,833,721	2,959,931	2,678,416	2,689,889
Health Services	22,842,430	23,293,963	19,581,946	18,841,269
Student Transportation	51,833,954	59,412,970	50,587,137	39,054,459
Food Services	87,926,338	110,649,572	111,700,306	111,415,975
Co-Curricular/Extra-Curricular Activities	37,855,275	31,739,179	32,910,709	33,982,948
General Administration	55,096,524	51,982,725	46,894,385	47,070,338
Plant Maintenance and Operations	202,596,612	167,180,260	134,010,205	142,814,234
Security and Monitoring Services	24,506,628	23,107,695	20,042,705	20,161,322
Data Processing Services	40,192,846	35,750,152	32,629,639	30,131,468
Community Services	10,852,711	10,860,805	10,474,922	11,087,568
Debt Service				
Principal	164,285,000	155,595,000	133,245,000	108,605,000
Interest	164,071,511	141,343,679	145,421,341	145,742,468
Facilities Acquisition & Construction	353,950,932	331,562,770	312,342,228	230,582,630
Intergovernmental Charges	91,320,287	24,413,777	72,886,979	5,142,213
Total Expenditures	<u>2,617,386,732</u>	<u>2,426,424,880</u>	<u>2,261,535,492</u>	<u>2,099,416,398</u>
Other Financing Sources (uses)				
Proceeds from Bonds and Notes	553,555,000	341,975,000	800,000	-
Proceeds from Refunding Bonds	568,255,000	-	68,025,000	-
Transfers In /Out	2,349,358	10,771,873	-	29,824,208
Premium on Bonds	113,492,024	39,127,754	8,135,755	-
Sale of Real & Personal Property	384,463	599,782	325,751	21,084,897
Payments to Refunded Bond Escrow Agent	(629,027,028)	-	(75,000,000)	-
Total Other Financing Sources (uses)	<u>609,008,817</u>	<u>392,474,409</u>	<u>2,286,506</u>	<u>50,909,105</u>
Extraordinary Items				
Extraordinary Items	6,128,507	25,601,329	-	-
Net Changes in Fund Balances	<u>\$ 321,880,029</u>	<u>\$ 240,631,959</u>	<u>\$ (17,483,145)</u>	<u>\$ (61,482,468)</u>
Debt service as a percentage of noncapital expenditures (1)	14.51%	13.98%	14.31%	13.36%

Source: Statement of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds for the Dallas Independent School District

(1) In calculating the ratio of total debt service expenditures to noncapital expenditures, governmental fund expenditures for the facilities acquisition and construction of assets that are classified as capital assets for reporting in the government-wide financial statements are subtracted from the total governmental fund expenditures (Exhibit C-2).

Dallas Independent School District

S-3

	2017	2016	2015	2014	2013	2012
\$	1,250,216,214	\$ 1,131,070,782	\$ 1,063,513,416	\$ 993,116,637	\$ 953,024,424	\$ 935,396,723
	10,901,450	8,457,520	3,084,819	2,490,870	2,439,424	3,995,586
	26,561,577	35,340,417	27,919,560	23,424,643	26,212,625	23,244,360
	349,845,527	442,535,971	451,066,685	393,745,055	395,145,649	448,804,079
	288,871,749	295,517,788	314,513,874	287,146,679	260,503,088	256,263,965
	<u>1,926,396,517</u>	<u>1,912,922,478</u>	<u>1,860,098,354</u>	<u>1,699,923,884</u>	<u>1,637,325,210</u>	<u>1,667,704,713</u>
	865,829,893	893,271,045	853,166,619	767,476,755	763,008,812	790,166,496
	22,121,284	22,795,374	22,882,147	21,771,417	22,064,026	21,611,547
	50,470,310	55,812,949	50,784,870	47,505,300	35,686,203	37,498,502
	36,084,991	34,576,624	30,866,857	26,110,168	21,138,257	21,278,216
	96,313,120	96,774,330	88,767,725	80,506,607	75,202,435	74,572,714
	67,754,706	67,753,209	64,816,543	56,672,484	56,862,691	53,261,191
	2,936,775	3,263,195	2,924,614	2,731,254	2,442,091	2,694,685
	19,656,153	19,639,366	19,164,696	16,943,543	17,033,913	17,042,684
	55,743,237	53,924,053	46,315,857	35,805,953	25,528,534	22,718,745
	113,862,535	111,672,916	101,308,709	95,659,982	89,271,199	86,553,720
	34,406,552	32,731,001	27,157,237	25,677,557	20,414,477	19,355,947
	51,678,899	52,691,371	50,648,623	40,191,375	33,884,965	39,910,323
	151,122,084	161,679,314	143,121,525	136,554,325	141,159,026	144,858,033
	21,502,684	22,256,194	23,542,452	19,823,365	18,871,512	18,551,089
	34,409,262	33,838,248	36,450,445	31,179,276	30,837,025	32,175,475
	12,274,936	12,364,415	11,643,071	9,135,120	7,813,628	6,936,427
	122,795,000	103,990,000	50,515,000	62,595,000	54,095,000	54,351,003
	148,002,335	133,348,140	142,354,189	133,689,215	134,757,695	153,717,458
	174,827,546	153,844,110	95,996,507	80,870,347	278,132,001	374,511,644
	4,935,706	4,797,318	4,584,952	4,483,514	7,595,825	7,368,132
	<u>2,086,728,008</u>	<u>2,071,023,172</u>	<u>1,867,012,638</u>	<u>1,695,382,557</u>	<u>1,835,799,315</u>	<u>1,979,134,031</u>
	4,405,000	647,230,000	590,875,000	143,340,000	-	-
	-	-	-	-	437,060,000	197,935,000
	(822,930)	(926,624)	(351,439)	(25,719,847)	(234,982)	(509,141)
	-	76,488,994	85,253,985	-	64,753,841	29,856,060
	5,843,740	484,990	1,402,794	413,206	31,942	619,397
	-	-	(671,684,268)	-	(498,445,267)	(226,330,345)
	<u>9,425,810</u>	<u>723,277,360</u>	<u>5,496,072</u>	<u>118,033,359</u>	<u>3,165,534</u>	<u>1,570,971</u>
	-	-	-	-	-	-
\$	<u>(150,905,681)</u>	<u>\$ 565,176,666</u>	<u>\$ (1,418,212)</u>	<u>\$ 122,574,686</u>	<u>\$ (195,308,571)</u>	<u>\$ (309,858,347)</u>
	14.18%	11.46%	10.33%	12.22%	12.21%	13.04%

Dallas Independent School District

All Governmental Funds Revenues as a Percentage of Total Revenue and Expenditures as a Percentage of Total Expenditures Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	2021	2020	2019	2018
Revenues				
Local Sources:				
Property Taxes	74.6%	72.3%	72.0%	68.0%
Interest	0.3%	1.3%	1.5%	1.0%
Other	0.6%	0.7%	0.8%	2.0%
State Sources	9.5%	10.1%	10.5%	13.7%
Federal Sources	15.0%	15.6%	15.2%	15.3%
Total Revenue	<u>100.0%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
Expenditures				
Instruction	37.5%	39.1%	37.8%	42.0%
Instructional Resources and Media Services	0.6%	0.8%	0.8%	0.9%
Curriculum and Staff Development	2.4%	2.5%	2.5%	2.4%
Instructional Leadership	2.1%	1.9%	1.8%	1.9%
School leadership	4.3%	4.4%	4.3%	4.5%
Guidance, Counseling, and Evaluation Services	3.1%	3.0%	3.1%	3.2%
Social Work Services	0.1%	0.1%	0.1%	0.1%
Health Services	0.9%	1.0%	0.9%	0.9%
Student Transportation	2.0%	2.4%	2.2%	1.9%
Food Services	3.4%	4.6%	4.9%	5.3%
Co-Curricular/Extra-Curricular Activities	1.4%	1.3%	1.5%	1.6%
General Administration	2.1%	2.1%	2.1%	2.3%
Plant Maintenance and Operations	7.7%	6.9%	5.9%	6.8%
Security and Monitoring Services	0.9%	1.1%	0.9%	1.0%
Data Processing Services	1.5%	1.5%	1.4%	1.4%
Community Services	0.4%	0.4%	0.5%	0.5%
Debt Service				
Principal	6.3%	6.4%	5.9%	5.2%
Interest	6.3%	5.8%	6.4%	6.9%
Facilities Acquisition & Construction	13.5%	13.7%	13.8%	11.0%
Intergovernmental Charges	3.5%	1.0%	3.2%	0.2%
Total expenditures	<u>100.0%</u>	<u>100%</u>	<u>100.0%</u>	<u>100%</u>

Source: Statement of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds for the Dallas Independent School District

