



Annual Comprehensive Financial Report
for the Fiscal Year Ended
June 30, 2022

Report Issued by the
Finance and Accounting
Services Division

Dallas Independent School District

**Dallas Independent School District
For the Fiscal Year Ended June 30, 2022**

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November 17, 2022

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, 2022.

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, 2022 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, 2022 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

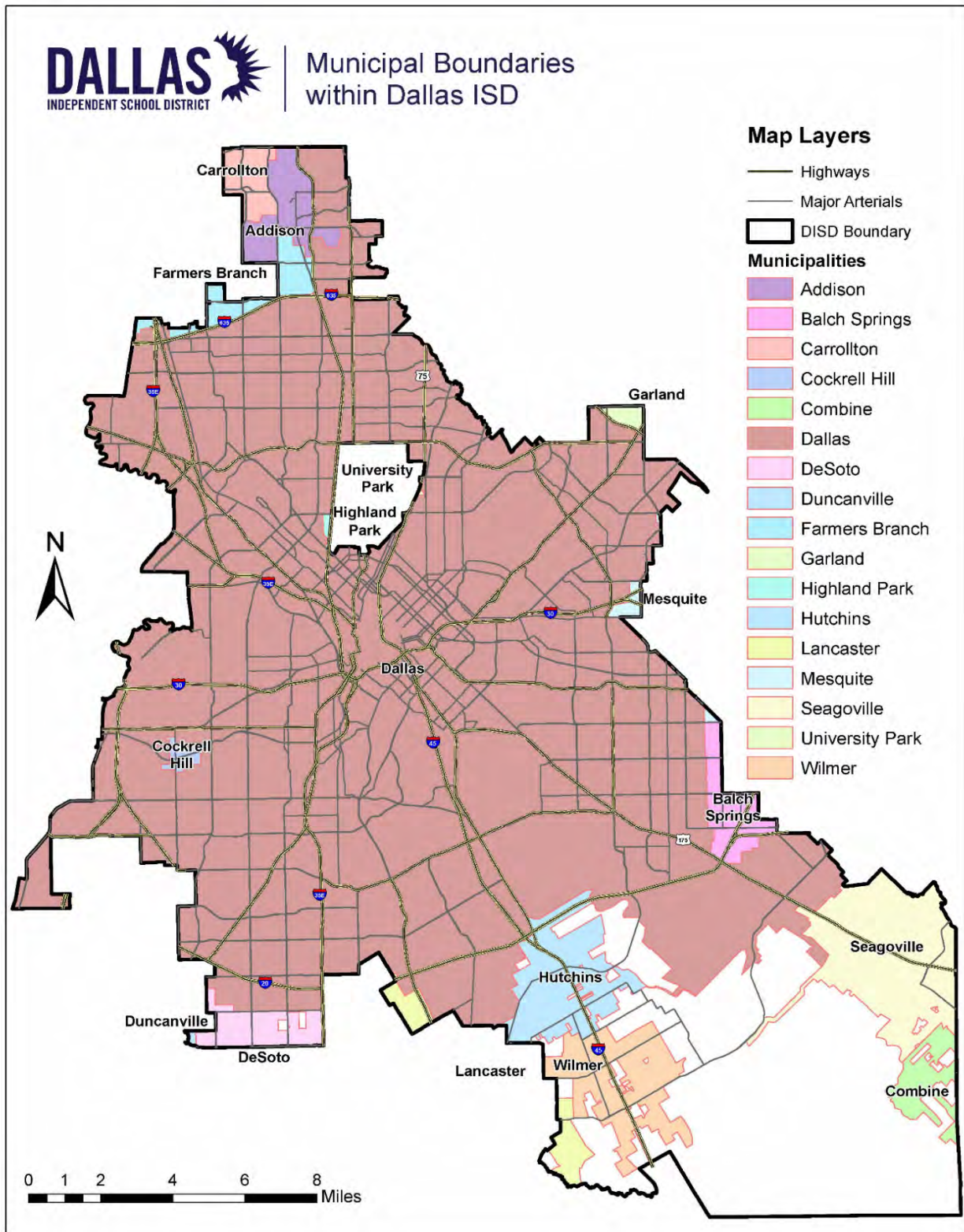
THE DISTRICT

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 7.7 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 2021-2022 school year, the District served an ethnically and culturally diverse enrollment of 141,804 students in 240 schools. The ethnic composition was approximately 70.9 percent Hispanic, 20.3 percent African-American, 5.4 percent White, 1.2 percent Asian, and 2.2 percent other ethnicities. Dallas ISD had 23,271 total staff in 2021-2022.

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 Funds 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

As of August 2022, The Federal Reserve Bank of Dallas (Dallas Fed) reported mixed data on the state of the local economy. Recent economic indicators on the state of the local economy are detailed below.

Year-to-date DFW payrolls increased a robust 5.4 percent on an annualized basis across all sectors. However, in the month of August there was a 0.7 percent annualized drop in payrolls that was broadly based across major employment sectors. The Dallas unemployment rate of 3.5 percent was close to pre-pandemic lows and was below the Texas unemployment rate of 4.1 percent.

New single-family permits remained highly elevated in DFW during 2022 compared with pre-pandemic levels, nearly 50 percent higher than the same period in 2019. However, due to higher mortgage rates, record-high prices, and increased cancellations, by July 2022 new-home sales slowed and new single family permits fell for the fourth straight month. Year-over-year sales of existing homes in DFW were down 11.5 percent through July 2022, the sixth consecutive month of contraction, and existing-home inventories ticked up to 1.8 months of supply. Meanwhile, in the first seven months of 2022, DFW multifamily permits were 31 percent higher than in the same period in 2021 due to strong demand and rent growth.

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 \$100.9 billion in fiscal 2017 to \$141.9 billion in fiscal 2022, a 40.6 percent increase over the five-year period. The District's certified net taxable property value for fiscal 2022 increased by 10.8 percent versus fiscal 2021. The District's certified taxable value base also continues to be diversified among commercial, residential, and business personal property. In 2022, the District's top ten taxpayers comprised only 3.9 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 4.0 percent in fiscal 2023 and are projected to grow 4.0 percent annually through fiscal 2026. House Bill 3 requires automatic Maintenance and Operations (M&O) tax rate reductions if the District's taxable value grows by more than 2.5 percent per year. The 4.0 percent property value increase projected above includes the 2.5 percent cap plus new construction values, which are not capped. A M&O tax rate of \$0.942900 has been levied for 2022-2023. Effective 2018-2019, the District became subject to Chapter 41 recapture and expects to pay state recapture through the foreseeable future.

Enrollment fell from 2020-2021 to 2021-2022 by 2.28%, to 141,804. The District projected enrollment of 143,665 as part of its 2022-2023 budget, which translates to a 1.31% increase from 2021-2022. The District's strategic investment initiatives for 2022-2023 include additional investment in early learning, career institutes, and public school choice which will help to drive increased student enrollment and improved student performance.

Regarding federal revenue in the General Operating Fund, 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.

In federal programs, the District has received funding authorization 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 continue 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 extended school year opportunities, additional technology, and other strategies to help accelerate and recover student 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 2021-2022 was 52.9 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 240 campuses. Voters also approved a special proposition for \$270 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, 2022, the General Fund unassigned fund balance was \$660,038,803. This met the fund balance policy goal, as the 2022-2023 Adopted Budget includes \$1,868,273,216 of operating expenditures, and two-twelfths of this total is \$311,378,869. As of June 30, 2022, the General Fund ending unassigned fund balance was sufficient to finance approximately 4.2 months of operating expenditures. The District forecasts that the ending unassigned fund balance could decline to \$573.0 million by the end of 2022-2023 and \$284.0 million by the end of 2025-2026.

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 2021-2022. 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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. 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 an Annual Comprehensive 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 2021-2022 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, 2021. This award certifies that the Annual Comprehensive Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO. A Certificate of Excellence is valid for a period of one year. We believe this fiscal 2021-2022 ACFR continues to meet the Certificate of Excellence program requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

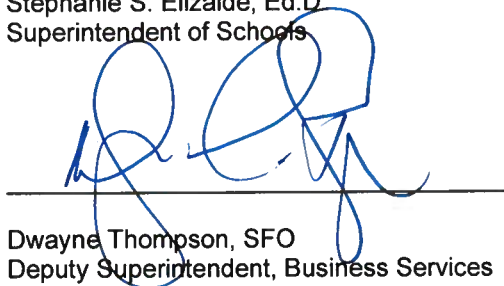
The District received the ASBO Meritorious Budget Award for its 2021-2022 fiscal year budget. This award certifies that the budget adheres to the principles and standards of ASBO International's Meritorious Budget Award criteria. A Meritorious Budget Award is valid for a period of one year. We believe the 2022-2023 fiscal year budget continues to conform to the program requirements, and we are submitting it to ASBO to determine its eligibility for another award.

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. 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.



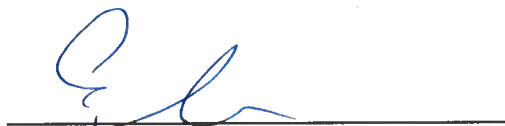
Stephanie S. Elizalde, Ed.D.
Superintendent of Schools



Dwayne Thompson, SFO
Deputy Superintendent, Business Services



Tamika Alford-Stephens, Ed.D.
Chief Financial Officer



Edward 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

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

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



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

William A. Sutter
President

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

David J. Lewis
Executive Director



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to

DALLAS INDEPENDENT SCHOOL DISTRICT

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2021-2022.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in blue ink, reading 'W. Edward Chabal'.

W. Edward Chabal
President

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

David J. Lewis
Executive Director

Board of Trustees



Justin Henry

President

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



Dan Micciche

First Vice President

District 3: Northeast Dallas



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



Edwin Flores

District 1: Northwest Dallas, including North Dallas, Addison, and parts of Carrollton and Farmers Branch



Dustin Marshall

District 2: North and Near East Dallas



Camile D. White

District 4: Parts of Southeast Dallas, Pleasant Grove, Balch Springs, and Seagoville



Joyce Foreman

District 6: Southwest Dallas



Ben Mackey

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



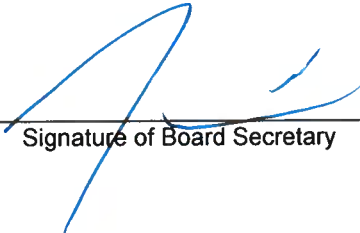
Certificate of the Board

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, 2022, at a meeting of the Board of School Trustees of such school district on the 17th day of November, 2022.



Signature of Board Secretary



Signature of Board President

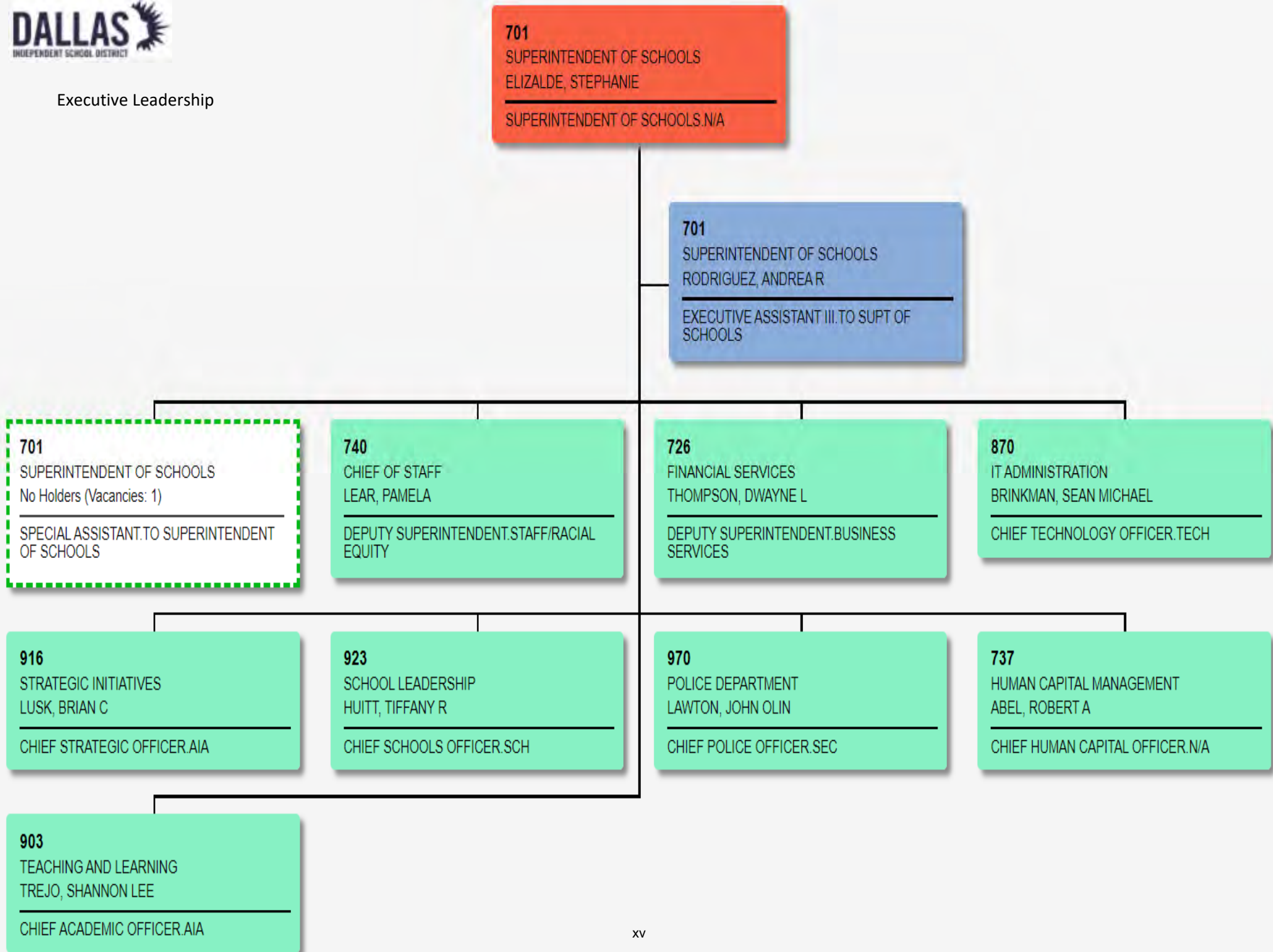
Dallas Independent School District
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

ADMINISTRATIVE OFFICIALS

Stephanie S. Elizalde, Ed.D.
Superintendent of Schools

Robert Abel.....	Chief of Human Capital Management
Dr. Tamika Alford-Stephens.....	Chief Financial Officer
Brent Alfred.....	Chief Construction Officer
David Bates.....	Chief Operations Officer
Sean Brinkman.....	Chief Technology Officer
Jon Dahlander.....	Chief Partnerships & Intergovernmental Relations Officer
Libby Daniels.....	Chief of Communications
Tiffany Huitt.....	Chief of School Leadership
John Lawton.....	Chief of Police and Security
Dr. Pamela Lear.....	Deputy Superintendent of Staff and Racial Equity
Dr. Brian Lusk.....	Chief of Strategic Initiatives
Robert Rubel.....	Chief Internal Audit Officer
Ramona Soto.....	General Counsel
Dwayne Thompson.....	Deputy Superintendent of Business Services
Shannon Trejo.....	Chief Academic Officer

Executive Leadership



Dallas Independent School District



Independent Auditor's Report

Board of Trustees
Dallas Independent School District
Dallas, Texas

Report on the Audit of the Financial Statements

We have audited 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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note A to the basic financial statements, during the year ended June 30, 2022, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Weaver and Tidwell, L.L.P.
2300 North Field Street, Suite 1000 | Dallas, Texas 75201
Main: 972.490.1970

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that 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 15, 71 and 72, and 73 through 77, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and other statements, required Texas Education Agency schedules, statistical section, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are 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 relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and other statements, required Texas education Agency schedules, and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the (ACFR). The other information comprises the Introductory Section and Statistical Section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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, 2022

Dallas Independent School District

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

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, 2022. 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 \$524.9 million for the year ended June 30, 2022. The net position increased by \$250.9 million.