Dallas Independent School District

S-4

2017	2016	2015	2014	2013	2012
64.9%	59.1%	57.2%	58.4%	58.2%	56.1%
0.6%	0.5%	0.2%	0.1%	0.1%	0.2%
1.4%	1.9%	1.5%	1.4%	1.7%	1.4%
18.1%	23.1%	24.2%	23.2%	24.1%	26.9%
15.0%	15.4%	16.9%	16.9%	15.9%	15.4%
100%	100%	100%	100%	100%	100%
41.5%	43.1%	45.7%	45.3%	41.6%	39.9%
1.1%	1.1%	1.2%	1.3%	1.2%	1.1%
2.4%	2.7%	2.7%	2.8%	1.9%	1.9%
1.8%	1.8%	1.7%	1.5%	1.2%	1.1%
4.6%	4.7%	4.8%	4.7%	4.1%	3.8%
3.2%	3.3%	3.5%	3.3%	3.1%	2.7%
0.1%	0.2%	0.2%	0.2%	0.2%	0.1%
0.9%	0.9%	1.0%	1.0%	0.9%	0.9%
2.7%	2.6%	2.5%	2.1%	1.4%	1.1%
5.5%	5.4%	5.4%	5.6%	4.9%	4.4%
1.6%	1.6%	1.5%	1.5%	1.1%	1.0%
2.5%	2.5%	2.7%	2.4%	1.8%	2.0%
7.2%	7.8%	7.7%	8.1%	7.7%	7.3%
1.1%	1.1%	1.2%	1.2%	1.0%	0.9%
1.6%	1.6%	2.0%	1.8%	1.7%	1.6%
0.6%	0.6%	0.6%	0.5%	0.4%	0.4%
5.9%	5.0%	2.7%	3.7%	2.9%	2.7%
7.1%	6.4%	7.6%	7.9%	7.3%	7.8%
8.4%	7.4%	5.1%	4.8%	15.2%	18.9%
0.2%	0.2%	0.2%	0.3%	0.4%	0.4%
100%	100%	100%	100%	100%	100%

Dallas Independent School District

S-5

All Governmental Funds Fund Balances Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	2021	2020	2019	2018	2017	2016	2015
General Fund:							
Non-Spendable	\$ 14,117,543	\$ 17,650,395	\$ 14,330,669	\$ 8,905,030	\$ 8,797,676	\$ 8,394,857	\$ 7,699,359
Assigned	246,710,899	189,990,513	107,882,093	112,386,017	117,970,598	275,845,332	186,647,485
Unassigned	662,450,197	661,759,126	590,780,454	251,241,835	133,385,186	98,359,896	163,184,173
Total General Fund	<u>923,278,639</u>	<u>869,400,034</u>	<u>712,993,216</u>	<u>372,532,882</u>	<u>260,153,460</u>	<u>382,600,085</u>	<u>357,531,017</u>
Non-spendable:							
Non-major	7,205,070	7,596,821	4,293,710	5,398,933	6,803,027	6,770,618	4,061,426
Capital Projects	319,416	718,264	-	-	-	-	-
Restricted:							
Debt Service	165,106,095	154,294,866	138,763,223	124,926,486	112,323,141	134,439,298	135,296,606
Capital Projects	515,385,878	265,124,250	197,362,742	497,016,453	693,887,626	803,033,746	258,889,822
Federal or State Funds (1)	4,353,391	4,207,768	15,147,086	18,177,820	15,511,302	16,703,404	21,809,316
Local Special Revenue Funds	3,201,215	3,135,974	3,003,934	3,340,021	2,815,603	2,254,115	2,635,520
Assigned - Debt Service	57,335,971	50,168,971	42,999,353	110,832,353	103,668,000	-	-
Assigned - Other	6,375,684	6,012,219	5,461,326	5,282,788	3,828,045	4,094,620	4,495,513
Total All Governmental Funds	<u>\$ 1,682,561,359</u>	<u>\$ 1,360,659,167</u>	<u>\$ 1,120,024,590</u>	<u>\$ 1,137,507,736</u>	<u>\$ 1,198,990,204</u>	<u>\$ 1,349,895,886</u>	<u>\$ 784,719,220</u>

Fiscal Year Ended June 30:	2014	2013	2012
General Fund:			
Non-Spendable	\$ 8,230,314	\$ 11,499,868	\$ 6,219,819
Assigned	175,667,574	6,009,210	7,197,978
Unassigned	158,942,100	263,644,498	187,702,582
Total General Fund	<u>342,839,988</u>	<u>281,153,576</u>	<u>201,120,379</u>
Non-spendable:			
Capital Projects	4,970,382	-	-
Non-major	-	3,592,519	3,743,344
Restricted:			
Debt Service	112,388,437	117,974,957	112,510,850
Capital Projects	305,824,929	244,003,261	519,356,980
Food Service	13,329,755	13,862,032	11,945,805
Grants and Donations	2,843,937	2,626,439	5,014,837
Assigned - Debt Service	-	349,962	-
Assigned - Other	3,940,004	-	-
Total All Governmental Funds	<u>\$ 786,137,432</u>	<u>\$ 663,562,746</u>	<u>\$ 853,692,195</u>

(1) As of June 30, 2013, the District has included Food Services within this category. Beginning with 2011, Fund Balance Categories are reported as required by GASB Statement No. 54
Source: Balance Sheet of Governmental Funds for the Dallas Independent School District

Dallas Independent School District

S-6

Property Tax Levies and Collections Last Ten Fiscal Years (Unaudited)

Tax Levy Year	Original Levy	Current Year's Adjustments	Adjusted Levy (1)	Collected within the Fiscal Year of the Levy		Collections and Adjustments in Subsequent years (3)	Total Collections and Adjustments to Date	
				Amount (2)	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2020	1,606,870,221	134,900,525	1,741,770,746	1,711,455,286	106.5%	-	1,711,455,286	98.3%
2019	1,629,618,768	11,389,160	1,641,007,928	1,612,695,737	99.0%	14,593,430	1,627,289,167	99.2%
2018	1,629,922,730	(2,756,087)	1,627,166,643	1,600,181,097	98.2%	14,830,661	1,615,011,758	99.3%
2017	1,353,804,329	(2,411,057)	1,351,393,272	1,332,222,292	98.4%	9,838,589	1,342,060,881	99.3%
2016	1,261,569,031	(11,545,712)	1,250,023,319	1,230,797,382	97.6%	10,208,923	1,241,006,305	99.3%
2015	1,141,622,891	(7,680,046)	1,133,942,845	1,114,744,687	97.6%	10,739,458	1,125,484,145	99.3%
2014	1,073,042,354	(7,988,994)	1,065,053,360	1,047,228,110	97.6%	8,531,377	1,055,759,487	99.1%
2013	1,005,329,915	(9,160,548)	996,169,367	978,736,529	97.4%	8,990,875	987,727,404	99.2%
2012	959,655,168	(4,362,562)	955,292,606	936,816,774	97.6%	9,335,129	946,151,903	99.0%
2011	936,131,014	(1,620,377)	934,510,637	915,380,068	97.8%	9,853,035	925,233,103	99.0%

- (1) Current year total levy plus current year adjustments.
- (2) Current year maintenance and debt service collections.
- (3) Prior year collections and adjustments.

Source: Schedule of Delinquent Taxes Receivable (Exhibit J-1)

Dallas Independent School District

S-7

**Schedule of Tax Rate Distribution Per \$100 Valuation
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30:	Tax Rates			Tax Levies		
	Maintenance	Debt Service	Total	General Fund	Debt Service Fund	Total
2021	1.054700	0.242035	1.296735	1,306,948,623	299,921,598	1,606,870,221
2020	1.068350	0.242035	1.310385	1,328,619,612	300,999,156	1,629,618,768
2019	1.170000	0.242035	1.412035	1,350,537,675	279,385,055	1,629,922,730
2018	1.040050	0.242035	1.282085	1,098,229,987	255,574,342	1,353,804,329
2017	1.040050	0.242035	1.282085	1,023,407,506	238,161,525	1,261,569,031
2016	1.040050	0.242035	1.282085	926,105,038	215,517,853	1,141,622,891
2015	1.040050	0.242035	1.282085	870,471,272	202,571,082	1,073,042,354
2014	1.040050	0.242035	1.282085	815,541,387	189,788,528	1,005,329,915
2013	1.040050	0.250297	1.290347	773,504,617	186,150,551	959,655,168
2012	1.040050	0.250297	1.290347	754,543,597	181,587,418	936,131,015

Source: Schedule of Delinquent Taxes Receivable (Exhibit J-1)

Dallas Independent School District

S-8

**Assessed and Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)**

Real Property					
Fiscal Year Ended June 30:	Residential	Commercial Property	Personal Property	Net Taxable Assessed Value	Total Direct Tax Rate
2021	56,951,024,911	56,561,483,598	14,543,928,281	128,056,436,790	1.296735
2020	54,691,226,302	58,663,264,662	14,996,419,857	128,350,910,821	1.310385
2019	50,114,377,285	54,876,366,945	14,338,993,336	119,329,737,566	1.412035
2018	44,939,988,730	49,306,233,826	14,236,581,353	108,482,803,909	1.282085
2017	41,787,366,404	45,427,477,998	13,720,661,427	100,935,505,829	1.282085
2016	38,743,465,578	40,529,662,355	13,166,711,763	92,439,839,696	1.282085
2015	36,107,563,490	36,598,495,511	12,927,497,318	85,633,556,319	1.282085
2014	33,952,512,664	33,210,609,987	12,877,737,444	80,040,860,095	1.282085
2013	33,327,472,247	30,636,514,329	12,310,074,380	76,274,060,956	1.290347
2012	33,665,394,542	28,337,566,510	11,838,691,761	73,841,652,813	1.290347