The District's governmental funds financial statements reported a combined ending fund balance of \$1,866.1 million. This balance consists of \$974.6 million in the General Fund of which \$292.5 million is assigned, \$22.0 million is non-spendable, and \$660.0 million is unassigned and available for spending at the District's discretion. Restricted fund balance totals \$810.2 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 \$64.5 million of assigned fund balance. The Non-Major Fund consists of \$7.5 million of assigned fund balance.

For the year ended June 30, 2022, total revenue from all sources, including extraordinary items, was \$2.4 billion. Program revenues accounted for \$447.5 million of total revenues. General revenues accounted for \$1.9 billion.

The General Fund had \$1.7 billion in revenues, which primarily consisted of property taxes and state aid, in addition to a \$0.3 million transfer out to Internal Service Funds, and \$7.2 million to the Debt Service Fund. This resulted in an increase to the fund balance of \$51.3 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) for \$41.3 million consist of \$35.5 million insurance proceeds received for October 2019 tornado damage and \$5.8 million received for February 2021 winter storm damage. Extraordinary Items (Uses) of \$11.5 million, consist of \$9.7 million related to February 2021 winter storm damage and \$1.8 million related to October 2019 tornado 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.

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-

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

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 assets and liabilities. 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. Per GASB 84, the District's fiduciary activity is reported in a separate Statement of Fiduciary Net Position and Changes in Fiduciary Net Position. Student Activity Funds are funds held by the district in a fiduciary capacity and the assets are for the benefit of the student organizations. The collection and disbursement amounts are controlled by a group which is governed by a representative student body.

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, 2022**

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**

<i>Type of Statement</i>	<i>Government-wide</i>	<i>Governmental Funds</i>	<i>Proprietary Funds</i>	<i>Fiduciary Funds</i>
<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>	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balance	• Statement of Net Position • Statement of Revenues, Expenses and Changes in Fund Net Position • Statement of Cash Flows	• Statement of Changes in Fiduciary Assets and Liabilities
<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	Not applicable to Custodial Fund

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

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 2022 and 2021 increased by \$250.9 million. The District's net investment in capital assets is \$630.7 million and includes investments in capital assets (e.g. land, building, equipment, improvements, finance purchased assets, right-to-use leased assets, and construction in progress) less any debt used to acquire those assets that is still outstanding. Of the remaining net position, \$169.7 million are restricted resources subject to external restrictions on how they are used, and (\$275.6) 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, 2022 and 2021, respectively.

**Exhibit 2
Net Position
Governmental Activities**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>\$ Change Increase/ (Decrease)</u>	<u>% Change Increase/ (Decrease)</u>
Current and Other Assets	\$ 2,381,265,742	\$ 2,153,072,094	\$ 228,193,648	10.6%
Capital Assets	3,650,227,182	3,310,553,171	339,674,011	10.3%
Total Assets	<u>6,031,492,924</u>	<u>5,463,625,265</u>	<u>567,867,659</u>	<u>10.4%</u>
Deferred Outflows of Resources	<u>355,887,645</u>	<u>362,396,775</u>	<u>(6,509,130)</u>	<u>(1.8%)</u>
Current Liabilities	472,258,658	440,309,490	31,949,168	7.3%
Long Term Liabilities	4,645,165,619	4,601,349,647	43,815,972	1.0%
Total Liabilities	<u>5,117,424,277</u>	<u>5,041,659,137</u>	<u>75,765,140</u>	<u>1.5%</u>
Deferred Inflows of Resources	<u>745,070,968</u>	<u>510,327,805</u>	<u>234,743,163</u>	<u>46.0%</u>
Net Position:				
Net Investment in				
Capital Assets	630,748,328	454,034,389	176,713,939	38.9%
Restricted	169,744,823	121,618,627	48,126,196	39.6%
Unrestricted	(275,607,827)	(301,617,918)	26,010,091	(8.6%)
Total Net Position	<u>\$ 524,885,324</u>	<u>\$ 274,035,098</u>	<u>\$ 250,850,226</u>	<u>91.5%</u>

Other Financial Highlights. For the year ended June 30, 2022, the District's total revenues were \$2.4 billion. Exhibit 3 shows the year-over-year change in revenues and expenses. The District's total revenues increased \$10.3 million, or 0.4%, over the prior year, and the total expenses decreased \$98.2 million or (4.4%), over the prior year.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

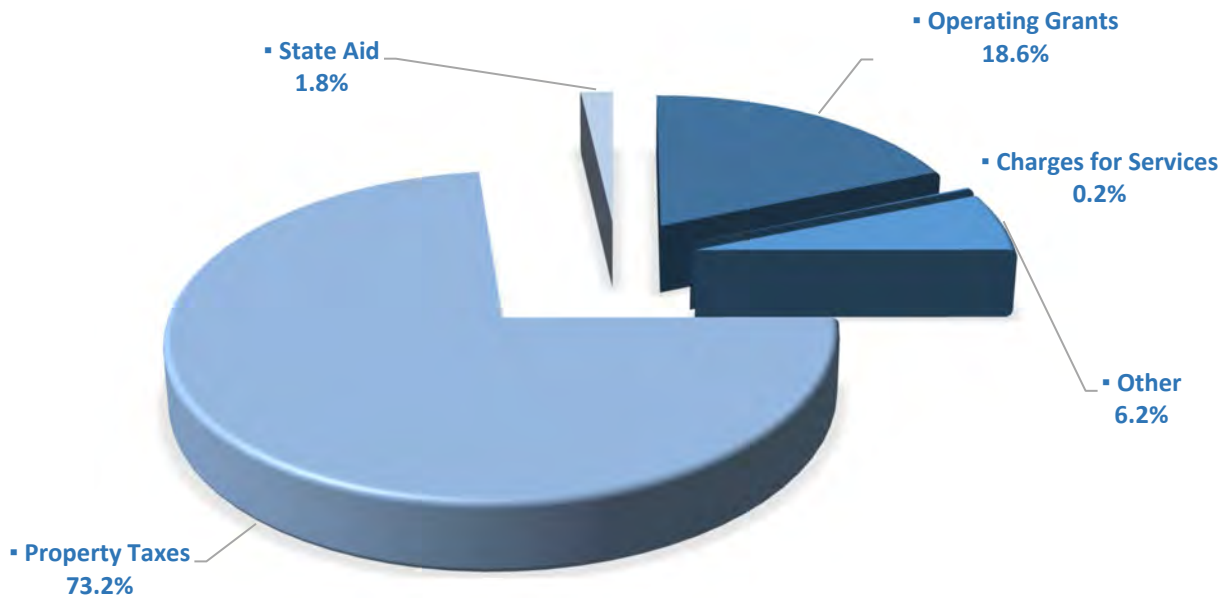
**Exhibit 3
Changes in Net Position
Governmental Activities**

	June 30, 2022	June 30, 2021	\$ Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Revenues				
Program Revenues:				
Operating Grants and Contributions	\$ 443,338,242	\$ 348,776,116	\$ 94,562,126	27.1%
Charges for Services	4,152,364	3,110,467	1,041,897	33.5%
General Revenues:				
Investment Earnings	(5,377,815)	30,332,983	(35,710,798)	(117.7%)
Property Taxes	1,741,150,454	1,716,972,446	24,178,008	1.4%
State Aid	42,919,472	41,246,541	1,672,931	4.1%
Grants and Contributions, Unrestricted	91,164,628	6,291,780	84,872,848	1348.9%
Other	28,659,058	188,987,283	(160,328,225)	(84.8%)
Total Revenues	2,346,006,403	2,335,717,616	10,288,787	0.4%
Expenses				
Instruction	1,004,236,979	1,078,164,284	(73,927,305)	(6.9%)
Instructional Resources and Media Services	14,585,509	18,401,935	(3,816,426)	(20.7%)
Curriculum and Staff Development	59,799,697	64,995,553	(5,195,856)	(8.0%)
Instructional Leadership	57,458,311	55,389,836	2,068,475	3.7%
School Leadership	114,857,081	123,102,392	(8,245,311)	(6.7%)
Guidance, Counseling and Evaluation Services	79,002,173	84,734,280	(5,732,107)	(6.8%)
Social Work Services	1,704,888	1,925,327	(220,439)	(11.4%)
Health Services	26,203,296	24,595,412	1,607,884	6.5%
Student (Pupil) Transportation	62,721,267	58,353,284	4,367,983	7.5%
National Breakfast and Lunch	100,553,734	97,710,527	2,843,207	2.9%
Cocurricular/Extracurricular Activities	43,306,251	42,795,172	511,079	1.2%
General Administration	54,554,227	53,824,592	729,635	1.4%
Facilities Maintenance and Operations	171,641,924	205,824,400	(34,182,476)	(16.6%)
Security and Monitoring Services	25,695,932	23,674,507	2,021,425	8.5%
Data Processing Services	51,927,176	45,694,626	6,232,550	13.6%
Community Services	12,526,284	12,011,566	514,718	4.3%
Debt Service - Interest on Long Term Debt	123,440,648	134,313,447	(10,872,799)	(8.1%)
Debt Service - Bond Related Fees	4,581,836	182,736	4,399,100	2407.4%
Facilities Acquisition and Construction	14,455,158	8,339,925	6,115,233	73.3%
Contracted Instructional Services Between Schools	97,987,095	85,377,533	12,609,562	14.8%
Payments to Juvenile Justice Alt. Ed. Prg.	9,726	14,628	(4,902)	(33.5%)
Other Intergovernmental Charges	5,930,560	5,928,126	2,434	2
Total Expenses	2,127,179,752	2,225,354,088	(98,174,336)	(4.4%)
Excess (Deficiency) before Extraordinary Items	218,826,651	110,363,528	108,463,123	98.3%
Extraordinary Item - Resource	41,310,834	19,897,264	21,413,570	107.6%
Extraordinary Item - (Use)	(9,287,259)	(12,544,156)	3,256,897	(26.0%)
Increase (decrease) in Net Position	250,850,226	117,716,636	133,133,590	113.1%
Net Position - Beginning	274,035,098	156,296,299	117,738,799	75.3%
Adjusted for Implementation of GASB 84	-	22,163	(22,163)	-
Net Position - Ending	\$ 524,885,324	\$ 274,035,098	\$ 250,850,226	91.5%

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

The District's revenue was generated from the following sources: 73.2% from property taxes, 1.8% from state aid, 18.6% from operating grants, 0.2% from charges for services, and 6.2% from miscellaneous revenue sources (See Exhibit 4).

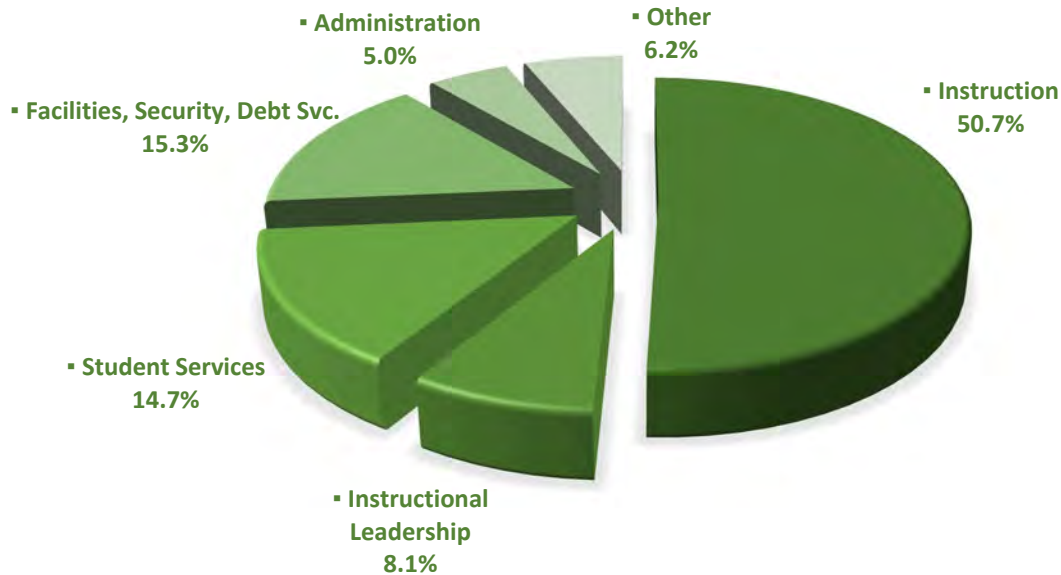
**Exhibit 4
Sources of Revenue
Governmental Activities**



**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

For the year ended June 30, 2022, the District's total cost of all programs and services was \$2.1 billion. Approximately 51% of the District's governmental activities were dedicated to instructional areas. Direct student services, such as counseling, nursing, and transportation services, comprised approximately 15% of governmental expenses. The costs to operate facilities, including utilities, security services and debt payments comprised 15% 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, 2022, the District's governmental funds reported ending fund balances of \$1.9 billion. Of this amount, \$660.0 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 39.7% of the total 2022 General Fund expenditures, while total fund balance represents 58.7% of that same amount.

The increase in fund balance in General Fund was primarily due to a \$25.2 million increase in federal revenue due to indirect cost revenue related to ESSER II and ESSER III, and a \$26 million decrease in COVID supply expenditures. Insurance proceeds of \$7.6 million to cover facilities maintenance expenditures related to winter storm damage were received.

There were some Budget-to-Actual variances in General Fund. The budget was \$11.7 million more than actual in local revenues due to a decrease in mark to market investment revenue. Actuals are below budget in function 11 by \$87.5 million, of which \$35.1 million was reclassified to ESSER funds. In addition, several positions were not filled due to a shortage in the labor market.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

The Debt Service Fund had a total fund balance of \$252.9 million, of which \$188.4 million was restricted for the payment of debt service requirements. An increase in fund balance in Debt Service Funds for \$30.4 million was due to increased collection of Property Tax. Tax revenues for the year increased primarily due to increased property tax collections, which grew as a result of a 6.78% rate increase on all classes of property, as well as an average increase of approximately 6.65% in the taxable property values, driven by increased local real estate market values. The District issued Unlimited Tax Refunding Bonds, Taxable Series 2022A for \$264.8 million.

The Capital Projects Fund balance increased by \$77.9 million to \$593.6 million, of which \$33.7 million included insurance proceeds received for replacement and rebuilding of three tornado-damaged schools. Federal reimbursement revenue of \$12.8 million was received for ESSER II cell tower hot spot device expenditures. The District issued "Unlimited Tax School Building and Refunding Bonds, Series 2021C" for \$68.8 million and "Unlimited Tax School Building Bonds, Series 2022" for \$406.9 million. The District also issued Commercial Paper for \$50,000,000 (see Note I). There was also an increase of \$104.4 million in construction expenditures committed to the Bond Program as discussed below.

The ESSER III Fund was a major fund in fiscal year 2022. The ESSER III funding was used to account, on a project basis, to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on students. This program is authorized by the American Rescue Plan (ARP) Act of 2021, Elementary and Secondary School Relief (ESSER III) Fund.

Non-Major Governmental Funds had a total fund balance of \$45.1 million representing an increase for the current year of \$23.9 million due to an increase in federal revenue of \$60.5 million, of which \$49.0 million was reimbursement received for Food Services due to more students and Dallas ISD community being served. In fiscal year 2022, the ESSER II Fund, which was previously reported as major in fiscal year 2021, was reported as a non-major governmental fund. Non-Major Governmental Funds consist of Special Revenue funds.

In fiscal year 2022, the District implemented GASB 87. GASB Statement No. 87, *Leases*, revised prior existing standards on lease accounting and financial reporting (primarily Statement No. 62). The concepts of "Capital" and "Operating" leases are no longer to be used. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments.

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. For more information, please see Summary of Significant Accounting Policies (Note A).

Net Position Analysis

Program revenues increased by \$94.6 million primarily due to increased reimbursements in the Food Service Fund and ESSER III grants. Expenses reduced by \$98.2 million due to a decrease in instructional expenses, of which \$65.0 million was for ESSER funds and were reclassified ESSER funds. In addition, several positions were not filled due to a shortage in the labor market. Maintenance expenditures decreased by \$34.2 million. In fiscal year 2021, maintenance expenses increased due to a high volume of COVID supply purchases. In fiscal year 2022, the requests and needs for COVID supplies decreased substantially, resulting in a decrease in maintenance expenses.

A decrease in unrestricted grants and contributions was due to a decrease in GASB 68, Pension plan adjustment of \$84.5 million for the District's portion of the pension expense per TRS. A negative balance in investment earnings was due to a decrease in mark to market price of the bonds, and a sudden increase in rates also led to substantial unrealized losses.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

Capital Assets. At June 30, 2022, the District had \$3.7 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 \$339.7 million or 10.26% over last year (See Exhibit 6.)

**Exhibit 6
District's Capital Assets**

	June 30, 2022	June 30, 2021	\$ Change	% Change
Land	\$ 261,160,751	\$ 260,727,146	\$ 433,605	0.17%
Building and Improvements	4,618,317,236	4,280,873,325	337,443,911	7.88%
Furniture and Equipment	344,243,852	330,286,132	13,957,720	4.23%
Financed Purchases - Furniture and Equipment	5,827,131	-	5,827,131	-
Right-to-Use Leased Assets - Building	18,914,110	-	18,914,110	-
Right-to-Use Leased Assets - Furniture and Equipment	1,071,078	-	1,071,078	-
Total	5,249,534,158	4,871,886,603	377,647,555	7.75%
Accumulated Depreciation	(2,138,781,083)	(1,997,116,953)	(141,664,130)	7.09%
Net Book Value, net of CIP	3,110,753,075	2,874,769,650	235,983,425	8.21%
Construction in Progress	539,474,107	435,783,521	103,690,586	23.79%
Net Book Value	\$ 3,650,227,182	\$ 3,310,553,171	\$ 339,674,011	10.26%

In fiscal year 2022, the District implemented GASB Statement No. 87, *Leases*. Under this Statement, the District, as a lessee, recognized right-to-use lease assets of \$19,985,188 and depreciation of right-to-use leased assets of \$3,288,143 in fiscal year 2022.

For the year ended June 30, 2022, the District's capital spending totaled \$482.3 million in land, construction in progress, buildings, leases, building improvements and capital equipment. These expenditures resulted primarily from the projects committed to the 2015 and 2020 bond programs and right-to-use leases (new GASB 87).

In fiscal year 2022, the District signed a financed purchased agreement with XEROX, who provided copy machines to the District. The District has the ownership of these copy machines under the financed purchase agreement from the commencement date. The District categorized the copy machines as financed purchase assets with the amount \$5,827,131, which will be depreciated in 3 years using the straight line method. The depreciation amount in fiscal year 2022 is \$1,618,648.

Voters approved a \$3.54 billion bond referendum on November 3, 2020. The District's 2020 Bond Program began after the first sale of bonds in February 2022 and includes \$270 million for technology improvements and \$114 million for safety and security improvements. Under the leadership and supervision of the Construction Services Department, the \$3.54 billion is being used to improve and build District facilities. The 2020 Program includes plans to construct 15 replacement schools and over 200 renovations. The program includes renovations and improvements to existing District facilities including roofs, HVAC, building envelope, interior improvements, site improvements, exterior façade improvements, plumbing, technology, storm shelters, libraries, science labs, performing arts, fine arts, and administration areas in schools. The first replacement schools are targeted to open Fall of 2024. For more information on the District's capital assets, see Note H in the financial statements.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

Debt Administration. For the year ended June 30, 2022, the District had \$4.6 billion in long-term debt outstanding. This represents a net increase of \$44.6 million, or 1.0%, over last year. (See Exhibit 7).

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

	June 30, 2022	June 30, 2021	\$ Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Bonds and Notes Payable	\$3,500,300,000	\$3,210,015,000	\$ 290,285,000	9.0%
Workers Compensation/Auto Liability	11,129,880	10,315,184	814,696	7.9%
Premium on Bonds	194,247,244	196,993,853	(2,746,609)	(1.4%)
Commercial Paper	50,000,000	30,000,000	20,000,000	66.7%
Financed Purchases	4,239,051	-	4,239,051	-
GASB 87 Lease Liability	16,862,589	-	16,862,589	-
Net Pension Liability (District's Share)	303,114,994	600,167,381	(297,052,387)	(49.5%)
Net OPEB Liability (District's Share)	569,594,378	557,369,210	12,225,168	2.2%
Long Term Debt Outstanding	<u>\$4,649,488,136</u>	<u>\$4,604,860,628</u>	<u>\$ 44,627,508</u>	<u>1.0%</u>

For the year ended June 30, 2022, the District implemented the GASB Statement No. 87, Leases. Under this Statement, the District, as a lessee, recognizes a long term lease liability of \$19,985,188 in fiscal year 2022. The ending balance of the lease liability is \$16,862,589.

For the year ended June 30, 2022, the District signed a financed purchase agreement with XEROX, which provided copy machines to the District. The District will make a monthly payment toward the financed purchase agreement and will pay off the debt in three years. The District recognized the long term liability of \$5,827,131 for the future payments at the inception of the agreement. The ending balance of financed purchase payment liability is \$4,239,051.

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 TEA Connect Texas Program by \$14.8 million.
- Amendment approved to decrease revenue by \$36.4 million due to current year property tax collections.
- Amendment approved to increase revenue by \$2.7 million for prior year taxes.
- Amendment approved to decrease revenue by \$3.8 million for revised investment earnings estimate.
- Amendment approved to increase revenue by \$4.0 million due to additional TRS On-Behalf for FY23.
- Amendment approved to increase revenue estimate of \$5.7 million for 5931 School Health & Related Services (SHARS).
- Amendment approved to increase revenue by \$1.3 million due to eRate discount.
- Amendment approved for \$3.7 million increase in Other Revenue from Local Sources.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

- Amendment approved to increase revenue by \$2.9 million for Penalties & Interest.
- Amendment approved to increase revenue by \$0.6 million for Tuition & Fees.
- Amendment approved to increase revenue by \$0.5 million for Gifts & Bequests.
- Amendment approved to increase revenue by \$24.8 million for Available School Fund.
- Amendment approved to decrease revenue by \$1.5 million for Foundation - School Program.
- Amendment approved to decrease revenue by \$14.8 million for State Program Revenues by TEA.
- Amendment approved to increase revenue by \$4.2 million for Indirect Cost through TEA.
- Amendment approved to increase revenue by \$26.1 million for Federal Revenues by TEA.
- Amendment approved to increase revenue by \$0.5 million for Miscellaneous Federal Revenue.
- Amendment approved for \$15.0 million increase in Other Resources and Non-Operating Sources from General Operating.

Expenditures

- Amendment approved to increase expenditures by \$0.9 million to fund new Resident Student Teachers.
- Amendment approved to increase Fiscal Year 2021-2022 expenditure budget by amount of unspent purchase order balances from Fiscal Year 2020-2021 totaling \$13.5 million.
- Amendment approved to increase expenditures for Operations - Maintenance & Facilities projects by \$1.3 million for sprinklers, flooring, and portables.
- Amendment approved to increase expenditures by \$1.0 million to fund the SPED Evaluation Services contract.
- Amendment approved to increase expenditures by \$0.5 million to fund a demographic study.
- Amendment approved to increase expenditures by \$3.0 million to fund SPED cameras.
- Amendment approved to increase expenditures by \$0.7 million to fund the Big Idea Contest fiscal note.
- Amendment approved to increase expenditures by \$0.6 million to fund the Realtor Design Project fiscal note.
- Amendment approved to increase expenditures by \$2.7 million for Grounds and Athletic Fields.
- Amendment approved to increase expenditures by \$4.5 million to replace/repair obsolete equipment in Heating, Ventilation, and Air Conditioning.
- Amendment approved to increase expenditures by \$0.6 million for HVAC renovations.
- Amendment approved to increase expenditures in by \$15.6 million for GASB 87 FY22 Lease Recognition.
- Amendment approved to decrease expenditures by \$70.0 million for ESSER.
- Amendment approved to increase expenditures in by \$7.0 million for TRS On-Behalf Adjustment - Transportation.
- Amendment approved to increase expenditures in by \$0.7 million for TRS On-Behalf Adjustment - Extracurricular Activities.
- Amendment approved to increase expenditures in by \$0.7 million for Recapture.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2022**

- Amendment approved for \$7.0 million increase in Other Resources and Non-Operating Revenue due to February 2021 Winter Storm Damage Expenses.
- Amendment approved for \$15.6 million increase in Other Resources and Non-Operating Revenue due to GASB 87 FY22 Lease Recognition.
- Amendment approved to increase expenditures by \$68.2 million for 2021C Bond P&I Payments.
- Amendment approved to increase expenditures by \$3.5 million for the 2022A Bond Sale.
- Amendment approved to decrease Food Services expenditures by \$24.0 million.
- Amendment approved for \$15.0 million increase in Other Resources and Non-Operating Uses due to Child Nutrition Transfer.
- Amendment approved for \$2.8 million increase in Other Resources and Non-Operating Uses due to PO Rollover from 2020-2021 Fiscal Year - Winter Storm.
- Amendment approved for \$7.0 million increase in Other Resources and Non-Operating Uses due to February 2021 Winter Storm Damage Expenses.
- Amendment approved for \$1.8 million increase in Other Resources and Non-Operating Uses due to Adjuster Fee for 2019 Tornado Claim.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In June 2022, the Board of Trustees adopted the 2022-23 budget, which supports the District's goals.

The primary factors considered in preparing the District's budget for the 2022-23 fiscal year include a 4.0% increase in local property values and a 99.1% property tax collection rate. The Maintenance and Operations tax rate was lowered to \$0.942900 per \$100 valuation for the 2022-23 year. The Interest and Sinking ("I&S") tax rate remained at \$0.242035 per \$100 valuation for the 2022-23 year.

Student enrollment is projected to be 143,665 in 2022-23.

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, 2022

Data Control Codes	Primary Government Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 1,536,141,455
1120 Investments	595,287,489
1220 Property Taxes Receivables (delinquent)	79,808,302
1230 Allowance for Uncollectible Taxes (credit)	(47,109,268)
1240 Due from Other Governments	134,121,884
1250 Accrued Interest	398,390
1290 Other Receivables, Net	51,277,837
1300 Inventories	18,919,938
1410 Prepaid Items	12,419,715
Capital Assets	
1510 Land	261,160,751
1520 Buildings and Improvements, Net	2,751,075,354
1530 Furniture and Equipment, Net	77,611,442
1540 Finance Purchased Assets, Net	4,208,483
1550 Right-to-Use Lease Asset, Net	16,697,045
1580 Construction in Progress	539,474,107
1000 Total Assets	6,031,492,924
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Loss on Refunding	56,303,844
1705 Related to the TRS Pension	181,952,508
1706 Related to the TRS OPEB	117,631,293
1700 Total Deferred Outflows of Resources	355,887,645
LIABILITIES	
2110 Accounts Payable	97,496,909
2120 Other Liabilities	4,324,648
2140 Interest Payable	56,219,691
2150 Payroll Deductions & Withholdings Payable	20,208,884
2160 Accrued Wages and Benefits Payable	165,589,856
2180 Due to Other Governments	106,792,056
2200 Accrued Expenses	15,412,784
2300 Unearned Revenue	6,213,830
Noncurrent Liabilities	
2501 Due Within One Year	269,858,809
2502 Due in More Than One Year	3,502,597,438
2540 Net Pension Liability (District's Share)	303,114,994
2545 Net OPEB Liability (District's Share)	569,594,378
2000 Total Liabilities	5,117,424,277
DEFERRED INFLOWS OF RESOURCES	
2602 Deferred Inflow - Other	7,028,669
2605 Related to the TRS Pension	337,441,037
2606 Related to the TRS OPEB	400,601,262
2600 Total Deferred Inflows of Resources	745,070,968
NET POSITION	
3200 Net Investment in Capital Assets	630,748,328
3820 Restricted for Federal and State Programs	33,790,149
3850 Restricted for Debt Service	132,183,418
3890 Restricted for Other Programs	3,771,256
3900 Unrestricted	(275,607,827)
3000 Total Net Position	\$ 524,885,324