Source: Dallas Central Appraisal District and Dallas ISD records

Dallas Independent School District

**Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30:	Town of Addison	City of Balch Springs	City of Carrollton	City of Cockrell Hill	City of Dallas	City of DeSoto	City of Duncanville	City of Farmers Branch	City of Garland
2021	0.60868	0.80300	0.58750	0.85057	0.77630	0.70155	0.71685	0.58900	0.76960
2020	0.58350	0.80300	0.58997	0.94713	0.77660	0.70155	0.74345	0.59951	0.76960
2019	0.55000	0.80300	0.59497	0.98895	0.77670	0.72139	0.74845	0.59951	0.70460
2018	0.55000	0.80300	0.59970	1.05883	0.78040	0.73990	0.75845	0.60227	0.70460
2017	0.56047	0.80300	0.60370	1.11941	0.78250	0.74490	0.75845	0.60227	0.70460
2016	0.57915	0.80300	0.61288	1.13244	0.79700	0.74990	0.75845	0.60227	0.70460
2015	0.56180	0.80300	0.61538	0.81166	0.79700	0.75740	0.75845	0.60227	0.70460
2014	0.57180	0.77000	0.61788	0.81191	0.79700	0.75740	0.75845	0.55310	0.70460
2013	0.58000	0.80300	0.61788	0.82315	0.79700	0.75740	0.73769	0.52950	0.70460
2012	0.58000	0.78000	0.61788	0.81109	0.79700	0.75740	0.73769	0.52950	0.70460

Source: Dallas Central Appraisal District and Dallas ISD records

Dallas Independent School District

City of Glenn Heights	City of Hutchins	City of Lancaster	City of Mesquite	City of Seagoville	Dallas County and School Equalization	Dallas County Hospital	Dallas County Community College	Dallas Independent School District
0.80443	0.68246	0.81974	0.70862	0.78880	0.24974	0.26610	0.12400	1.29674
0.83352	0.68246	0.84093	0.73400	0.78880	0.25310	0.26950	0.12400	1.31039
0.87918	0.68246	0.86750	0.73400	0.74380	0.25310	0.27940	0.12400	1.41204
0.88543	0.68246	0.86750	0.68700	0.74380	0.25310	0.27940	0.12424	1.28209
0.93553	0.68246	0.86750	0.68700	0.74380	0.25237	0.27940	0.12293	1.28209
0.79340	0.68246	0.86750	0.64000	0.71380	0.25310	0.28600	0.12365	1.28209
0.79500	0.71091	0.86750	0.64000	0.71380	0.25310	0.28600	0.12478	1.28209
0.79500	0.69091	0.86750	0.64000	0.71379	0.25310	0.27600	0.12470	1.28209
0.79500	0.66091	0.86750	0.64000	0.69085	0.25304	0.27100	0.11938	1.29035
0.79500	0.60672	0.86750	0.64000	0.69085	0.25310	0.27100	0.09967	1.29035

Dallas Independent School District

S-10

**Principal Property Tax Payers
Current Year and Nine Years Ago
(Unaudited)**

Principal Taxpayers	2021			2012		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Oncor Electric Delivery	\$ 872,629,670	1	0.68%	\$ 581,617,460	3	0.79%
Northpark Land Partners	740,205,510	2	0.58%	536,260,000	4	0.73%
Southwest Airlines Co	653,943,486	3	0.51%	420,767,188	5	0.57%
FM Village Fixed Rate LLC	565,934,040	4	0.44%			
AT&T Mobility LLC	544,069,730	5	0.42%	767,495,350	1	1.04%
Post Apartment Homes LP	527,899,800	6	0.41%			
Galleria Mall Investors LP	388,264,660	7	0.30%	279,428,590	7	0.38%
Equinix LLC	374,138,180	8	0.29%			
Atmos Energy	364,026,220	9	0.28%			
Teachers Insurance Fund	353,657,840	10	0.28%	186,618,180	10	0.25%
Crescent Real Estate Group				640,973,910	2	0.87%
PC Village Apts Dallas LP				279,447,320	6	0.38%
YPI Central Expy LP				259,536,330	8	0.35%
Walmart				239,054,880	9	0.32%
Total Ten Principal Taxpayers	\$ 5,384,769,136		4.19%	\$ 4,191,199,208		5.68%
Total Taxable Assessed Value	\$ 128,056,436,790			\$ 73,841,652,813		

Source: Dallas Central Appraisal District and Dallas ISD records

Dallas Independent School District

S-11

**Computation of Direct and Overlapping Debt
(Unaudited)**

Taxing Jurisdiction	Net Bonded Debt	Overlapping	
		Percent (1)	Amount
Addison, Town of	\$ 85,280,813	89.68%	\$ 76,479,833
Balch Springs, City of	7,137,949	28.99%	2,069,291
Carrollton, City of	189,333,723	8.57%	16,225,900
Cockrell Hill, City of	4,505,000	97.39%	4,387,420
Combine, City of	1,410,000	11.36%	160,176
Dallas County	130,445,000	45.18%	58,935,051
Dallas County CCD	115,750,000	45.18%	52,295,850
Dallas Co Hosp Dist	570,027,314	45.18%	257,538,340
Dallas County Schools	16,679,652	45.18%	7,535,867
Dallas, City of	1,936,980,416	70.14%	1,358,598,064
DeSoto, City of	61,435,928	23.42%	14,388,294
Duncanville, City of	21,700,000	0.18%	39,060
Farmers Branch, City of	51,439,325	33.26%	17,108,720
Garland, City of	254,206,247	1.23%	3,126,737
Grand Prairie, City of	361,682,877	**	-
Hutchins, City of	9,443,302	87.45%	8,258,168
Lancaster, City of	58,128,923	4.35%	2,528,608
Mesquite, City of	173,681,067	2.11%	3,664,671
Seagoville, City of	12,111,140	79.71%	9,653,790
Wilmer, City of	19,570,836	100.00%	19,570,836
Total Estimated Overlapping Debt			<u>1,912,564,674</u>
Dallas ISD Direct Debt			<u>3,437,008,853</u>
Total Direct and Overlapping Bonded Debt			<u><u>\$ 5,349,573,527</u></u>

**Less than 0.01%

Source: Texas Municipal Reports (TMR), excluding direct debt of Dallas ISD

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The overlapping percentage represents an estimate of the overlapping geographic area between the District and the respective governments listed above. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses within the boundaries 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.

Net Debt for the Dallas Independent School District includes the following:

Bonds	\$ 3,066,675,000
Notes	143,340,000
Commercial Paper	30,000,000
Premium/discount on debt	196,993,853
	<u>\$ 3,437,008,853</u>

Dallas Independent School District

Ratio of Net Bonded Debt to Taxable Assessed Valuation and Net Bonded Debt Per Capita Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	Estimated Population*	Taxable Assessed Value	Gross Bonded Debt Outstanding at Year End	Bond Premium Amortization	Amounts Available for Retirement of Bonds	Net General Bonded Debt Outstanding at Year End
2021	1,400,337	128,056,436,790	3,437,008,853	196,993,853	114,064,021	143,340,000
2020	1,377,641	128,350,910,821	2,697,449,417	155,157,792	99,943,509	143,340,000
2019	1,356,896	119,329,737,566	2,690,275,000	144,419,510	87,602,841	143,340,000
2018	1,281,031	108,482,803,909	2,830,495,000	164,355,890	75,696,740	218,340,000
2017	1,283,763	100,935,505,829	2,939,100,000	192,207,755	61,157,981	218,340,000
2016	1,281,031	92,439,839,696	3,057,490,000	221,917,322	79,515,943	219,460,000
2015	1,257,676	85,633,556,319	2,604,313,196	90,063,196	86,940,904	151,340,000
2014	1,241,162	80,040,860,095	2,573,747,354	115,233,953	60,092,299	152,972,000
2013	1,223,378	76,274,060,956	2,492,731,000	130,915,785	68,241,272	11,346,000
2012	1,207,420	73,841,652,813	2,567,329,111	90,909,530	60,237,704	14,574,000

Sources: Dallas ISD Records
 *U.S. Census Bureau
 St. Louis Federal Reserve

Dallas Independent School District

Net Bonded Debt Outstanding at Year End	Ratio Net Bonded Debt to Taxable Assessed Valuation	Ratio Net General Bonded Debt to Taxable Assessed Valuation	Net Bonded Debt Per Capita	Taxable Assessed Valuation Per Capita	Per Capita Personal Income*	Total Personal Income To Outstanding Debt at Year End	Net Bonded Debt To Personal Income
3,322,944,832	2.59%	0.11%	2,373	91,447	34,479	5,495	6.88%
2,542,996,493	1.98%	0.11%	1,846	93,167	32,804	6,925	5.63%
2,602,672,159	2.18%	0.12%	1,918	87,943	31,007	6,547	6.19%
2,754,798,260	2.54%	0.20%	2,150	84,684	28,771	5,855	7.47%
2,877,942,019	2.85%	0.22%	2,242	78,625	28,584	5,368	7.70%
2,977,974,057	3.22%	0.24%	2,325	72,161	28,771	4,932	8.08%
2,517,372,292	2.94%	0.18%	2,002	68,089	28,522	5,706	7.02%
2,513,655,055	3.14%	0.19%	2,025	64,489	26,032	5,498	7.78%
2,424,489,728	3.18%	0.01%	1,982	62,347	25,757	5,663	7.69%
2,507,091,407	3.40%	0.02%	2,076	61,157	25,449	5,426	8.16%

Dallas Independent School District

Legal Debt Margin Information Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	2021	2020	2019	2018
Debt Limit - 10% of Assessed Valuation	\$ 12,805,643,679	\$ 12,835,091,082	\$ 11,932,973,757	\$ 10,848,280,391
Amount of Debt Applicable to Debt Limit:				
Gross Bonded Debt	3,437,008,853	2,697,449,417	2,690,275,000	2,830,495,000
Less - Fund Balance of Debt Service Fund	165,106,095	154,294,866	138,763,223	124,926,486
Total Net Debt Applicable to Debt Limit	<u>3,602,114,948</u>	<u>2,543,154,551</u>	<u>2,551,511,777</u>	<u>2,705,568,514</u>
Legal Debt Margin:	<u>\$ 9,203,528,731</u>	<u>\$ 10,291,936,531</u>	<u>\$ 9,381,461,980</u>	<u>\$ 8,142,711,877</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	28.13%	19.81%	21.38%	24.94%

Source: Dallas ISD Records

Dallas Independent School District

S-13

2017	2016	2015	2014	2013	2012
\$ 10,093,550,583	\$ 9,243,983,970	\$ 8,563,355,632	\$ 8,004,086,010	\$ 7,627,406,096	\$ 7,466,106,995
2,939,100,000	3,057,490,000	2,604,313,196	2,573,747,354	2,492,731,000	2,567,329,111
112,323,141	134,439,298	135,296,606	115,233,953	130,915,785	112,510,850
<u>2,826,776,859</u>	<u>2,923,050,702</u>	<u>2,469,016,590</u>	<u>2,458,513,401</u>	<u>2,361,815,215</u>	<u>2,454,818,261</u>
<u>\$ 7,266,773,724</u>	<u>\$ 6,320,933,268</u>	<u>\$ 6,094,339,042</u>	<u>\$ 5,545,572,609</u>	<u>\$ 5,265,590,881</u>	<u>\$ 5,011,288,734</u>
28.01%	31.62%	28.83%	30.72%	30.96%	32.88%

Dallas Independent School District

S-14

**Ratio of Annual Debt Service Expenditures
For General Bonded Debt to Total Expenditures
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30:	Principal	Interest and Other Charges	Total Bonded Debt Expenditures	Total Expenditures	Ratio of Total Bonded Debt Expenditures To Total Expenditures
2021	164,285,000	153,767,411	318,052,411	2,617,382,070	12.15%
2020	155,595,000	133,001,487	288,596,487	2,426,424,880	11.89%
2019	133,245,000	135,045,444	268,290,444	2,261,535,492	11.86%
2018	108,605,000	137,374,241	245,979,241	2,099,416,398	11.72%
2017	121,675,000	139,573,729	261,248,729	2,086,728,008	12.52%
2016	97,110,000	121,108,202	218,218,202	2,071,023,172	10.54%
2015	48,430,000	129,690,635	178,120,635	1,867,012,638	9.54%
2014	60,610,000	132,223,879	192,833,879	1,695,382,557	11.37%
2013	50,625,000	134,326,218	184,951,218	1,835,799,315	10.07%
2012	49,515,000	152,570,482	202,085,482	1,979,134,031	10.21%

Source: Dallas ISD Records

Dallas Independent School District

S-15

Outstanding Debt by Type Last Ten Fiscal Years (Unaudited)

<u>Fiscal Year Ended</u>	<u>General Obligation Bonds</u>	<u>Notes Payable</u>	<u>Total Primary Government</u>
2021	\$ 3,263,669	\$ 173,340	\$ 3,437,009
2020	2,859,273	173,340	3,032,613
2019	2,691,355	144,140	2,835,495
2018	2,776,511	218,340	2,994,851
2017	2,912,968	218,340	3,131,308
2016	3,059,947	219,460	3,279,407
2015	2,452,973	151,340	2,604,313
2014	2,536,009	152,972	2,688,981
2013	2,612,301	11,346	2,623,647
2012	2,643,665	14,574	2,658,239

Source: Dallas ISD Records

Dallas Independent School District

Dallas Independent School District

S-16

**Per Student Calculations (General Fund Only)
Based on Revenues and Expenditures
Last Five Fiscal Years
(Unaudited)**

	Fiscal Year Ended June 30				
	2021	2020	2019	2018	2017
Beginning Fund Equity	\$ 869,400,034	\$ 712,993,216	\$ 372,532,882	\$ 260,153,460	\$ 382,600,085
Revenues:					
From Ad Valorem Taxes	1,410,744,361	1,325,416,228	1,337,246,266	1,095,855,141	1,014,472,938
% of Total Revenue	82.59%	82.78%	78.76%	75.62%	71.45%
From State and Federal Funds	289,433,957	247,234,679	331,551,280	317,222,956	385,082,839
% of Total Revenue	16.94%	15.44%	19.53%	21.89%	27.12%
From Other Local Sources	8,025,672	28,409,394	29,004,569	36,120,172	20,202,846
% of Total Revenue	0.47%	1.77%	1.71%	2.49%	1.42%
Total Revenues	1,708,203,990	1,601,060,301	1,697,802,115	1,449,198,269	1,419,758,623
Total Expenditures	1,631,113,745	1,444,603,443	1,426,000,782	1,380,489,339	1,443,558,058
Total Other Financing Sources	(20,183,478)	2,923,617	68,659,001	43,670,492	(98,647,190)
Total Extraordinary Items	(8,768,757)	(2,973,657)	-	-	-
Ending Fund Equity	\$ 917,538,044	\$ 869,400,034	\$ 712,993,216	\$ 372,532,882	\$ 260,153,460

Per Student Calculations:

Assessed Value Per Student	\$ 991,067	\$ 924,166	\$ 850,557	\$ 752,543	\$ 634,366
Ad Valorem Tax Revenue Per Student	\$ 10,918	\$ 9,543	\$ 9,532	\$ 7,602	\$ 6,962
State and Federal Funds Per Student	2,240	1,780	2,363	2,201	2,643
Other Local Sources Per Student	62	205	207	251	139
Total Revenue Per Student	\$ 13,220	\$ 11,528	\$ 12,102	\$ 10,054	\$ 9,744
Total Expenditures Per Student	\$ 12,624	\$ 10,402	\$ 10,164	\$ 9,576	\$ 9,906
Average Daily Attendance	129,211	138,883	140,296	144,155	145,720

Source: Dallas ISD Records

Dallas Independent School District

Demographic Data and Economic Statistics Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30: Year	Estimated Population (1)	Enrollment (2)	Average Daily Attendance (2)
2021	1,400,337	145,113	129,211
2020	1,377,641	153,861	138,883
2019	1,356,896	155,119	140,296
2018	1,281,031	156,832	144,155
2017	1,283,763	157,886	145,720
2016	1,281,031	158,604	145,694
2015	1,257,676	160,253	147,660
2014	1,241,162	159,713	146,976
2013	1,223,378	158,932	146,205
2012	1,207,420	157,575	144,935

(1) Information was obtained from the U.S. Census Bureau and the World Population Review.

(2) Information was obtained from Dallas ISD records.

District Employees (2)	Median Household Income (1)	Per Capita Personal Income (1)	Unemployment Rate (1)
22,621	52,580	34,479	6.5%
22,674	50,100	32,804	3.7%
22,222	48,628	31,007	3.3%
21,262	43,003	28,771	3.3%
20,757	44,016	28,584	3.7%
21,714	43,003	28,771	3.8%
21,715	41,978	28,522	4.0%
20,793	58,190	26,032	5.0%
19,838	40,585	25,757	7.3%
18,470	43,640	25,449	7.9%

Dallas Independent School District

**North Texas Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

Principal Employers	2021			2012		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Wal-mart Stores, Inc.	34,698	1	0.88%			
Texas Health Resources	26,000	2	0.62%			
American Airlines Group, Inc.	24,700	3	0.46%			
Lockheed Martin Aeronautics Co.	22,950	4	0.66%			
Dallas Independent School District	22,621	5	0.57%	18,868	1	2.29%
University of Texas Southwestern Medical Center	20,167	6	0.58%	13,053	3	1.58%
Bank of America	20,000	7	0.51%			
Baylor Scott & White Health	18,195	8	0.00%			
Medical City Healthcare	17,000	9	0.40%			
AT&T Inc.	15,800	10	0.43%			
Presbyterian Hospital of Dallas				5,917	10	0.72%
Dallas County Personnel/Civil Service				7,427	7	0.90%
Parkland Health and Hospital System				9,500	4	1.15%
City of Dallas				13,369	2	1.62%
Dallas County Community College District				6,001	9	0.73%
Texas Instruments Incorporated				9,300	5	1.13%
Baylor University Medical Center				7,847	6	0.95%
Southwest Airlines				6,458	8	0.78%
Total	222,131		5.11%	97,740		11.85%

Estimated Total Employed Workforce in 2021 4.0 million

Source: Dallas Business Journal Book of Lists, Dallas Economic Development Profile, Dallas County Financial Records, Dallas City Hall, North Texas Commission, Dallas ISD Records as of June 11, 2021