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, 2022**

				Net (Expense) Revenue and Changes in Net Position
		Program Revenues		
	1	3	4	6
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Primary Government				
GOVERNMENTAL ACTIVITIES				
11 Instruction	\$ 1,004,236,979	\$ 577,952	\$ 189,998,071	\$ (813,660,956)
12 Instructional Resources and Media Services	14,585,509	-	1,134,657	(13,450,852)
13 Curriculum and Staff Development	59,799,697	-	40,786,005	(19,013,692)
21 Instructional Leadership	57,458,311	-	16,006,918	(41,451,393)
23 School Leadership	114,857,081	-	8,544,686	(106,312,395)
31 Guidance, Counseling and Evaluation Services	79,002,173	-	24,370,230	(54,631,943)
32 Social Work Services	1,704,888	-	710,098	(994,790)
33 Health Services	26,203,296	-	5,196,357	(21,006,939)
34 Student (Pupil) Transportation	62,721,267	-	4,042,460	(58,678,807)
35 Food Services	100,553,734	1,015,882	115,587,643	16,049,791
36 Cocurricular/Extracurricular Activities	43,306,251	1,061,389	1,184,364	(41,060,498)
41 General Administration	54,554,227	-	7,780,836	(46,773,391)
51 Facilities Maintenance and Operations	171,641,924	1,497,141	12,127,440	(158,017,343)
52 Security and Monitoring Services	25,695,932	-	4,465,789	(21,230,143)
53 Data Processing Services	51,927,176	-	2,802,471	(49,124,705)
61 Community Services	12,526,284	-	8,590,003	(3,936,281)
72 Debt Service - Interest on Long Term Debt	123,440,648	-	-	(123,440,648)
73 Debt Service - Bond Related Fees	4,581,836	-	-	(4,581,836)
81 Facilities Acquisition and Construction	14,455,158	-	10,214	(14,444,944)
91 Contracted Instructional Services Between Schools	97,987,095	-	-	(97,987,095)
95 Payments to Juvenile Justice Alternative Ed. Prg.	9,726	-	-	(9,726)
99 Other Intergovernmental Charges	5,930,560	-	-	(5,930,560)
TOTAL PRIMARY GOVERNMENT	\$ 2,127,179,752	\$ 4,152,364	\$ 443,338,242	\$ (1,679,689,146)
Data Control Codes	General Revenues			
MT	Taxes			
DT	Property Taxes, Levied for General Purposes			
SF	Property Taxes, Levied for Debt Service			
IE	State Aid not Restricted to Specific Purpose			
MI	Investment Earnings			
GC	Miscellaneous Local and Intermediate Revenue			
E1	Grants, Contributions and Other Revenue not Restricted			
E2	Extraordinary Item - Resource			
TR	Extraordinary Item - (Use)			
CN	Total General Revenues, Extraordinary Items, and Transfers			
NB	Change in Net Position			
NE	Net Position - Beginning			
	Net Position - Ending			

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

**Dallas Independent School District
Balance Sheet
Governmental Funds
June 30, 2022**

	10 General Fund	50 Debt Service Fund
ASSETS		
1110 Cash and Cash Equivalents	\$ 780,963,827	\$ 224,227,060
1120 Investments	370,912,320	27,616,114
1220 Property Taxes Receivables (delinquent)	65,129,477	14,678,825
1230 Allowance for Uncollectible Taxes (credit)	(38,245,910)	(8,863,358)
1240 Due from Other Governments	37,501,657	509,309
1250 Accrued Interest	382,158	-
1260 Due from Other Funds	72,282,471	-
1290 Other Receivables, Net	51,119,088	-
1300 Inventories	9,594,981	-
1410 Prepaid Items	12,419,715	-
1000 Total Assets	1,362,059,784	258,167,950
LIABILITIES		
2110 Accounts Payable	21,675,289	-
2120 Other Liabilities	760	-
2140 Interest Payable - Current	22,304	-
2150 Payroll Deductions and Withholdings Payable	17,626,563	-
2160 Accrued Wages and Benefits Payable	149,675,287	-
2170 Due to Other Funds	1,096,153	-
2180 Due to Other Governments	106,635,278	111,122
2200 Accrued Expenditures	11,843,512	-
2300 Unearned Revenues	3,111,730	-
2000 Total Liabilities	311,686,876	111,122
DEFERRED INFLOWS OF RESOURCES		
2601 Unavailable Revenue - Property Taxes	24,126,336	5,173,052
2602 Other Deferred Resource Inflows (See Note K)	51,667,759	-
2600 Total Deferred Inflows of Resources	75,794,095	5,173,052
FUND BALANCES		
Nonspendable Fund Balance		
3410 Inventories	9,594,981	-
3430 Prepaid Items	12,419,715	-
Restricted Fund Balance		
3450 Federal or State Funds Grant Restriction	-	-
3470 Capital Acquisition and Contractual Obligation	-	-
3480 Retirement of Long Term Debt	-	188,380,805
3490 Other Restricted Fund Balance	-	-
Assigned Fund Balance		
3565 Retirement of Loans or Notes Payable	-	64,502,971
3590 Other Assigned Fund Balance	292,525,314	-
3600 Unassigned Fund Balance	660,038,803	-
3000 Total Fund Balances	974,578,813	252,883,776
4000 Total Liabilities, Deferred Inflows & Fund Balances	\$ 1,362,059,784	\$ 258,167,950

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

EXHIBIT C-1

60 Capital Projects Fund	ESSER III School Emergency Relief Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 468,452,450	\$ -	\$ 40,777,937	\$ 1,514,421,274
196,759,055	-	-	595,287,489
-	-	-	79,808,302
-	-	-	(47,109,268)
-	64,756,763	31,354,155	134,121,884
16,232	-	-	398,390
-	-	-	72,282,471
1,275	-	79,139	51,199,502
-	-	9,324,957	18,919,938
-	-	-	12,419,715
665,229,012	64,756,763	81,536,188	2,431,749,697
70,147,364	2,724,135	2,421,416	96,968,204
-	-	1,370	2,130
-	-	-	22,304
-	457,593	2,123,916	20,208,072
-	3,329,377	12,544,954	165,549,618
-	57,059,563	15,341,646	73,497,362
2,744	-	42,912	106,792,056
1,479,987	1,186,095	873,303	15,382,897
-	-	3,102,100	6,213,830
71,630,095	64,756,763	36,451,617	484,636,473
-	-	-	29,299,388
-	-	-	51,667,759
-	-	-	80,967,147
-	-	9,324,957	18,919,938
-	-	-	12,419,715
-	-	24,465,192	24,465,192
593,598,917	-	-	593,598,917
-	-	-	188,380,805
-	-	3,771,256	3,771,256
-	-	-	64,502,971
-	-	7,523,166	300,048,480
-	-	-	660,038,803
593,598,917	-	45,084,571	1,866,146,077
\$ 665,229,012	\$ 64,756,763	\$ 81,536,188	\$ 2,431,749,697

Dallas Independent School District

Dallas Independent School District
Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position
June 30, 2022

Total Fund Balances - Governmental Funds (from C-1)	\$ 1,866,146,077
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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, including Construction in Progress, is \$3,629,176,034. In addition, the net investment in financed purchases was \$3,851,995, and the net investment in right-to-use leases was \$16,694,349. The sum of these results in an increase in net position in the amount of \$3,649,722,378. (See Note H.)

Net Capital Assets - Governmental Funds

Financed Purchase Assets	3,851,995	
Right-to-Use Lease Assets	16,694,349	
Capital Assets (other than Financed Purchase and Right-to-Use Lease Assets)	3,629,176,034	3,649,722,378

The adjustment to lease revenues earned as opposed to revenues received (booked in governmental funds) for the leased assets leased by the District to others resulted in an increase in the change in net position in the amount of \$14,565.

14,565

Some liabilities, including bonds payables, are not due and payable in the current period and therefore are not reported in the governmental funds. The liabilities associated with the financed purchases and those associated with the right-to-use leases were also not reported in the governmental funds and must be reported in the government-wide statement. The decrease in the ending net position from these totals \$3,708,980,599.

Bonds, Commercial Paper, and Notes Payable	(3,550,300,000)	
Deferred Losses on Refundings	56,303,844	
Premium on Bonds	(194,247,244)	
Financed Purchase Liability	(3,878,404)	
Right-to-Use Lease Liability	(16,858,795)	(3,708,980,599)

Generally 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 \$53,483,423 in the Debt Service Funds and \$2,736,268 in the other funds, for a total of \$56,219,691, of which \$22,304 was recognized in governmental funds for GASB 87 lease accrued interest expense. (See A-1)

(56,197,387)

Certain financial resources are not available to pay for current period expenditures and therefore are deferred in the governmental funds. There Deferred Inflow of Resources showed have been recognized as revenue. The effect of these changes are as follows:

Deferred Resource Inflow for Property Taxes	29,299,388	
Medicaid/SHARS Earned in FY 2021	44,624,525	73,923,913

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).

11,424,247

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	(303,114,994)	
Deferred Outflows of Resources - TRS Pension	181,952,508	
Deferred Inflows of Resources - TRS Pension	(337,441,037)	(458,603,523)

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:

Net OPEB Liability	(569,594,378)	
Deferred Outflows of Resources - TRS OPEB	117,631,293	
Deferred Inflows of Resources - TRS OPEB	(400,601,262)	(852,564,347)

Total Net Position of Governmental Activities (see A-1)	\$ 524,885,324
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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, 2022

Data Control Codes	10 General Fund	50 Debt Service Fund
REVENUES		
5700 Local and Intermediate Sources	\$ 1,416,979,977	\$ 340,634,468
5800 State Program Revenues	185,524,432	1,700,396
5900 Federal Program Revenues	106,678,451	-
5020 Total Revenues	<u>1,709,182,860</u>	<u>342,334,864</u>
EXPENDITURES		
Current		
11 Instruction	844,192,613	-
12 Instructional Resources and Media Services	13,228,831	-
13 Curriculum and Instructional Staff Development	25,600,569	-
21 Instructional Leadership	49,030,186	-
23 School Leadership	115,324,848	-
31 Guidance, Counseling and Evaluation Services	62,848,168	-
32 Social Work Services	1,240,776	-
33 Health Services	24,934,237	-
34 Student (Pupil) Transportation	61,470,739	-
35 Food Services	78,299	-
36 Cocurricular/Extracurricular Activities	39,787,617	-
41 General Administration	50,093,226	-
51 Facilities Maintenance and Operations	174,877,966	-
52 Security and Monitoring Services	23,963,213	-
53 Data Processing Services	50,755,161	-
61 Community Services	4,195,790	-
Debt Service		
71 Principal on Long Term Debt	4,550,206	212,375,000
72 Interest on Long Term Debt	7,482,424	136,669,942
73 Bond Fees and Charges	500	2,048,595
Capital Outlay		
81 Facilities Acquisition and Construction	3,607,644	-
Intergovernmental		
91 Contracted Instructional Services Between Schools	97,987,095	-
95 Payments to Juvenile Justice Alternative Ed. Prg	9,726	-
99 Other Intergovernmental Charges	5,930,354	-
6030 Total Expenditures	<u>1,661,190,188</u>	<u>351,093,537</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	<u>47,992,672</u>	<u>(8,758,673)</u>
OTHER FINANCING SOURCES (USES)		
7901 Refunding Bonds Issued	-	264,805,000
7911 Capital Related Debt Issued (Regular Bonds)	-	-
7912 Sale of Real and Personal Property	520,404	-
7913 Right-to-Use Leases	8,891,951	-
7914 Financed Purchases	5,287,969	-
7915 Transfers In	-	37,190,623
7916 Premium on Issuance of Bonds	-	23,986,213
8911 Transfers Out (Use)	(7,473,039)	-
8940 Payment to Bond Refunding Escrow Agent (Use)	-	(286,781,453)
7080 Total Other Financing Sources (Uses)	<u>7,227,285</u>	<u>39,200,383</u>
EXTRAORDINARY ITEMS		
7919 Extraordinary Item - Resource	7,563,221	-
8913 Extraordinary Item - (Use)	(11,483,003)	-
1200 Net Change in Fund Balance	<u>51,300,175</u>	<u>30,441,710</u>
0100 Fund Balance - Beginning	<u>923,278,638</u>	<u>222,442,066</u>
3000 Fund Balance - Ending	<u>\$ 974,578,813</u>	<u>\$ 252,883,776</u>

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

60 Capital Projects Fund	ESSER III School Emergency Relief Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 656,768	\$ -	\$ 9,225,978	\$ 1,767,497,191
-	-	15,227,284	202,452,112
12,797,773	84,923,453	259,123,665	463,523,342
13,454,541	84,923,453	283,576,927	2,433,472,645
27,524,665	72,586,654	68,845,561	1,013,149,493
-	74,276	372,038	13,675,145
-	1,349,026	37,852,223	64,801,818
-	6,106,556	7,604,276	62,741,018
-	477,969	2,001,176	117,803,993
-	1,698,860	19,354,039	83,901,067
-	-	599,542	1,840,318
-	419,355	1,875,325	27,228,917
7,035,865	252,877	438,222	69,197,703
-	-	96,232,334	96,310,633
-	-	1,078,821	40,866,438
-	650,521	5,789,504	56,533,251
-	40,383	4,327,964	179,246,313
-	759,314	2,193,130	26,915,657
-	383,568	1,221,986	52,360,715
-	124,094	8,602,571	12,922,455
5,429	-	7,018	216,937,653
214	-	293	144,152,873
4,202,719	-	-	6,251,814
454,777,156	-	1,257,409	459,642,209
-	-	-	97,987,095
-	-	-	9,726
206	-	-	5,930,560
493,546,254	84,923,453	259,653,432	2,850,406,864
(480,091,713)	-	23,923,495	(416,934,219)
-	-	-	264,805,000
526,945,000	-	-	526,945,000
-	-	-	520,404
-	-	-	8,891,951
19,849	-	25,715	5,333,533
-	-	-	37,190,623
27,296,496	-	-	51,282,709
(30,023,623)	-	-	(37,496,662)
-	-	-	(286,781,453)
524,237,722	-	25,715	570,691,105
33,747,613	-	-	41,310,834
-	-	-	(11,483,003)
77,893,622	-	23,949,210	183,584,717
515,705,295	-	21,135,361	1,682,561,360
\$ 593,598,917	\$ -	\$ 45,084,571	\$ 1,866,146,077

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, 2022

Total Net Change in Fund Balances - Governmental Funds (from C-2) **\$ 183,584,717**

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 assets additions in Note H represent the capital outlays spent in the governmental funds but should be recognized as assets in government-wide financial statements. Capital outlays this current period, adjusted for dispositions, contributions, and initial outlays for current year leases and the right-to-use leases, were \$481,759,230. (excluding internal service funds' capital asset added in FY 22 of \$493,600 from Note H). Depreciation expenses are not reported in governmental funds statements, but are reported in government-wide statements. The current year's depreciation, excluding internal service funds and including the depreciation for the financed purchase and the right-to-use leases, was \$152,291,756 (excluding internal services funds' depreciation expense of \$197,760 from Note H). The loss of \$1,182,540 was caused by the deletion of the District's assets. The change in net position from these activities is \$328,284,934.

Capital Asset Additions - Governmental Funds	481,759,230	
Total Depreciation Expense - Governmental Funds	(152,291,756)	
Gain/Loss from Capital Assets Deletions	(1,182,540)	328,284,934

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. The principal payment includes the principal payments for the financed purchases and right-to-use leases. The District also entered into financed purchases and new leases this reporting period. These were recorded in 7913 in the fund level statements. This must be reclassified and shown as an increase in the long term liability. District's Capital Project fund had a short term loan in amount of \$1,225,000 in July 2021, which was paid off in February 2022 through Debt Services Fund.