Dallas Independent School District

Dallas Independent School District

S-19

**Expenditures, Enrollment and
Per Student Costs
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30:	Expenditures (1)	Enrollment (2)	Per Student Costs	General Fund Expenditures	General Fund Per Student Costs	Student to Teacher Ratio	Percentage of Students in Free/Reduced Lunch Program
2021	\$ 1,864,568,021	145,113	12,849	\$ 1,631,113,745	11,240	13.92	92%
2020	1,729,708,819	153,861	11,242	1,444,603,443	9,389	14.75	87%
2019	1,682,827,169	155,119	10,849	1,426,000,782	9,193	14.98	86%
2018	1,646,121,341	156,832	10,496	1,380,489,339	8,802	14.87	87%
2017	1,704,969,209	157,886	10,799	1,443,558,058	9,143	15.01	88%
2016	1,714,566,319	158,604	10,810	1,443,363,206	9,100	14.29	88%
2015	1,593,910,048	160,253	9,946	1,300,116,660	8,113	14.43	86%
2014	1,421,678,331	159,713	8,901	1,170,463,469	7,329	15.40	89%
2013	1,372,716,096	158,932	8,637	1,121,631,784	7,057	15.72	89%
2012	1,402,536,905	157,575	8,901	1,134,703,136	7,201	15.68	88%

(1) General fund and non-major governmental funds expenditures

(2) Data obtained from PEIMS

Source: Dallas ISD Records

**Teacher Salary
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Beginning Teacher Salary	Average Teacher Salary	Number of Teachers
2021	56,500	63,200	10,473
2020	54,000	60,000	10,428
2019	52,000	57,630	10,353
2018	51,000	56,072	10,549
2017	50,000	56,072	10,518
2016	47,382	54,903	11,099
2015	47,382	53,135	11,103
2014	46,002	52,254	10,372
2013	45,100	51,485	10,112
2012	45,100	52,028	9,494

Source: Dallas ISD Records

Dallas Independent School District

Full Time Equivalents by Function Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	2021	2020	2019	2018
FTE				
Instruction	12,959.9	12,787.2	12,598.0	12,771.3
Instructional Resources and Media Services	173.5	216.0	251.5	263.0
Curriculum and Staff Development	592.4	615.3	586.6	569.2
Instructional Leadership	490.5	477.7	419.2	407.6
School leadership	1,535.0	1,457.0	1,419.5	1,417.5
Guidance, Counseling, and Evaluation Services	862.6	776.8	479.1	741.3
Social Work Services	24.0	41.5	4.1	39.0
Health Services	316.1	311.1	308.1	306.1
Student Transportation	1,238.5	1,243.0	1,225.5	17.0
Food Services	1,763.0	1,801.0	1,843.0	1,790.0
Co-Curricular/Extra-Curricular Activities	71.1	68.0	70.1	71.1
General Administration	439.7	435.5	424.2	414.9
Plant Maintenance and Operations	1,561.5	1,559.5	1,526.5	1,577.3
Security and Monitoring Services	413.0	392.0	390.0	422.2
Data Processing Services	228.6	220.5	212.0	217.5
Community Services	191.3	191.5	174.8	190.9
Facilities Acquisition & Construction	52.0	50.5	48.5	43.5
Total FTE	22,912.6	22,644.1	21,980.7	21,259.4

Source: Dallas ISD Records as of June 30, 2021

Dallas Independent School District

S-21

2017	2016	2015	2014	2013	2012
12,976.1	13,129.0	13,168.7	12,688.1	12,476.3	11,035.9
322.0	320.0	320.5	316.0	316.0	315.5
543.0	608.4	624.2	567.8	362.1	343.0
369.5	339.2	321.3	291.7	245.9	232.0
1,436.0	1,460.0	1,428.0	1,368.0	1,329.5	1,314.9
752.3	774.1	757.0	666.6	656.9	669.9
43.0	45.0	48.0	43.0	38.0	39.0
328.3	315.6	314.0	304.0	294.9	302.9
3.0	3.0	3.0	3.0	3.0	9.0
1,785.0	1,783.0	1,771.0	1,770.0	1,461.0	1,461.0
72.1	72.0	73.0	71.4	45.4	39.0
447.4	457.9	457.2	373.6	300.3	302.3
1,538.1	1,541.7	1,545.5	1,547.1	1,535.0	1,656.6
408.0	407.0	400.0	391.0	403.0	392.0
237.6	226.5	210.5	223.6	221.6	219.1
184.6	186.8	189.1	147.6	128.6	117.2
41.5	26.0	21.0	20.5	20.5	20.9
<u>21,487.5</u>	<u>21,695.2</u>	<u>21,652.0</u>	<u>20,793.0</u>	<u>19,838.0</u>	<u>18,470.1</u>

Dallas Independent School District

General Operating Expenditures by Program Intent Code (PIC) Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	2021	2020	2019	2018
PIC				
11 Basic Education Services	\$ 542,191,139	\$ 493,700,230	\$ 548,113,538	\$ 557,820,129
21 Gifted and Talented	11,422,185	10,043,338	9,249,264	6,620,726
22 Career and Technology	34,384,515	31,235,789	25,248,122	27,073,688
23 Special Education	127,831,972	121,435,208	109,861,721	108,453,937
24 Accelerated Education	14,170,030	18,132,649	11,668,228	11,708,860
25 Bilingual Education	13,631,105	11,031,052	18,880,836	19,996,800
26 AEP Services	634,185	719,604	1,585,799	1,955,490
28 DAEP Basic	3,171,872	3,004,607	2,799,797	3,571,120
29 DAEP Supplemental	-	3,649	17,465	13,141
30 Title I Part A	63,321,224	53,956,832	35,649,092	40,263,182
31 High School Allotment	1,150	12,633,153	13,791,872	14,361,020
32 Pre-Kindergarten Regular Education	6,653,472	6,246,893	9,398,130	7,781,747
33 PK Special Education	9,339,684	794	-	-
34 PK Comp Education	21,596,606	23,529,382	34,552,720	32,521,092
35 PK Bilingual Education	15,775,866	13,964,229	13,242,772	12,440,902
36 Early Education Allotment	39,377,004	34,510,070	-	-
37 Dyslexia	9,478,862	10,647,003	-	-
38 College, Career, and Military Readiness	4,773,372	3,931,360	-	-
91 Athletics and Related	21,999,051	18,180,634	18,699,047	18,971,028
99 Undistributed	691,360,456	577,696,967	573,242,379	516,936,476
Total	\$ 1,631,113,746	\$ 1,444,603,443	\$ 1,426,000,782	\$ 1,380,489,338

Source: Dallas ISD Records

Dallas Independent School District

S-22

2017	2016	2015	2014	2013	2012
\$ 558,146,624	\$ 552,343,411	\$ 507,152,802	\$ 474,927,651	\$ 466,713,547	\$ 475,117,717
7,245,967	10,503,846	9,668,344	8,940,356	9,534,610	10,236,525
29,909,327	28,955,755	25,098,566	24,693,065	23,442,817	24,939,809
116,644,342	115,118,770	100,677,065	89,554,017	76,488,103	77,907,703
10,318,273	10,145,059	5,275,144	4,044,321	3,903,140	7,335,276
19,762,792	30,904,073	28,095,535	23,388,823	15,464,944	16,192,928
3,364,526	3,374,453	2,674,268	2,488,846	2,243,646	2,628,247
3,688,059	3,428,375	3,395,527	3,249,212	2,796,025	4,685,662
80	13,095	1,059	9,247	9,570	2,379
40,906,044	49,123,522	53,237,260	49,324,415	45,442,486	48,641,916
13,620,305	18,347,667	18,076,718	14,770,151	9,633,184	10,046,397
6,716,867	6,446,065	5,130,282	7,369,459	31,822,829	25,785,069
-	-	-	2	-	-
29,162,908	27,750,176	25,638,961	21,236,766	-	-
10,637,638	9,590,777	8,223,025	6,301,771	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
20,276,170	17,322,180	15,625,414	14,768,601	12,796,532	12,252,095
573,158,136	559,995,982	492,146,690	425,396,766	421,340,351	418,931,413
<u>\$ 1,443,558,058</u>	<u>\$ 1,443,363,206</u>	<u>\$ 1,300,116,660</u>	<u>\$ 1,170,463,469</u>	<u>\$ 1,121,631,784</u>	<u>\$ 1,134,703,136</u>

Dallas Independent School District

Dallas ISD Student/Teacher Ratio Ten Year Comparison (Unaudited)

Campus Level	2020-2021			2019-2020			2018-2019			2017-2018			2016-2017		
	Enrollment	FTE's	Ratio												
High	42,091	2,429.7	17.3	42,024	2,395.5	17.5	41,632	2,367.5	17.6	40,132	2,354.5	17.0	39,597	2,335.5	17.0
Middle	32,679	2,065.1	15.8	33,791	2,015.4	16.8	29,136	1,705.7	17.1	31,681	2,018.1	15.7	31,427	1,903.1	16.5
Elementary	70,343	4,668.0	15.1	78,046	4,706.8	16.6	84,351	5,080.7	16.6	85,019	5,084.3	16.7	86,862	5,438.7	16.0
District	145,113	9,162.8	15.8	153,861	9,117.7	16.9	155,119	9,153.9	16.9	156,832	9,456.9	16.6	157,886	9,677.3	16.3

Note: Does not include Special Education Teachers
 High School FTEs include Career Institute Teachers.
 *Data includes all Funds.
 Source: Dallas ISD Records