Principal Payments	212,375,000	
Proceed from the Short Term Loan (paid off, not included in long term debt)	(1,225,000)	
Principal Payment Financed Purchase	1,455,129	
Principal Payment Right-to-Use Leases	3,107,524	
Amortization of Bond Premium	33,679,564	
Amortization of Loss on Bond Refunding	(7,138,633)	
Long-term Liability - Financed Purchase and New Lease	(14,225,484)	228,028,100

The adjustment to lease revenues earned as opposed to revenues received (booked in governmental funds) for the leased assets leased by the District to others resulted in an increase in the change in net position in the amount of \$14,565. 14,565

The District issued new bonds during the year. The Series 2021C bonds were issued for \$68,815,000 and Series 2022 bonds were issue for \$406,905,000, for a total of \$475,720,000, and there was a \$50,000,000 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 \$1,645,253 and \$25,651,243 for a total of \$27,296,496. 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 \$553,016,496. (553,016,496)

The District also issued bonds to refund older issues. Series 2022A was issued in the amount of \$264,805,000 with a premium of \$23,986,213. 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 \$288,791,213. The 2022A bonds were used to partially refund three bond issues: Series 2014A (39.00%), Series 2015 (53.45%), and Series 2016A (30.48%), for a total of \$269,090,000 bonds with an unamortized premium of \$20,349,755, an unamortized deferred charge on refunding in the amount of \$16,302,510, and a new deferred charge on refunding in the amount of \$14,640,793. Interest on the refunded bonds was paid in the amount of \$673,393. The payment to the escrow agent was reported as an Other Use in governmental funds and must be reclassified to show the decrease in bonds payable, etc. The amount was \$286,781,453. 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 \$1,669,978. The total effect of the refunding is a decrease of \$1,013,175 in the change in net position.

2022A Long-term Debt including Premium	(288,791,213)	
Payment Paid to Escrow Account for Refunding	286,781,453	
Interest Accrued on the Refunded Bonds	(673,393)	
2022A Issuance Cost	1,669,978	(1,013,175)

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, 2022

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 \$10,440,480. The net effect of all of these adjustments was an increase in the change in net position in the amount of \$11,727,909.

FY 21 SHARS Deferred Inflow 2602	(34,184,046)	
FY 22 SHARS Deferred Inflow 2602	44,624,525	
FY 21 Property Tax Deferred Inflow	(28,011,958)	
FY 22 Property Tax Deferred Inflow	29,299,388	11,727,909

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 \$51,042,074. The change in net position will decrease by that amount. The interest accrued this year to be paid next year is \$56,219,691, of which \$22,304 was booked in governmental funds for GASB 87 lease accrued interest (2141-LS). The net decrease in accrued interest is \$5,155,313. The change in ending net position will increase by that amount.

Interest Accrued in FY 21 but Paid in FY 22	51,042,074	
Interest Should be Accrued in FY 22	(56,219,691)	
Interest Accrued and Booked in FY 22	22,304	(5,155,313)

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. (See D-2.)

(1,008,960)

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. The sum of these changes causes a Increase in the change in Net Position in the amount of \$30,497,776.

Deferred Outflows decreased by	(26,008,170)	
Deferred Inflows increased by	(240,546,441)	
Ending Net Pension Liability decreased by	297,052,387	30,497,776

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:

Increase in Deferred Resource Outflow	28,299,390	
Decrease in Deferred Resource Inflow	12,831,947	
Increase in Ending Net OPEB Liability	(12,225,168)	28,906,169

Total Change in Net Position of Governmental Activities (see B-1)

\$ 250,850,226

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, 2022

	Governmental Activities
	Total Internal Service Funds
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 21,720,181
Due from Other Funds	1,215,048
Other Receivables, Net	78,335
Total Current Assets	<u>23,013,564</u>
Noncurrent Assets	
Capital Assets	
Furniture and Equipment, Net	145,620
Financed Purchases, Net	356,488
Right-to-Use Lease Asset, Net	2,696
Total Noncurrent Assets	<u>504,804</u>
Total Assets	<u>23,518,368</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	528,705
Payroll Deductions and Withholdings Payable	812
Accrued Wages and Benefits Payable	40,238
Due to Other Funds	157
Accrued Expenses	29,887
Total Current Liabilities	<u>599,799</u>
Noncurrent Liabilities	
Due Within One Year	4,491,223
Due in More Than One Year	7,003,099
Total Noncurrent Liabilities	<u>11,494,322</u>
Total Liabilities	<u>12,094,121</u>
NET POSITION	
Net Investment in Capital Assets	140,362
Unrestricted Net Position	11,283,885
Total Net Position	<u><u>\$ 11,424,247</u></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, 2022

	Governmental Activities
	Total Internal Service Funds
OPERATING REVENUES	
Charges for Services	\$ 12,904,601
Total Operating Revenues	<u>12,904,601</u>
OPERATING EXPENSES	
Personnel Services	7,484,167
Contractual Services	2,281,434
Supplies	632,549
Other Operating Expenses	3,617,901
Depreciation/Amortization Expense	197,760
Debt Service	5,789
Total Operating Expenses	<u>14,219,600</u>
Operating Income (Loss)	(1,314,999)
NON-OPERATING REVENUES (EXPENSES)	
Transfer In	306,039
Total Non-Operating Revenues (Expenses)	<u>306,039</u>
Change in Net Position	(1,008,960)
 Total Net Position - Beginning	 <u>12,433,207</u>
 Total Net Position - Ending	 <u><u>\$ 11,424,247</u></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, 2022**

	Governmental Activities
	Total Internal Service Funds
Cash Flows from Operating Activities	
Cash Received from User Charges	\$ 15,244,948
Cash Payments to Employees for Services	(3,738,698)
Cash Payments for Insurance Claims	(3,559,580)
Cash Payments for Suppliers	(6,257,549)
Interest for Leases and Financed Purchases	(5,789)
Cash Payments for Principal of Leases	(148,026)
Cash Payments for Accrued Expenses	(204)
Net Cash Provided by (Used for) Operating Activities	1,535,102
Cash Flows from Non-Capital Financing Activities	
Transfers In	306,039
Net Cash Provided by (Used for) Non-Capital Activities	306,039
Net Increase in Cash and Cash Equivalents	1,841,141
Cash and Cash Equivalents at Beginning of Year	19,879,040
Cash and Cash Equivalents at End of Year	21,720,181
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Operating Income (Loss)	(1,314,999)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Depreciation/Amortization	197,760
Effect of Increases and Decreases in Current Assets and Liabilities	
Decrease (increase) in Due from Other Funds	95,197
Decrease (increase) in Prepayments	2,245,150
Decrease (increase) in Due to Other Funds	3
Increase (decrease) in Accounts Payable	(301,432)
Increase (decrease) in Payroll Deductions	53
Increase (decrease) in Accrued Wages Payable	4,078
Increase (decrease) in Accrued Liabilities - Short Term	811,332
Increase (decrease) in Accrued Liabilities - Long Term	3,160
Increase (decrease) in Accrued Expenses	(57,174)
Increase (decrease) in Lease Liability	(148,026)
Net Cash Provided by (Used for) Operating Activities	\$ 1,535,102

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, 2022

	Custodial Fund
ASSETS	
Cash and Cash Equivalents	\$ 2,902,285
Total Assets	<u>2,902,285</u>
LIABILITIES	
Accounts Payable	48,234
Accrued Expenses	<u>155,131</u>
Total Liabilities	<u>203,365</u>
NET POSITION	
Restricted for Student Clubs	<u>2,698,920</u>
Total Net Position	<u>\$ 2,698,920</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, 2022

	Custodial Fund
Additions	
Contributions and Donations	\$ 145,068
Fundraising	876,371
Tuition and Fees	861,911
Other	430,757
Total Additions	<u>2,314,107</u>
Deductions	
Personnel Services	1,784
Contractual Services	94,834
Supplies	1,037,455
Other	1,069,411
Total Deductions	<u>2,203,484</u>
Income (Loss)	110,623
Change in Fiduciary Net Position	110,623
 Total Net Position - Beginning	 <u>2,588,297</u>
Total Net Position - Ending	<u><u>\$ 2,698,920</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, 2022**

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**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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 \$4,065,144 and \$926,252 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, 2022**

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 \$26,112,470 which is included in Receivables from Other Governments in the governmental funds balance sheet, to reflect cash that will be received in fiscal year 2023, which was generated by attendance and the type of instructional services provided in fiscal year 2022, fiscal year 2021 property value audit, and fiscal year 2021 recapture cost overpayment refund. The District has also accrued an offsetting liability of \$103,908,202 which is included in Due to Other Governments, to reflect an anticipated Texas Education Agency final fiscal year 2022 settle-up adjustment that will occur in 2023.

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 III was a major fund in the fiscal year 2022. The ESSER III funding was used to account, on a project basis, to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on students. This program is authorized by the American Rescue Plan (ARP) Act of 2021, Elementary and Secondary School Relief (ESSER III) Fund.

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, 2022**

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, for which the District solely acts as an agent.

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, 2022**

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, construction in progress, financed purchase assets, and right-to-use leased assets 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. Financed purchase assets are District owned assets and follow the depreciation of regular capital assets. Capital assets and right-to-use assets of the District are depreciated and amortized 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
Right-to-Use Leased Buildings	Lease term
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
Right-to-Use Leased Equipment	Lease term

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 asset 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 asset 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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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.

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 \$3,580,772 represents the recorded liability for employees vested in accumulated vacation and compensatory pay. The General Fund, Food Services Fund, and the Internal 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.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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.

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, 2022, 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 Deputy Superintendent of Business Services.
- **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.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

As of the end of the current fiscal year, the District's Governmental Fund Balance was \$1,866,146,077 reported as follows:

Fund Balances	General Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable					
Inventories	\$ 9,594,981	\$ -	\$ -	\$ 9,324,957	\$ 18,919,938
Prepaid Items	12,419,715	-	-	-	12,419,715
Restricted					
Federal or State Grants	-	-	-	24,465,192	24,465,192
Capital Acquisition	-	-	593,598,917	-	593,598,917
Debt Services	-	188,380,805	-	-	188,380,805
Local	-	-	-	3,771,256	3,771,256
Assigned					
Retirement of Loans/Notes Payable	-	64,502,971	-	-	64,502,971
Other Assigned Fund Balance	292,525,314	-	-	7,523,166	300,048,480
Unassigned	660,038,803	-	-	-	660,038,803
Total Fund Balances	\$974,578,813	\$252,883,776	593,598,917	\$ 45,084,571	\$1,866,146,077

The Other Assigned Fund Balance consists of \$200 million to fund the continuation of programs after ESSER funding is exhausted, \$0.3 assigned for fingerprinting of employees, \$78.8 million for the future payment of QSCB notes, and \$4.6 million for anticipated capital expenditures. Additionally, \$8.7 million is earmarked for encumbrances carried forward to fiscal year 2023 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, 2022, that were subsequently provided for in the 2022-2023 budget totaled \$8,741,834 in Other Assigned Fund Balance in the General Fund, and were broken down by functions as follows:

Function 11 - Instruction	1,346,682
Function 12 - Instructional Resources and Media Services	72,555
Function 13 - Curriculum & Staff Development	36,251
Function 21 - Instructional Leadership	41,188
Function 31 - Guidance, Counseling and Evaluation Services	24,442
Function 33 - Health Services	180,724
Function 34 - Student Transportation	14,493
Function 36 - Extracurricular Activities	644,064
Function 41 - General Administration	1,966,190
Function 51 - Plant Maintenance and Operations	3,289,822
Function 52 - Security and Monitoring Services	274,619
Function 53 - Data Processing Services	850,804
Total	\$ 8,741,834

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.

GASB 87 Leases

In the fiscal year 2022, GASB 87 pronouncements were implemented by the District. GASB Statement No.87, *Leases*, was issued in June 2017 and provides better information of financial statements to the

**Dallas Independent School District
Notes to the Basic Financial Statements
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users by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. 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.

Lessee

The District is a lessee for noncancellable leases of buildings, copiers, and other equipment. The District recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (leased asset), reported with other capital assets, in the government-wide and proprietary fund financial statements. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, The District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how The District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, The District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that The District is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lessor

The District is a lessor for noncancellable leases of buildings and grounds. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, The District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how The District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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, 2022, the net carrying amount of the District's cash deposits, excluding student activity fund deposits of \$2,902,285, was \$32,827,911. The bank balance of \$55,081,994 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 \$66,991,029 at June 30, 2022, 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, 2022, cash on hand in Custodial Funds totaled \$2,902,285 and was on deposit with the contracted depository and separate bank accounts. The District's Custodial Fund bank balance on June 30, 2022, 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 December 24, 2021, with combined cash and certificates of deposit balance of \$232,171,896.
- c. On December 27, 2021, the amount of bonds, securities pledged, and FDIC coverage was \$265,901,117.
- 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,

Dallas Independent School District
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For the Fiscal Year Ended June 30, 2022

- Guaranteed or secured certificates of deposit, issued by state and national banks domiciled in Texas, and insured by federal depository insurance or secured by the obligations mentioned above,
- Bonds issued, assumed or guaranteed by the State of Israel, and
- Secured corporate bonds rated not lower than “AA—” or the equivalent.

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

As of June 30, 2022, 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	\$ 35,730,196	1.7%	\$ 35,730,196	1.7%	\$ 35,730,196	\$ -	\$ -	N/A
Money markets and FDIC insured investment accounts	25,686,155	1.2%	25,686,155	1.2%	25,686,155	-	-	N/A
Investment pools:								
LOGIC	140,408,121	6.6%	140,408,121	6.6%	140,408,121	-	-	AAAm
Lone Star	305,357,976	14.3%	305,357,976	14.3%	305,357,976	-	-	AAAm
Texas CLASS	230,949,622	10.8%	230,949,622	10.8%	230,949,622	-	-	AAAm
TexasTERM Daily/Select	43,842,051	2.1%	43,842,051	2.1%	43,842,051	-	-	AAAm
TexasTERM Fixed Term	490,439,960	23.0%	490,439,960	23.0%	490,439,960	-	-	AAAf
TexPool	168,139,917	7.9%	168,139,917	7.9%	168,139,917	-	-	AAAm
Texas FIT	98,489,742	4.6%	98,489,742	4.6%	98,489,742	-	-	AAAf
Total Investment pools	1,477,627,389	69.3%	1,477,627,389	69.3%	1,477,627,389	-	-	
*Total cash and cash equivalents	1,539,043,740	72.2%	1,539,043,740	72.2%	1,539,043,740	-	-	
Commercial Paper	443,127,418	20.8%	443,127,418	20.8%	443,127,418	-	-	A1/P1
American Municipal Power Authority - Ohio	830,768	0.0%	830,768	0.0%	-	830,768	-	A1
Boone County Kentucky Municipal Bond	1,305,202	0.1%	1,305,202	0.1%	-	1,305,202	-	AA-
City of Alice, Texas GO LTD Bond	938,700	0.0%	938,700	0.0%	-	938,700	-	AA
City of West Palm Beach, Florida Bond	1,152,602	0.1%	1,152,602	0.1%	-	1,152,602	-	Aa3
Corpus Christi GO Municipal Bond	428,672	0.0%	428,672	0.0%	-	428,672	-	Aa2
Federal Farm Credit Bureau Agency	19,098,923	0.9%	19,098,923	0.9%	-	19,098,923	-	Aaa
Federal Home Loan Bank Agency	79,740,155	3.7%	79,740,155	3.7%	-	79,740,155	-	Aaa
Fontana Unified School District Municipal Bond	745,082	0.0%	745,082	0.0%	-	745,082	-	Aa3
Gainesville Florida Pension Municipal Bond	1,535,727	0.1%	1,535,727	0.1%	-	1,535,727	-	Aa3
Green Bay Wisconsin Municipal Bond	516,284	0.0%	516,284	0.0%	-	516,284	-	A2
Indiana State Finance Authority	683,909	0.0%	683,909	0.0%	-	-	683,909	A+
North Hudson Sewerage Authority, NJ (A)	600,536	0.0%	600,536	0.0%	-	600,536	-	A+
Oregon State School Board Assoc GO Pension Municipal Bond	531,014	0.0%	531,014	0.0%	-	531,014	-	Aa2
Oregon State School Board Assoc Pension Municipal Bond	1,932,874	0.1%	1,932,874	0.1%	1,932,874	-	-	Aa2
Pennsylvania Economic Development Municipal Bond	2,755,467	0.1%	2,755,467	0.1%	-	2,755,467	-	A3
Reading Pennsylvania Municipal Bond	4,054,925	0.2%	4,054,925	0.2%	-	4,054,925	-	A1
San Bernardino County Redevelopment Successor Muni Bond	2,011,746	0.1%	2,011,746	0.1%	-	2,011,746	-	AA
San Francisco City & County Redevelopment Municipal Bond	1,359,680	0.1%	1,359,680	0.1%	-	1,359,680	-	Aa3
State of Hawaii GO Municipal Bond	23,635,250	1.1%	23,635,250	1.1%	-	23,635,250	-	Aa2
Texas State Public Finance Municipal Bond	1,479,672	0.1%	1,479,672	0.1%	-	722,237	757,436	Aa2
Texas State University System	909,596	0.0%	909,596	0.0%	-	909,596	-	Aa2
University of North Texas	1,483,540	0.1%	1,483,540	0.1%	-	1,483,540	-	Aa2
Walnut Valley Unified School District Municipal Bond	2,521,395	0.1%	2,521,395	0.1%	-	-	2,521,395	Aa1
*Total Investments	593,379,137	27.8%	593,379,137	27.8%	445,060,292	144,356,106	3,962,739	
Total cash, cash equivalents and investments	\$ 2,132,422,877	100.0%	\$ 2,132,422,877	100.0%	\$ 1,984,104,032	\$ 144,356,106	\$ 3,962,739	

*Total cash and cash equivalents and total investments include accrued interest. The TERM investments accrued interest and Sweep account accrued interest are reported in the investment pool and money market section above.