Dallas Independent School District

2015-2016			2014-2015			2013-2014			2012-2013			2011-2012		
Enrollment	FTE's	Ratio												
39,386	2,366.3	16.6	38,791	2,151.7	18.0	37,914	2,003.3	18.9	38,372	2,041.6	18.8	38,018	2,102.7	18.1
31,535	1,874.0	16.8	32,374	1,846.0	17.5	32,595	1,641.9	19.9	32,067	1,722.8	18.6	31,479	1,616.1	19.5
87,683	5,674.1	15.5	89,088	5,511.1	16.2	89,204	5,087.1	17.5	88,493	5,108.8	17.3	88,078	5,492.6	16.0
158,604	9,914.4	16.0	160,253	9,508.8	16.9	159,713	8,732.3	18.3	158,932	8,873.2	17.9	157,575	9,211.3	17.1

Dallas Independent School District

S-24

Dallas ISD Enrollment Trend Last Ten Fiscal Years (Unaudited)

	Total Enrollment	Change	% Change	FTE's	Change	% Change
2020-2021	145,113	(8,748)	-5.69%	9,163	45	0.49%
2019-2020	153,861	(1,258)	-0.81%	9,118	(36)	-0.40%
2018-2019	155,119	(1,713)	-1.09%	9,154	(303)	-3.20%
2017-2018	156,832	(1,054)	-0.67%	9,457	(220)	-2.28%
2016-2017	157,886	(718)	-0.45%	9,677	(237)	-2.39%
2015-2016	158,604	(1,649)	-1.03%	9,914	406	4.27%
2014-2015	160,253	540	0.34%	9,509	777	8.89%
2013-2014	159,713	781	0.49%	8,732	(141)	-1.59%
2012-2013	158,932	1,357	0.86%	8,873	(338)	-3.67%
2011-2012	157,575	413	0.26%	9,211	79	0.83%

Note: Teacher FTE data does not include Special Education Teachers
Source: PEIMS Data

Dallas Independent School District

S-25

School Building Information (Unaudited)

Form of Government: Independent School District

Geographic Area: 384 square miles

<u>Instruction Sites:</u>	<u>Number</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>
High Schools	40	6,441,082	583.94
Middle Schools	36	5,134,145	637.69
Elementary Schools	153	10,994,672	1,334.85
Administration Facilities	24	1,671,338	213.49
Athletics & Pool Facilities	12	573,989	233.41
Totals	<u>265</u>	<u>24,815,226</u>	<u>3,003.38</u>

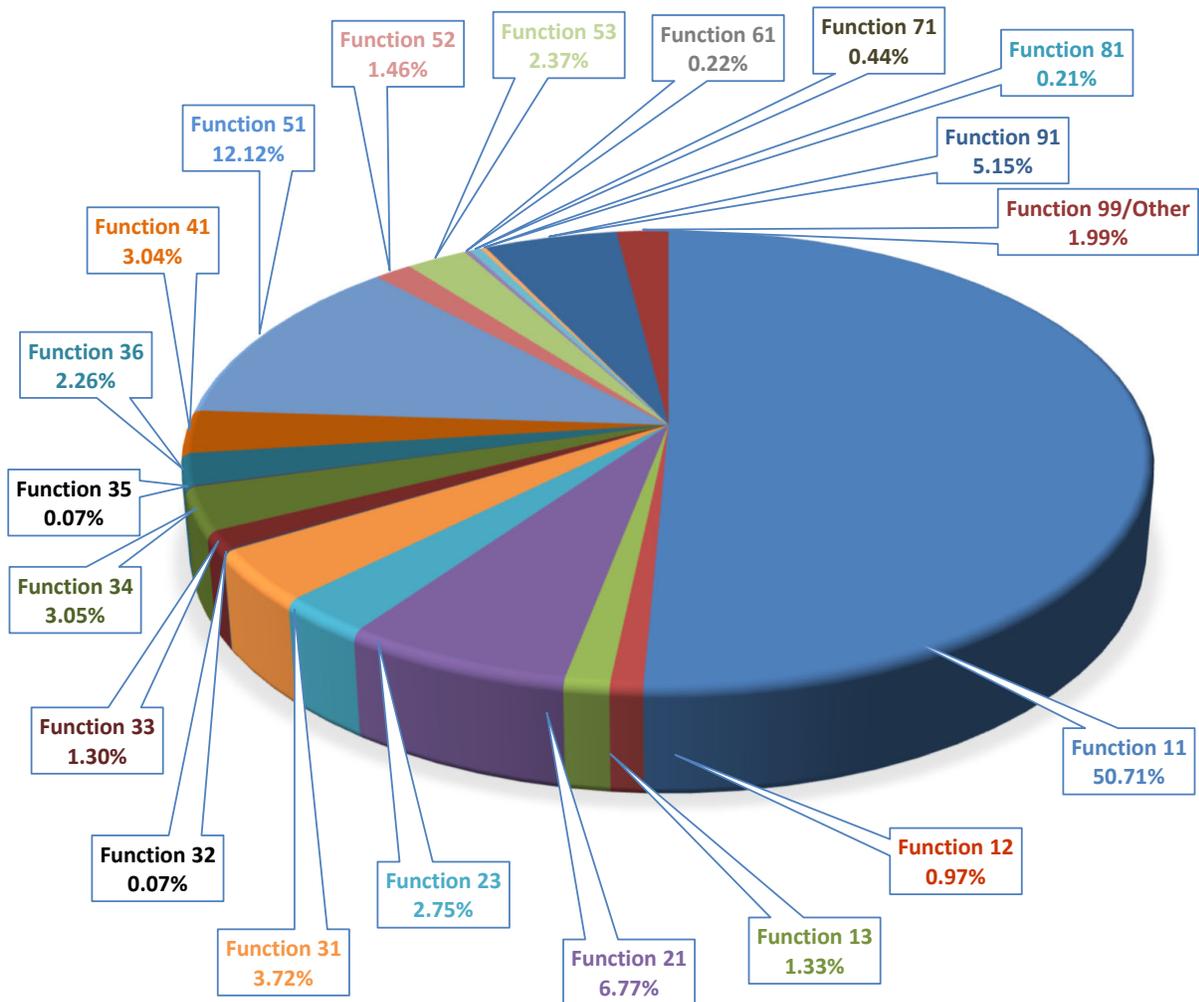
Source: Dallas ISD Records

Dallas Independent School District

General Operating Expenditures (Unaudited)

Function	Name	Amount by Group	Amount by Group	Function Percent of Total	Group Percent of Total
11	Instruction	\$ 840,971,382		50.71%	
12	Instructional Resources and Media Services	16,004,544		0.97%	
13	Curriculum and Instructional Staff Development	22,052,054		1.33%	
	Instruction and Instructional Related		\$ 879,027,981		53.01%
21	Instructional Leadership	112,218,358		6.77%	
23	School Leadership	45,597,599		2.75%	
	Instructional and School Leadership		157,815,958		9.52%
31	Guidance, Counseling and Evaluation Services	61,742,596		3.72%	
32	Social Work Services	1,202,115		0.07%	
33	Health Services	21,620,237		1.30%	
34	Student (Pupil) Transportation	50,520,493		3.05%	
35	Food Services	1,151,408		0.07%	
36	Cocurricular/Extracurricular Activities	37,510,017		2.26%	
	Student Support Services		173,746,865		10.48%
41	General Administration	50,390,094		3.04%	
	Administrative Support Services		50,390,094		3.04%
51	Facilities Maintenance and Operations	200,906,571		12.12%	
52	Security and Monitoring Services	24,267,137		1.46%	
53	Data Processing Services	39,292,414		2.37%	
	Support Services		264,466,122		15.95%
61	Community Services	3,576,074		0.22%	
	Ancillary Services		3,576,074		0.22%
71	Principal on Long Term Debt	7,237,737		0.44%	
	Debt		7,237,737		0.44%
81	Facilities Acquisition and Construction	3,532,631		0.21%	
	Capital Outlay		3,532,631		0.21%
91	WADA Purchase	85,377,533		5.15%	
95	Payments to Juvenile Justice Alternative Ed. Prg.	14,628		-	
99	Other Governmental Charges	5,928,126		0.35%	
00	Non-Operating Expense	27,212,666		1.64%	
	Intergovernmental Charges		118,532,953		7.14%
		\$ 1,658,326,413	\$ 1,658,326,413	100.00%	100.00%

General Operating Expenditures by Function
(Unaudited)



- Instruction - 11
- Instructional Resources and Media Services - 12
- Curriculum and Instructional Staff Development - 13
- Instructional Leadership - 21
- School Leadership - 23
- Guidance, Counseling and Evaluation Services - 31
- Social Work Services - 32
- Health Services - 33
- Student (Pupil) Transportation - 34
- Food Services - 35
- Cocurricular/Extracurricular Activities - 36

- General Administration - 41
- Facilities Maintenance and Operations - 51
- Security and Monitoring Services - 52
- Data Processing Services - 53
- Community Services - 61
- Principal on Long Term Debt - 71
- Facilities Acquisition and Construction - 81
- WADA Purchase - 91
- Payments to Juvenile Justice Alternative Ed. Prg. - 95
- Other Governmental Charges - 99

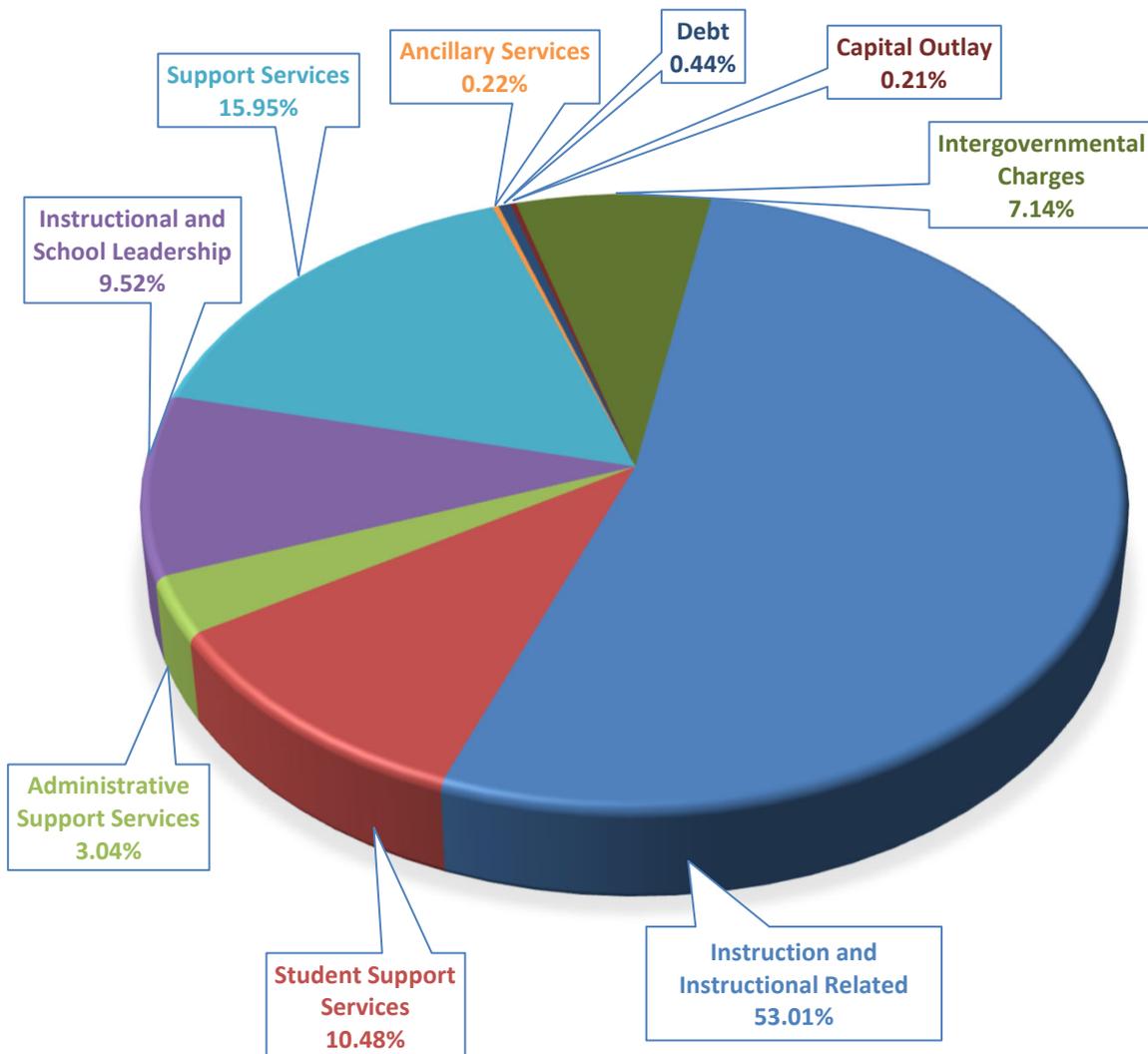
Dallas Independent School District

S-26 (cont'd)

General Operating Expenditures by Group (Unaudited)

Functional Analysis

Instruction and Instructional Related	53.01%
Student Support Services	10.48%
Administrative Support Services	3.04%
Instructional and School Leadership	9.52%
Support Services	15.95%
Ancillary Services	0.22%
Debt	0.44%
Capital Outlay	0.21%
Intergovernmental Charges	7.14%
	<u>100.00%</u>

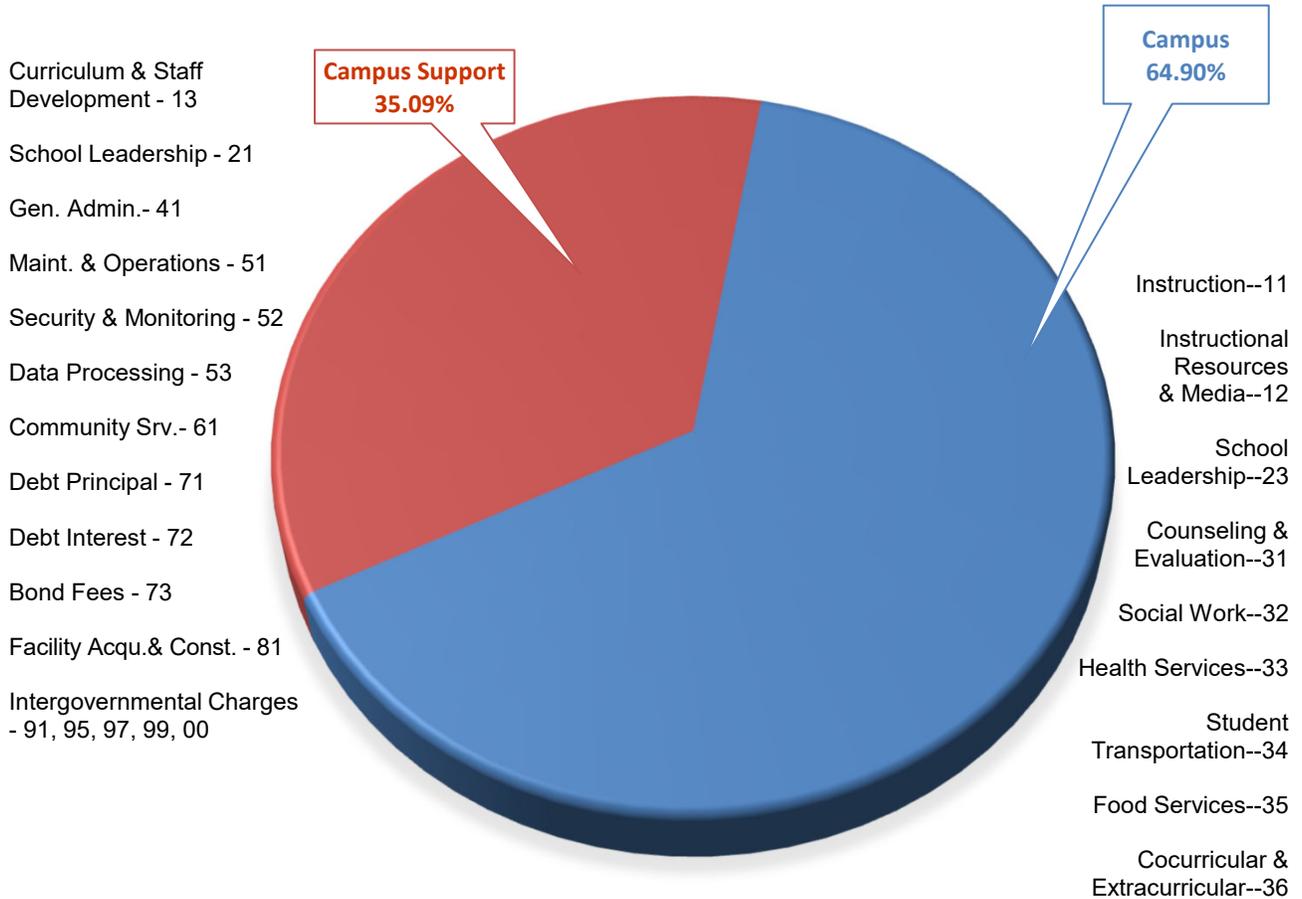


Dallas Independent School District

S-26 (cont'd)

General Operating Expenditures Campus and Non-Campus (Unaudited)

Function 11	50.71%	Function 13	1.33%	Campus	64.90%
Function 12	0.97%	Function 21	6.77%	Campus Support	35.09%
Function 23	2.75%	Function 41	3.04%		100.00%
Function 31	3.72%	Function 51	12.12%		
Function 32	0.07%	Function 52	1.46%		
Function 33	1.30%	Function 53	2.37%		
Function 34	3.05%	Function 61	0.22%		
Function 35	0.07%	Function 71	0.44%		
Function 36	2.26%	Function 81	0.21%		
	64.90%	Function 99/Other	7.14%		
			35.09%		



Dallas Independent School District



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

Board of Trustees
Dallas Independent School District
Dallas, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Dallas Independent School District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 1, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Board of Trustees
Dallas Independent School District

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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
November 1, 2021



**Independent Auditor's Report on Compliance for Each Major Federal
Program and Report on Internal Control over Compliance
in Accordance with the Uniform Guidance**

Board of Trustees
Dallas Independent School District
Dallas, Texas

Report on Compliance for Each Major Federal Program

We have audited Dallas Independent School District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