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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, 2022 with an 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.

During the fourth quarter of 2022, the Federal Reserve increased the fed funds rate from 0.5% in April to 2.5% by the end of June. The quick rise in rates resulted in older securities on the District's portfolio losing value to stay competitive in the new environment. Subsequently, the year-end GASB 31 mark-to-market entry resulted in an unrealized loss for the overall portfolio's earnings. The District holds all securities until maturity; therefore this is a book loss and not a loss of cash.

The TexPool and Lone Star Overnight investment pools are external investment pools measured at amortized cost. 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, 2022

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					
	June 30, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Percent of Total Investments	
<i>Investments not Subject to Fair Value:</i>						
Money markets and FDIC insured investment accounts	\$ 25,686,155	\$ -	\$ -	\$ -	1.21%	
Investment Pools:						
LOGIC	\$ 140,408,121	\$ -	\$ -	\$ -	6.64%	
Lone Star	305,357,976	-	-	-	14.43%	
Texas Class	230,949,622	-	-	-	10.92%	
Texas TERM Daily	43,842,051	-	-	-	2.07%	
TexasTERM Fixed Term	490,439,960	-	-	-	23.18%	
TexPool	168,139,917	-	-	-	7.95%	
Texas Fit	98,489,742	-	-	-	4.65%	
<i>Investments by Fair Value Level:</i>						
Commercial Paper	\$ 443,127,418	\$ -	\$ 443,127,418	\$ -	20.94%	
US Government Agency Securities:						
Federal Farm Credit Bureau Agency	19,098,923	-	19,098,923	-	0.90%	
Federal Home Loan Bank Agency	79,740,155	-	79,740,155	-	3.77%	
Municipal Bonds:						
American Municipal Power Authority - Ohio	\$ 830,768	\$ -	\$ 830,768	\$ -	0.04%	
Boone County Kentucky Municipal Bond	1,305,202	-	1,305,202	-	0.06%	
City of Alice, Texas GO LTD Bond	938,700	-	938,700	-	0.04%	
City of West Palm Beach, Florida Bond	1,152,602	-	1,152,602	-	0.05%	
Corpus Christi GO Municipal Bond	428,672	-	428,672	-	0.02%	
Fontana Unified School District Municipal Bond	745,082	-	745,082	-	0.04%	
Gainesville Florida Pension Municipal Bond	1,535,727	-	1,535,727	-	0.07%	
Green Bay Wisconsin Municipal Bond	516,284	-	516,284	-	0.02%	
Indiana State Finance Authority	683,909	-	683,909	-	0.03%	
North Hudson Sewerage Authority, NJ (A)	600,536	-	600,536	-	0.03%	
Oregon State School Board Assoc GO Pension Municipal Bond	531,014	-	531,014	-	0.03%	
Oregon State School Board Assoc Pension Municipal Bond	1,932,874	-	1,932,874	-	0.09%	
Pennsylvania Economic Development Municipal Bond	2,755,467	-	2,755,467	-	0.13%	
Port Douglas County Washington Municipal Bond	4,054,925	-	4,054,925	-	0.19%	
Reading Pennsylvania Municipal Bond	2,011,746	-	2,011,746	-	0.10%	
San Bernardino County Redevelopment Successor Muni Bond	1,359,680	-	1,359,680	-	0.06%	
San Francisco City & County Redevelopment Municipal Bond	23,635,250	-	23,635,250	-	1.12%	
Texas State Public Finance Municipal Bond	1,479,672	-	1,479,672	-	0.07%	
Texas State University System	909,596	-	909,596	-	0.04%	
University of North Texas	1,483,540	-	1,483,540	-	0.07%	
Walnut Valley Unified School District Municipal Bond	2,521,395	-	2,521,395	-	0.12%	
Total Investments	\$2,115,791,604	\$ -	\$ 612,478,060	\$ -	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.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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 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 8, 2022, 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, 2022, there are no foreign currency investments in the District's portfolio.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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	\$ 1,416,247,959	\$ 340,392,403	\$ -	\$ -	\$ 1,756,640,362
Food Services	-	-	-	1,356,340	1,356,340
Gifts and Bequests	19,559	-	-	3,547,965	3,567,524
Campus Activity Funds	-	-	-	3,568,213	3,568,213
Interest Income	(6,524,586)	239,565	656,768	-	(5,628,253)
Tuition, Fees and Cocurricular	1,469,938	-	-	-	1,469,938
Rental Income	1,476,409	-	-	-	1,476,409
Other	4,290,698	2,500	-	753,460	5,046,658
Totals	<u>\$ 1,416,979,977</u>	<u>\$ 340,634,468</u>	<u>\$ 656,768</u>	<u>\$ 9,225,978</u>	<u>\$ 1,767,497,191</u>

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, 2021 was \$182,086,074,890. After deductions of all exemptions and reductions provided by law and those granted by the District, the 2021 tax year levy was based on property values of \$141,905,281,463.

The tax rates assessed for the year ended June 30, 2022, to finance General Fund operations and the payment of principal and interest on long term debt were \$1.006200 and \$0.242035 per \$100 valuation, respectively, for a total of \$1.248235 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, 2022, were 98.4% 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 \$38,245,910 and \$8,863,357 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, 2022, for the District's Major Funds and Non-Major Funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Debt Service	Totals
Property Taxes	\$ 65,129,477	\$ 14,678,825	\$ 79,808,302
Less: Allowance for uncollectible	<u>(38,245,910)</u>	<u>(8,863,358)</u>	<u>(47,109,268)</u>
Totals	<u>\$ 26,883,567</u>	<u>\$ 5,815,467</u>	<u>\$ 32,699,034</u>

In addition, the District has recorded a state aid receivable of \$26.4 million and a receivable from other governmental entities of \$149.5 million as of June 30, 2022.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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, 2022, the components of unearned revenue reported in the General Fund and Non-Major Governmental funds were as follows:

	General	Non-Major	Totals
Grants	\$ -	\$ 3,102,100	\$ 3,102,100
Other	3,111,730	-	3,111,730
Totals	<u>\$ 3,111,730</u>	<u>\$ 3,102,100</u>	<u>\$ 6,213,830</u>

NOTE F: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund balances at June 30, 2022, consisted of the following individual fund receivables and payables:

Fund	Receivables	Payables
General Fund:		
ESSER III American Rescue Plan Fund	\$ 57,059,563	\$ -
Non-Major Governmental Funds	15,222,908	-
Internal Service Funds	-	1,096,153
	<u>72,282,471</u>	<u>1,096,153</u>
ESSER III American Rescue Plan Fund		
General Fund	-	57,059,563
	<u>-</u>	<u>57,059,563</u>
Non-Major Governmental Funds:		
General Fund	-	15,222,908
Internal Service Funds	-	118,738
	<u>-</u>	<u>15,341,646</u>
Internal Service Funds:		
General Fund	1,096,153	-
Non-Major Governmental Funds	118,895	157
	<u>1,215,048</u>	<u>157</u>
	<u>\$ 73,497,519</u>	<u>\$ 73,497,519</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.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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, 2022, were as follows:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund	Debt Service	7,167,000 *
Capital Projects	Debt Service	30,023,623 **
General Fund	Internal Service Fund	306,039

*\$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 fiscal year 2022, \$30 million was transferred for reissuance and refund of Commercial Paper.

NOTE G: GASB 87 LEASES

Leases Payable

Dallas ISD has entered into multiple lease agreements as a lessee. The leases allow Dallas ISD the right to use copy machines, buildings, and other equipment over the term of the lease. Dallas ISD is required to make monthly, quarterly, or annual payments at its incremental borrowing rate, which was computed at the beginning of each fiscal year based on the weighted average yield rate of most recently launched bonds. The lease rate, term, and ending lease liability are as follows:

	<u>Interest Rate(s)</u>	<u>Liability at Commencement</u>	<u>Lease Term in Months</u>	<u>Ending Balance</u>
Governmental Fund				
Furniture and Equipment	1.45%	\$ 4,720,325	13 - 108	\$ 286,414
Buildings	1.45%	18,914,111	26 - 480	16,572,380
Total Governmental Fund				<u>16,858,794</u>
Proprietary Fund				
Furniture and Equipment	1.45%	\$ 18,870	13	\$ 3,795
Total Proprietary Fund				<u>3,795</u>
Total Governmental Activities				<u>\$16,862,589</u>

The future principal and interest lease payments as of fiscal year-end are as follows:

Governmental Fund			
<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,622,942	\$ 225,941	\$ 2,848,883
2024	2,560,662	188,888	2,749,550
2025	1,592,984	157,717	1,750,701
2026	1,637,830	134,642	1,772,472
2027	498,809	117,028	615,837
2028-2032	972,792	538,343	1,511,135
2033-after	6,972,775	1,600,891	8,573,666
Total Governmental Fund	<u>\$ 16,858,794</u>	<u>\$ 2,963,450</u>	<u>\$ 19,822,244</u>
Proprietary Fund			
<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 3,795	\$ 14	\$ 3,809
Total Proprietary Fund	<u>\$ 3,795</u>	<u>\$ 14</u>	<u>\$ 3,809</u>

The value of the right-to-use assets as of the end of the current fiscal year was \$19,985,189 and had accumulated amortization of \$3,288,143.

Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

Leases Receivable

Dallas ISD has entered into multiple lease agreements as a lessor. The leases allow the tenants the right to use buildings and grounds over the term of the lease. Dallas ISD received monthly, quarterly, or annual payments from tenants. Interest revenue is calculated at the weighted average yield rate of most recently launched bonds. The lease rate, term, and ending lease receivable are as follows:

	Interest Rate(s)	Receivable at Commencement	Lease Term in Months	Ending Balance
Governmental Fund				
Buildings and Grounds	1.45%	\$ 981,848	14 - 115	\$ 785,728
Total Governmental Activities				<u>785,728</u>

The balance of the deferred inflow as of the end of the current fiscal year was \$771,163 after the amortization of \$210,685 in the year.

NOTE H: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 is as follows:

	Balance at June 30, 2021	Additions	Transfers	Deletions	Balance at June 30, 2022
Capital assets, not being depreciated/amortized:					
Land	\$ 260,727,146	\$ 433,605	\$ -	\$ -	\$ 261,160,751
Construction in progress	435,783,521	450,997,776	(347,307,190)	-	539,474,107
Total capital assets, not being depreciated/amortized	<u>696,510,667</u>	<u>451,431,381</u>	<u>(347,307,190)</u>	<u>-</u>	<u>800,634,858</u>
Capital assets, being depreciated/amortized:					
Building and improvements	4,280,873,325	5,129,292	335,451,706	(3,137,087)	4,618,317,236
Furniture and equipment	330,286,132	10,973,075	11,855,484	(8,870,839)	344,243,852
Furniture and equipment - Financed Purchases	-	5,827,131	-	-	5,827,131
Right-to-Use Leased Assets - Building	10,115,879	8,798,231	-	-	18,914,110
Right-to-Use Leased Assets - Furniture and equipment	977,358	93,720	-	-	1,071,078
Total capital assets, being depreciated/amortized	<u>4,622,252,694</u>	<u>30,821,449</u>	<u>347,307,190</u>	<u>(12,007,926)</u>	<u>4,988,373,407</u>
Less accumulated depreciation/amortization for:					
Buildings and improvements	1,739,699,930	130,679,039	-	(3,137,087)	1,867,241,882
Furniture and equipment	257,417,023	16,903,686	-	(7,688,299)	266,632,410
Furniture and equipment - Financed Purchases	-	1,618,648	-	-	1,618,648
Right-to-Use Leased Assets - Building	-	2,508,603	-	-	2,508,603
Right-to-Use Leased Assets - Furniture and equipment	-	779,540	-	-	779,540
Total accumulated depreciation/amortization	<u>1,997,116,953</u>	<u>152,489,516</u>	<u>-</u>	<u>(10,825,386)</u>	<u>2,138,781,083</u>
Total capital assets, being depreciated/amortized, net	2,625,135,741	(121,668,067)	347,307,190	(1,182,540)	2,849,592,324
Capital assets, net	<u>\$ 3,321,646,408</u>	<u>\$ 329,763,314</u>	<u>\$ -</u>	<u>\$ (1,182,540)</u>	<u>\$ 3,650,227,182</u>

Capital assets include assets recorded in Internal Service Funds, net of depreciation/amortization, of \$504,804.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

The beginning balance of Right-to-Use Leased Assets (building and furniture and equipment) reflects that some leases were executed before the GASB 87 implementation date of July 1, 2022. Per GASB 87, changes adopted to conform to the provisions of this Statement should be applied retroactively by restating financial statements, if practicable, for all prior periods presented. If restatement for prior periods is not practicable, the cumulative effect, if any, of applying this Statement should be reported as a restatement of beginning net position (or fund balance or fund net position, as applicable) for the earliest period restated.

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

Depreciation/Amortization by Function

	Depreciation/ Amortization Expense
Regular Assets	
11 Instruction	\$ 86,860,932
12 Instructional Resources and Media Services	2,121,728
13 Curriculum and Instructional Staff Development	657,490
21 Instructional Leadership	651,955
23 School Leadership	9,119,853
31 Guidance, Counseling and Evaluation Services	3,144,651
32 Social Work Services	52,790
33 Health Services	1,480,490
34 Student (Pupil) Transportation	6,262,230
35 Food Services	10,027,936
36 Cocurricular/Extracurricular Activities	4,867,414
41 General Administration	1,265,567
51 Facilities Maintenance and Operations	13,335,179
52 Security and Monitoring Services	1,687,516
53 Data Processing Services	1,703,094
61 Community Services	736,009
81 Facilities Acquisition and Construction	3,607,891
Regular Assets Total	<u>\$ 147,582,725</u>
Right-to-Use Leased Assets - Buildings	
11 Instruction	585,831
34 Student (Pupil) Transportation	217,743
51 Facilities Maintenance and Operations	1,705,029
Right-to-Use Leased Assets - Buildings Total	<u>\$ 2,508,603</u>
Right-to-Use Leased Assets - Furniture and Equipment	
41 General Administration	708,515
51 Facilities Maintenance and Operations	71,025
Right-to-Use Leased Assets - Furniture and Equipment Total	<u>\$ 779,540</u>
Furniture and Equipment - Financed Purchases	
11 Instruction	1,363,226
35 Food Services	7,143
41 General Administration	242,765
81 Facilities Acquisition and Construction	5,514
Furniture and Equipment - Financed Purchase Total	<u>\$ 1,618,648</u>
Total Depreciation/Amortization Expense	<u>\$ 152,489,516</u>

Depreciation/amortization 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, 2022 are \$419,439,972 for projects under the bond programs.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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.

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 2052. At June 30, 2022, \$253,068,174 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	\$ 845,140
2012	Unlimited Tax Refunding Bonds - Serially in varying amounts from August 15, 2013 to August 15, 2031	2.00% - 5.00%	390,235	18,400
2012A	Unlimited Tax Refunding Bonds - Serially in varying amounts from August 15, 2013 to August 15, 2031	4.00% - 5.00%	46,825	2,535
2014A	Unlimited Tax Refunding Bonds - Serially in varying amounts from August 15, 2015 to August 15, 2034	1.00% - 5.00%	356,115	97,535
2015	Unlimited Tax Refunding Bonds - Serially in varying amounts from February 15, 2016 to February 15, 2032	2.125% - 5.00%	234,760	83,745
2016A	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2022 to February 15, 2036	3.00% - 5.00%	305,785	197,965
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	58,085
2019B	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2021 to February 15, 2040	3.00% - 5.00%	311,975	291,915
2020	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2021 to February 15, 2050	2.00% - 5.00%	278,345	268,530
2021	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2021 to February 15, 2045	1.75% - 4.00%	275,210	267,615
2021A	Unlimited Tax Refunding Bonds - Serially in varying amounts from February 15, 2022 to February 15, 2031	3.00% - 5.00%	158,900	137,880
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
2021C	Unlimited Tax School Building & Refunding Bonds - Serially in varying amounts from February 15, 2022 to February 15, 2023	5.00% - 5.00%	68,815	2,145
2022	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2023 to February 15, 2052	2.375% - 5.00%	406,905	406,905
2022A	Unlimited Tax Refunding Bonds - Taxable Serially in varying amounts from February 15, 2027 to February 15, 2034	2.533% - 5.00%	264,805	264,805
Total				<u>\$ 3,356,960</u>

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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, 2022 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, 2022, the District has transferred \$64,502,971 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. The District currently has no variable rate debt.

Debt Issuance. As of June 30, 2022, the District has \$45,000,000 remaining of the \$75 million 2018 Transportation Bond Authorization, \$2,800,375,000 remaining of the 2020 School Building Bond Authorization, and \$220,000,000 remaining of the 2020 Technology Bond Authorization.

In August 2021, the District issued \$68,815,000 in "Unlimited Tax School Building and Refunding Bonds, Series 2021C" with interest rates at 5.00%. The District received a net premium of \$1,645,253. The total proceeds, less issuance costs and underwriter's discount of \$367,528 and \$88,305, respectively, were used for school building construction, and renovation, and to refund Commercial Paper. Principal and interest payments are due every February 15 and August 15, beginning February 15, 2022, until February 15, 2023. The total interest requirements of these bonds aggregate \$107,250, as of June 30, 2022. 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 February 2022, the District issued \$406,905,000 in "Unlimited Tax School Building Bonds, Series 2022" with interest rates ranging from 2.375% to 5.00%. The District received a net premium of \$25,651,243. The total proceeds, less issuance costs and underwriter's discount of \$1,036,314 and \$1,519,139, respectively, were used for school building construction and renovation. Principal and interest payments are due every February 15 and August 15, beginning August 15, 2022, until February 15, 2052. The total interest requirements of these bonds aggregate \$173,843,961, as of June 30, 2022. 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 March 2022, the District issued \$264,805,000 in "Unlimited Tax Refunding Bonds, Taxable Series 2022A" with interest rates ranging from 2.533% to 5.00%. The District received a net premium of \$23,986,213. The total proceeds, less issuance costs and underwriter's discount of \$859,758 and \$1,148,312, respectively, were used to partially refund \$68,880,000 in Unlimited Tax Refunding Bonds, Series 2014A, partially refund \$107,010,000 in Unlimited Tax Refunding Bonds, Taxable Series 2014A, and partially refund \$93,200,000 in Unlimited Tax School Building Bonds, Taxable Series 2016A. Principal and interest payments are due every February 15 and August 15, beginning August 15, 2022 until February 15, 2034. The total interest requirements of these bonds aggregate \$87,671,149, as of June 30, 2022. The aggregate difference in debt service between the refunding debt and the refunded debt is a savings of \$15,650,790 which is a net present value economic gain of \$15,652,481. 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, 2022

The following is a summary of the changes in the District's long-term debt for the year ended June 30, 2022:

Description	Long-Term Liabilities Outstanding July 1, 2021 (in thousands)	Additions and Interest Accretion (in thousands)	Retired/ Refunded/ Defeased (in thousands)	Long-Term Liabilities Outstanding June 30, 2022 (in thousands)	Amount Due Within One Year from June 30, 2022 (in thousands)
General Obligation Bonds:					
Series 2010C	\$ 868,805	\$ -	\$ 23,665	\$ 845,140	\$ 23,525
Series 2012	26,340	-	7,940	18,400	18,400
Series 2012A	3,610	-	1,075	2,535	2,535
Series 2014A	176,630	-	79,095	97,535	11,635
Series 2015	200,195	-	116,450	83,745	-
Series 2016A	305,785	-	107,820	197,965	15,370
Series 2017 QZAB	4,405	-	-	4,405	-
Series 2019	61,565	-	3,480	58,085	3,660
Series 2019B	302,195	-	10,280	291,915	10,810
Series 2020	273,680	-	5,150	268,530	5,415
Series 2021	275,210	-	7,595	267,615	7,905
Series 2021A	158,900	-	21,020	137,880	23,220
Series 2021B	409,355	-	-	409,355	-
Series 2021C	-	68,815	66,670	2,145	2,145
Series 2022	-	406,905	-	406,905	86,355
Series 2022A	-	264,805	-	264,805	-
Total General Obligation Bonds	\$ 3,066,675	\$ 740,525	\$ 450,240	\$ 3,356,960	\$ 210,975
Maintenance Tax Notes Payable:					
Series 2013-QSCB	\$ 143,340	\$ -	\$ -	\$ 143,340	\$ -
Total Maintenance Tax Notes	\$ 143,340	\$ -	\$ -	\$ 143,340	\$ -
Total Bonds and Notes Payable	\$ 3,210,015	\$ 740,525	\$ 450,240	\$ 3,500,300	\$ 210,975
Commercial Paper	\$ 30,000	\$ 50,000	\$ 30,000	\$ 50,000	\$ 50,000
Other Long-Term Obligations:					
Workers Compensation/Auto Liability	\$ 10,315	\$ 5,101	\$ 4,286	\$ 11,130	\$ 4,323
Premium on Bonds	196,994	51,283	54,030	194,247	-
Financed Purchases	-	5,827	1,588	4,239	1,938
GASB 87 Lease Liability	11,093	8,892	3,123	16,862	2,623
Net Pension Liability	600,167	101,010	398,062	303,115	-
Net OPEB Liability	557,369	78,418	66,193	569,594	-
	\$ 1,375,939	\$ 250,531	\$ 527,282	\$ 1,099,187	\$ 8,884
Totals	\$ 4,615,954	\$ 1,041,056	\$ 1,007,522	\$ 4,649,487	\$ 269,859

For fiscal year ending June 30, 2022, the legal debt margin of the District is \$10,731,521,212.

Debt Service Requirements. The annual requirements to pay principal and interest on the bond obligations and notes payable outstanding as of June 30, 2022, are as follows:

General Obligation Bonds

Year Ended June 30,	Principal (in thousands)	Interest (in thousands)	Total Requirements (in thousands)
2023	\$ 210,975	\$ 142,914	\$ 353,889
2024	143,475	133,493	276,968
2025	171,885	126,552	298,437
2026	163,700	118,500	282,200
2027	190,740	110,564	301,304
2028-2032	1,029,710	421,454	1,451,164
2033-2037	918,780	159,099	1,077,879
2038-2042	242,535	49,774	292,309
2043-2047	169,910	25,764	195,674
2048-2055	115,250	8,133	123,383
Totals	\$ 3,356,960	\$ 1,296,247	\$ 4,653,207

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

Maintenance Tax Notes

Year Ended June 30,	Principal (in thousands)	Interest (in thousands)	Total Requirements (in thousands)
2023	\$ -	\$ 7,237	\$ 7,237
2024	-	7,237	7,237
2025	-	7,237	7,237
2026	-	7,237	7,237
2027	-	7,237	7,237
2028-2032	-	36,187	36,187
2033-2037	143,340	10,856	154,196
Totals	<u>\$ 143,340</u>	<u>\$ 83,228</u>	<u>\$ 226,568</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 \$717,610,000 defeased bonds that remain in escrow at June 30, 2022 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. At June 30, 2022, the District had no liability for arbitrage.

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 \$300,000,000. The purpose of the Commercial Paper was for constructing, improving, renovating and equipping school buildings of the District and acquiring real property as authorized in the 2015 Bond Authorization; purchasing school buses and constructing and equipping bus maintenance and operating facilities for the District as authorized in the 2018 Transportation Bond Authorization; and refinancing, renewing or refunding outstanding Notes and Loans from time to time. The Commercial Paper Notes mature in not more than 270 days from issuance and are supported by a standby letter of credit with JPMorgan Chase Bank, National Association. Under the 2018 Transportation Bond Authorization, thirty million (\$30,000,000) of the Commercial Paper, Series A was outstanding at the beginning of the fiscal year until July 2, 2021. This \$30,000,000 was reissued at a rate of 0.08% until August 31, 2021, at which time, it was refunded by the Unlimited Tax School Building & Refunding Bonds, Series 2021C. The District's 2018 Commercial Paper Program ended on October 3, 2021.

In June 2021, the Board approved the issuance of Dallas Independent School District Unlimited Tax Commercial Paper Program, Series I, in an aggregate principal amount not to exceed \$300,000,000, and the issuance of Dallas Independent School District Unlimited Tax Extendable Commercial Paper Program, Series II, in an aggregate principal amount not to exceed \$200,000,000, for a total of \$500,000,000 available for the District's 2021 Commercial Paper Program. Up to \$300,000,000 in Commercial Paper may be issued against the Series I program, and up to \$500,000,000 in contracts may be entered into under both the Series I and Series II programs. The purpose of the 2021 Commercial Paper Program is (i) the purchase of school buses and construction and equipping of the maintenance and operating facilities for the District, as authorized by the 2018 Transportation Bond Authorization and the 2020 School Building Bond Authorization; (ii) constructing, improving, renovating and equipping school buildings of the District and acquiring real property therefore as authorized by the 2020 School Building Bond Authorization; acquisition and updating of District technology equipment, as authorized by the 2020 Technology Bond Authorization; and, (iii) refinancing, renewing, or refunding Notes or Loans from time to time under any credit agreement. The Commercial Paper Notes mature in not more than 270 days from issuance and are supported by a standby letter of credit with Bank of America, National Association. A note of \$1,225,000 to pay the costs of issuance of the 2021 Commercial Paper Program was issued by Bank of America on July 28, 2021, at a rate of 0.45%, and matured on February 17, 2022. Under the 2020 Technology

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

Bond Authorization, fifty million (\$50,000,000) of Commercial Paper, Series I, was issued on March 3, 2022, at a rate of 0.70% and matures on July 1, 2022.

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 issued, or by proceeds from ad valorem property taxes. As of June 30, 2022, the District had a \$50,000,000 outstanding balance of Commercial Paper issued.

Changes in the Commercial Paper are as follows:

Description	June 30, 2022	June 30, 2021
Beginning of the Period Liability	\$ 30,000,000	\$ 30,000,000
Bonds Issued	(30,000,000)	-
Commercial Paper Retirements	-	(30,000,000)
Commercial Paper Issuances	50,000,000	30,000,000
End of the Period Liability	<u>\$ 50,000,000</u>	<u>\$ 30,000,000</u>

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, 2022, the District had the following Deferred Inflows of Resources reported in the General Fund and Debt Service Fund:

	General	Debt Service	Total
Property Taxes	\$ 24,126,336	\$ 5,173,052	\$ 29,299,388
GASB 87 Leases	785,728	-	785,728
DCS Dissolution Payment	6,257,506	-	6,257,506
Medicaid/SHARS	44,624,525	-	44,624,525
Totals	<u>\$ 75,794,095</u>	<u>\$ 5,173,052</u>	<u>\$ 80,967,147</u>

NOTE L: GENERAL FUND FEDERAL SOURCE REVENUE

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

Build America Bonds Subsidy	\$ 17,864,867
E-Rate	3,196,339
Federal Revenue Distributed by TEA	13,329,542
Federal Revenue Distributed by Other Texas Agencies	239,940
Indirect Cost Reimbursement	21,680,075
Junior Reserve Officer Training Corps	2,566,339
School Health and Related Services	37,938,511
Qualified School Construction Bonds Subsidy	6,824,714
Emergency Connectivity Fund Revenue from USAC	3,038,124
Total	<u>\$ 106,678,451</u>

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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 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 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2020 through 2025. The 85th Texas Legislature,

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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 2021 and fiscal year 2022. 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 2021 ACFR, Note 11, on page 85.

	<u>Contribution Rates</u>	
	<u>2021</u>	<u>2022</u>
Member	7.7%	8.0%
Non-Employer Contributing Entity (State)	7.5%	7.75%
Employers	7.5%	7.75%
Dallas ISD 2022 Employer Contributions	\$	44,719,456
Dallas ISD 2022 Member Contributions	\$	97,921,054
Dallas ISD 2022 NECE On-Behalf Contributions	\$	1,330,913

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.
- 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 2021 measurement year. The actuarial valuation was performed as of August 31, 2020. Update procedures were used to roll forward the total pension liability to August 31, 2021.