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

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

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

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
November 1, 2021

Dallas Independent School District

**Dallas Independent School District
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2021**

Federal Grantor/ Pass-Through Grantor Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			
Passed Through University of North Texas			
Texas HIPPY - AmeriCorps	94.006	18ACHTX0010003	\$ 15,606
Texas HIPPY - AmeriCorps	94.006	18ACHTX0010003	6,682
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			22,288
U.S. DEPARTMENT OF DEFENSE			
Direct Program			
JROTC	12.357	N/A	2,447,029
TOTAL U.S. DEPARTMENT OF DEFENSE			2,447,029
U.S. DEPARTMENT OF TREASURY			
Passed Through Texas Department of Emergency Management			
COVID-19 2020 Coronavirus Relief Fund LEA	21.019	2020-CF-21019	5,415,207
TOTAL U.S. DEPARTMENT OF TREASURY			5,415,207
U.S. DEPARTMENT OF EDUCATION			
Direct Programs			
Title VII - Indian Educational Formula Grant	84.060A	S060A190194	621
Title VII - Indian Educational Formula Grant	84.060A	S060A200194	143,943
Total Direct Programs			144,564
Passed Through Spurwink Services, Inc.			
Spurwick-i3BARR Scale Up Grant	84.411B	U411A160001	2,861
Spurwick-i3BARR Scale Up Grant	84.411B	U411A160001	2,829
Total Passed through Spurwink Services, Inc.			5,690
Passed Through Texas Education Agency			
ESSA, Title I, Part A, School Transformation Fund Planning Cluster	84.010A	20610101057905	20,005,858
ESSA, Title I, Part A, School Transformation Fund Planning Cluster	84.010A	21610101057905	59,239,873
Total Title I, Part A, School Transformation Fund Planning Cluster			79,245,731
IDEA - Part B Formula	84.027A	206600010579056600	5,222,621
IDEA - Part B Formula	84.027A	216600010579056600	23,536,710
SSA - IDEA - Part B Discretionary - Deaf	84.027A	206600110579056673	162,122
SSA - IDEA - Part B Discretionary - Deaf	84.027A	216600110579056673	275,597
IDEA - Part B High Cost	84.027A	66002106	268,858
Total Assistance Listing Number 84.027A			29,465,908
IDEA - Part B Preschool	84.173A	206610010579056610	113,069
IDEA - Part B Preschool	84.173A	216610010579056610	254,878
Total Assistance Listing Number 84.173A			367,947
IDEA C - Early Intervention (Deaf)	84.181A	213911010579053911	7,267
Total Assistance Listing Number 84.181A			7,267
Total Special Education Cluster (IDEA)			29,841,122
Career and Technical - Basic Grant (Perkins IV)	84.048A	20420006057905	9,318
Strengthening Career and Technical Education for the 21st Century (Perkins V)	84.048A	21420006057905	1,811,213
Total Assistance Listing Number 84.048A			1,820,531
Title III, Part A - English Language Acquisition	84.365A	20671001057905	1,851,225
Title III, Part A - English Language Acquisition	84.365A	21671001057905	4,171,741
Title III, Part A - Immigrant	84.365A	20671003057905	380,294
Title III, Part A - Immigrant	84.365A	21671003057905	486,751
Total Assistance Listing Number 84.365A			6,890,011

ESSA, Title II, Part A, Improving Teacher Quality	84.367A	20694501057905	2,141,075
ESSA, Title II, Part A, Improving Teacher Quality	84.367A	21694501057905	5,315,430
Principal Preparation Grant, Cycle II	84.367A	196945677110003	35,386
Principal Residency Grant	84.367A	206945677110002	384,435
Title II, Educator Assessments	84.367A	69451971	16,992
Total Assistance Listing Number 84.367A			<u>7,893,318</u>
Title IV, Part A - Subpart 1	84.424A	20680101057905	2,936,878
Title IV, Part A - Subpart 1	84.424A	21680101057905	2,826,027
Total Assistance Listing Number 84.424A			<u>5,762,905</u>
Texas Education for Homeless Children and Youth	84.196A	204600057110020	27,117
Texas Education for Homeless Children and Youth	84.196A	214600057110020	225,944
Total Assistance Listing Number 84.196A			<u>253,061</u>
COVID-19 ESSER Grant	84.425D	20521001057905	497,304
COVID-19 CRRSA ESSER II	84.425D	21521001057905	63,632,647
COVID-19 Elementary and Secondary School Emergency Relief II (PPRP)	84.425D	520102135	13,649,961
Total Assistance Listing Number 84.425D			<u>77,779,912</u>
Instructional Continuity	84.377A	17610740057905	181,005
Texas Hurricane Homeless Youth	84.938B	19513701057905	621
Total Passed through Texas Education Agency			<u>209,668,217</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>209,818,471</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Health and Human Services Commission			
Medicaid Administrative Claiming Program - MAC	93.778	529-07-0157-00269	1,038,501
COVID-19 CARES Act: Provider Relief Fund	93.498	N/A	883,712
HIPPY - Texas Home Visiting	93.870	24486013	63,067
HIPPY - Texas Home Visiting	93.870	24486013	223,083
Total Assistance Listing Number 93.870			<u>286,150</u>
Total Passed through Health and Human Services Commission			<u>2,208,363</u>
Passed Through United States Conference of Catholic Bishops/Migration and Refugee Services			
Refugee School Impact Program	93.566	1702TXRSOC	(1,453)
Total Passed through United States Conference of Catholic Bishops/Migration and Refugee Services			<u>(1,453)</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>2,206,910</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Texas Department of Agriculture			
National School Lunch Program - Non-Cash Commodities	10.555	806780706	5,384,519
Summer Food Program - SSO	10.555	806780706	49,088,877
COVID-19 Summer Food Program - SSO COVID Meals	10.555	806780706	8,117,401
Total Assistance Listing Number 10.555			<u>62,590,797</u>
Total Child Nutrition Cluster			<u>62,590,797</u>
Child and Adult Care Food Program	10.558	806780706	4,540,263
Total Assistance Listing Number 10.558			<u>4,540,263</u>
Fresh Fruit and Vegetable Program	10.582	806780706	757,677
Total Assistance Listing Number 10.582			<u>757,677</u>
Total Passed through Texas Department of Agriculture			<u>67,888,737</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>67,888,737</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 287,798,642</u>

All amounts include indirect cost allocation.

DALLAS INDEPENDENT SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED June 30, 2021

1. The District utilizes the fund types specified in the Texas Education Agency Resource Guide.

Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state awards generally are accounted for in a special revenue fund. Generally, unused balances are returned to the grantor at the close of specified grant periods.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. All federal grant funds were accounted for in the special revenue funds, which are governmental funds. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the governmental funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until earned. The accompanying Schedule of Expenditures of Federal Awards is presented on the modified accrual basis of accounting.

2. The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extends 30 days beyond the federal project period ending date, in accordance with provisions in Section H: Period of Availability of Federal Funds, Part 3, *OMB Circular A-133 Compliance Supplement*.
3. 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 adjustments by the grantor agencies; therefore, to the extent that the District has not complied with rules and regulations governing the grants, refund of any money received may be required and the collectability of any related receivable at June 30, 2021, may be impaired. The District has not elected to use the 10% de minimis indirect cost rate of the Uniform Guidance.
4. The Schedule of Federal Awards includes funds received for CRF, PPRP, Medicaid and JROTC recorded in general fund and bond fund for \$19,852,083. The Schedule of Federal Awards also includes indirect costs in the amount of \$11,598,275. CRF expenditures for \$5,415,207 were incurred in Fiscal Year 2020 and PPRP expenditures for \$11,491,218 were incurred in Fiscal Year 2020.

The following table reconciles total expenditures per The Schedule of Expenditures of Federal Awards for federal program revenues in the Non-Major Governmental Funds and the ESSER Grant Emergency Relief Fund per Exhibit C-2:

Total federal programs revenue per Exhibit C-2	\$	256,348,284
Indirect cost reimbursement		11,598,275
JROTC		2,447,029
Medicaid (Fund 180)		276,861
Coronavirus Relief Funding (199)		5,415,207
PPRP Funding (199)		221,768
PPRP Funding (637)		11,491,218
Total expenditures of federal awards	\$	<u>287,798,642</u>

Dallas Independent School District

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

I. Summary of the Auditor's Results:

Financial Statements

- a. An unmodified opinion was issued on the financial statements.
- b. Internal control over financial reporting:
- Material weakness(es) identified? _____ Yes X No
 - Significant deficiency(ies) identified that are not considered a material weakness? _____ Yes X None reported
- c. Noncompliance material to financial statements noted. _____ Yes X No

Federal Awards

- d. Internal control over major federal programs:
- Material weakness(es) identified? _____ Yes X No
 - Significant deficiency(ies) identified that are not considered a material weakness? _____ Yes X None reported
- e. An unmodified opinion was issued on compliance for major federal programs.
- f. Any audit findings disclosed that were required to be reported in accordance with 2 CFR 200.516(a). _____ Yes X No
- g. Identification of major programs:
- | | |
|---|------------------------|
| COVID-19 2020 Coronavirus Relief Fund LEA | 21.019 |
| COVID-19 ESSER/PPRP Grant | 84.425D |
| Child Nutrition Cluster | 10.553, 10.555, 10.559 |
| Child and Adult Care Food Program | 10.558 |
- h. The dollar threshold used to distinguish between Type A and Type B programs. \$3,000,000
- i. Auditee qualified as a low-risk auditee. X Yes _____ No

Dallas Independent School District
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

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

None

III. Findings and Questioned Costs for Federal Awards Including Audit Findings as Described in 1.f Above

None

Dallas Independent School District

Summary of Prior Year Audit Findings

Year Ended June 30, 2021

IV. Findings Relating to the Financial Statements Which Are Required To Be Reported in Accordance with Generally Accepted Government Auditing Standards.

None