**Dallas Independent School District
Notes to the Basic Financial Statements
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The following table discloses the assumptions that were applied to this measurement period:

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.25%
Long-Term Expected Rate	7.25%
Municipal Bond Rate as of August 2021	1.95% - 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)	2120
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, 2020. For a full description of these assumptions please see the TRS actuarial valuation report dated November 9, 2020.

Discount Rate. A single discount rate of 7.25% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.25%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 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 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, 2021 (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%	3.6%	0.94%
Non-U.S. Developed	13.0%	4.4%	0.83%
Emerging Markets	9.0%	4.6%	0.74%
Directional Hedge Funds	0.0%	0.0%	0.00%
Private Equity	14.0%	6.3%	1.36%

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Notes to the Basic Financial Statements
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Stable Value

Government Bonds	16.0%	(0.2)%	0.01%
Stable Value Hedge Funds	5.0%	1.1%	0.12%
Absolute Return (including Credit Sensitive Investments)	0.0%	2.2%	0.00%

Real Return

Real Estate	15.0%	4.5%	1.00%
Energy, Natural Resources, and Infrastructure	6.0%	4.7%	0.35%
Commodities	0.0%	1.7%	0.00%

Risk Parity

Risk Parity	8.0%	2.8%	0.028%
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Asset Allocation Leverage

Asset Allocation Leverage Cash	2.0%	(0.7)%	(0.01)%
Asset Allocation Leverage	(6.0)%	(0.5)%	0.03%
Inflation Expectation			2.20%
Volatility Drag****			(0.95)%

Expected Return	100.0%		6.90%
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* Absolute Return includes Credit Sensitive Investments.

** Target Allocation based on the FY2021 policy model.

*** Capital Market Assumptions come from Aon Hewitt (as of 08/31/2021).

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

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 2021 TRS ACFR, Note 11, page 88.

	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	\$ 662,354,372	\$ 303,114,994	\$ 11,662,816

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2022, Dallas Independent School District reported a liability of \$303,114,994 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	\$ 303,114,994
State's proportionate share that is associated with the District	332,905,041
Total	<u>\$ 636,020,035</u>

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

At August 31, 2021, the employer's proportion of the collective net pension liability was 1.1902517295%. In the prior year, this was 1.1205941805%. This year there was a decrease of 0.0696575490% from the previous proportion measured as of August 31, 2020.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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, 2021, was developed using a roll-forward method from the August 31, 2020 valuation.

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, 2022, Dallas Independent School District recognized pension expense of \$24,013,302, and revenue of \$1,330,913 for support provided by the state in the Government-wide Statement of Activities.

At June 30, 2022, 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	\$ 507,254	\$ 21,339,535
Changes in actuarial assumptions	107,145,229	46,706,131
Difference between projected and actual investment earnings	-	254,157,988
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	29,941,124	15,237,383
Contributions paid to TRS subsequent to the measurement date	44,358,901	-
Total	<u>\$ 181,952,508</u>	<u>\$ 337,441,037</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
2023	\$ (35,784,997)
2024	(38,087,891)
2025	(56,840,491)
2026	(72,764,749)
2027	2,622,914
Thereafter	1,007,784
Total	<u>\$ (199,847,430)</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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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, 2021 are as follows:

<u>Net OPEB Liability</u>	<u>Total</u>
Total OPEB Liability	\$ 41,113,711,083
Less: Plan Fiduciary Net Position	<u>2,539,242,470</u>
Net OPEB Liability	<u>\$ 38,574,468,613</u>
Net Position as percentage of Total OPEB Liability	6.18%

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:

<u>TRS-Care Monthly Premium Rates</u>		
	<u>Medicare</u>	<u>Non-Medicare</u>
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 2021, is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

Contribution Rates

	<u>2021</u>	<u>2022</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 2022 Employer Contributions	 \$ 11,848,562	
Dallas ISD 2022 Member Contributions	\$ 8,004,939	
Dallas ISD 2022 NECE On-Behalf Contributions	\$ 28,165,308	

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.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$5.5 million in fiscal year 2021, for consumer protection against medical and health care billing by certain out-of-pocket network providers.

Actuarial Assumptions. The total OPEB liability in the August 31, 2020 actuarial valuation was rolled forward to August 31, 2021. 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, 2020 TRS pension actuarial valuation that was rolled forward to August 31, 2021:

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, 2020 rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	1.95% as of August 31, 2021
Aging Factors	Based on Plan Specific Experience
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

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 1.95% was used to measure the total OPEB liability. There was a decrease of 0.38% in the discount rate since the previous year. The Discount Rate can be found in the 2021 TRS ACFR on page 77. 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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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.

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 (1.95%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (0.95%)	Discount Rate (1.95%)	1% Increase in Discount Rate (2.95%)
DISD's proportionate share of the net OPEB liability	\$ 687,062,068	\$ 569,594,378	\$ 477,143,483

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	\$ 461,352,570	\$ 569,594,378	\$ 714,827,995

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2022, Dallas Independent School District reported a liability of \$569,594,378 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	\$ 569,594,378
State's proportionate share that is associated with the District	763,129,528
Total	<u>\$ 1,332,723,906</u>

The Net OPEB Liability was measured as of August 31, 2021 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The 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, 2020 through August 31, 2021.

At August 31, 2021, the employer's proportion of the collective Net OPEB Liability was 1.47660978390% compared to the 1.4662009954% as of August 31, 2020. This is an increase of 0.010408788500%.

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

- The discount rate changed from 2.33% as of August 31, 2020 to 1.95% as of August 31, 2021. This change increased the Total OPEB Liability.
- The participation rate for pre-65 retirees was lowered from 50 percent to 40 percent. 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, 2022, Dallas Independent School District recognized OPEB expense of \$45,227,982, and revenue of \$28,165,308 for support provided by the state.

Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

At June 30, 2022, 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	\$ 24,523,735	\$ 275,723,526
Changes in actuarial assumptions	63,089,265	120,458,669
Net difference between projected and actual investment earnings	618,396	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	19,422,352	4,419,067
Contributions paid to TRS subsequent to the measurement date (to be calculated by employer)	9,977,545	-
Total	<u>\$ 117,631,293</u>	<u>\$ 400,601,262</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
2023	\$ (58,066,950)
2024	(58,080,896)
2025	(58,077,078)
2026	(43,083,812)
2027	(22,785,614)
Thereafter	(52,853,164)
Total	<u>\$ (292,947,514)</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, 2022, the accrued liability for workers' compensation self-insurance of \$11.1 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, 2022**

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
2021 - 2022	\$ 10,315,184	\$ 5,100,764	\$ (4,286,068)	\$ 11,129,880
2020 - 2021	\$ 9,800,591	\$ 3,998,461	\$ (3,483,868)	\$ 10,315,184

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, 2022 and 2021, these on-behalf payments were \$4,907,939 and \$5,433,032, 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. 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 became effective for the District in fiscal year 2022. The District implemented GASB 87 in fiscal year 2022.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

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 became effective for the District in fiscal year 2022. The implementation had no significant effect on the District's financial statements.

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

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

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

GASB Statement No. 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 became effective for the District in fiscal year 2022. The implementation had no significant effect on the District's financial statements.

Statement No. 100: *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. Statement 100 was issued in June 2022. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Statement 100 defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. In addition, this Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections. This statement became effective for the District in fiscal year 2024. The District has not yet determined the impact of this statement.

Statement No. 101: *Compensated Absences*. Statement 100 was issued in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. Further, this Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This statement became effective for the District in fiscal year 2024. 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 \$41.3 million consisted of \$5.8 million of insurance proceeds received for winter storm damage and \$35.5 million received for tornado damage. Extraordinary Items (Uses) of \$11.5 million consisted of \$1.8 million related to tornado damage, and \$9.7 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, 2022 through November 1, 2022, 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.

On July 1, 2022, the District rolled \$50 million of commercial paper for an additional 97 days at 140 bps to provide interim financing to pay technology project costs.

On July 29, 2022, the District purchased the building at 5501 LBJ Freeway for the purpose of serving as the International STEAM School. The building was purchased for \$45,000,000.

Dallas Independent School District

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, 2022

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(GAAP BASIS)	Final Budget
REVENUES				
5700 Local and Intermediate Sources	\$1,457,501,585	\$1,428,710,086	\$1,416,979,977	\$ (11,730,109)
5800 State Program Revenues	144,795,266	189,527,517	185,524,432	(4,003,085)
5900 Federal Program Revenues	64,971,525	102,758,169	106,678,451	3,920,282
5020 Total Revenues	1,667,268,376	1,720,995,772	1,709,182,860	(11,812,912)
EXPENDITURES				
Current				
11 Instruction	1,011,664,048	931,688,266	844,192,613	87,495,653
12 Instructional Resources and Media Services	13,254,704	14,310,040	13,228,831	1,081,209
13 Curriculum and Instructional Staff Development	26,736,463	28,899,806	25,600,569	3,299,237
21 Instructional Leadership	55,100,266	56,291,498	49,030,186	7,261,312
23 School Leadership	125,015,818	124,956,986	115,324,848	9,632,138
31 Guidance, Counseling and Evaluation Services	73,385,399	71,884,870	62,848,168	9,036,702
32 Social Work Services	1,289,482	1,323,485	1,240,776	82,709
33 Health Services	30,201,605	30,392,530	24,934,237	5,458,293
34 Student (Pupil) Transportation	58,685,587	67,686,198	61,470,739	6,215,459
35 Food Services	2,925,000	3,033,498	78,299	2,955,199
36 Cocurricular/Extracurricular Activities	35,534,171	43,781,972	39,787,617	3,994,355
41 General Administration	58,891,449	65,952,299	50,093,226	15,859,073
51 Facilities Maintenance and Operations	169,522,373	191,117,765	174,877,966	16,239,799
52 Security and Monitoring Services	26,189,267	30,653,542	23,963,213	6,690,329
53 Data Processing Services	40,963,667	58,362,003	50,755,161	7,606,842
61 Community Services	4,112,204	4,826,398	4,195,790	630,608
Debt Service				
71 Principal on Long Term Debt	-	5,591,082	4,550,206	1,040,876
72 Interest on Long Term Debt	7,237,237	7,482,426	7,482,424	2
73 Bond Fees and Charges	15,000	15,000	500	14,500
Capital Outlay				
81 Facilities Acquisition and Construction	15,793	3,806,475	3,607,644	198,831
Intergovernmental				
91 Contracted Instructional Services Between Schools	58,614,108	107,000,000	97,987,095	9,012,905
95 Payments to Juvenile Justice Alternative Ed. Prg.	86,300	71,800	9,726	62,074
99 Other Intergovernmental Charges	5,929,598	6,080,354	5,930,354	150,000
6030 Total Expenditures	1,805,369,539	1,855,208,293	1,661,190,188	194,018,105
1100 Excess (Deficiency) of Revenues Over Expenditures	(138,101,163)	(134,212,521)	47,992,672	182,205,193
OTHER FINANCING SOURCES (USES)				
7912 Sale of Real and Personal Property	-	-	520,404	520,404
7913 Right-to-Use Leases	-	15,600,000	8,891,951	(6,708,049)
7914 Financed Purchases	-	-	5,287,969	5,287,969
8911 Transfers Out (Use)	(7,167,000)	(22,167,000)	(7,473,039)	14,693,961
7080 Total Other Financing Sources (Uses)	(7,167,000)	(6,567,000)	7,227,285	13,794,285
7919 Extraordinary Item - Resource	-	8,776,191	7,563,221	(1,212,970)
8913 Extraordinary Item - (Use)	-	(11,645,510)	(11,483,003)	162,507
1200 Net Change in Fund Balances	(145,268,163)	(143,648,840)	51,300,175	194,949,015
0100 Fund Balance - Beginning	923,278,638	923,278,638	923,278,638	-
3000 Fund Balance - Ending	\$ 778,010,475	\$ 779,629,798	\$ 974,578,813	\$ 194,949,015

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, 2022**

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. For the year ended June 30, 2022, expenditures did not exceed budget in any function .

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, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportionate Share of Net Pension Liability (Asset)	\$ 303,114,994	\$ 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	332,905,041	713,905,847	667,880,494	711,627,494	445,725,181	536,455,724	521,628,830	418,542,854
Total	\$ 636,020,035	\$ 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)	1.1902517%	1.1205942%	1.1449786%	1.1410412%	1.1610385%	1.2169992%	1.2083891%	0.9316925%
District's Covered Payroll	\$ 1,212,666,620	\$ 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	25.00%	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	88.79%	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, 2021 for year 2022, 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 for Pensions
Teacher Retirement System
For the Fiscal Year Ended June 30, 2022**

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution (Current Fiscal Year)	\$ 44,719,456	\$ 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	(44,719,456)	(48,324,908)	(43,761,017)	(38,563,940)	(37,597,460)	(36,836,790)	(36,370,962)	(33,027,288)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 1,231,304,924	\$ 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	3.63%	4.00%	3.83%	3.63%	3.65%	3.55%	3.57%	3.41%

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

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 the District's Proportionate Share of the Net OPEB Liability
Teacher Retirement System
For the Fiscal Year Ended June 30, 2022

	FY 2022 Plan Year 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)	\$ 569,594,378	\$ 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	763,129,528	748,970,612	917,008,223	832,185,726	766,999,910
Total	<u>\$ 1,332,723,906</u>	<u>\$ 1,306,339,822</u>	<u>\$ 1,607,123,037</u>	<u>\$ 1,548,394,648</u>	<u>\$ 1,396,337,838</u>
District's Proportion of the Net Liability (Asset) for Other Post Employment Benefits	1.4766098%	1.4662010%	1.4592872%	1.4343997%	1.4472114%
District's Covered Payroll	\$ 1,212,666,620	\$ 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	46.97%	61.70%	64.56%	69.59%	60.84%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.18%	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 2022 are for the measurement date August 31, 2021, 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, 2022

	2022	2021	2020	2019	2018
Contractually Required Contribution (Current Fiscal Year)	\$ 11,848,562	\$ 11,456,201	\$ 11,081,106	\$ 10,269,166	\$ 9,642,810
Contribution in Relation to the Contractually Required Contribution	(11,848,562)	(11,456,201)	(11,081,106)	(10,269,166)	(9,642,810)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 1,231,304,924	\$ 1,207,148,078	\$ 1,143,025,181	\$ 1,063,626,066	\$ 1,028,852,109
Contributions as a Percentage of Covered Payroll	0.96%	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, 2022**

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, 2020, and that has not changed to the long-term rate of return of 7.25% as of August 31, 2021.

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 2.33% as of August 31, 2020 to 1.95% as of August 31, 2021. 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
- 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

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, ESF-Focused Support (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.

Coronavirus Response and Relief Supplemental Appropriations - CRRSA (Fund 281) – These funds are to be used to account, on a project basis, to prevent, prepare for, or respond to the COVID-19 pandemic, including impact on the social, emotional, mental health, and academic needs of students. This program is authorized by the Coronavirus Response and Relief Supplemental Appropriations Act of 2021, Section 313 Elementary and Secondary School Emergency Relief (ESSER II) Fund.

America Rescue Plan (ARP) Act of 2021 (Fund 284) – 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. P. L. 108-446, Individuals with Disabilities Education Act, Part B, Sections 611 and 619; American Rescue Plan Act of 2021.

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 (HIPPY); 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.

Student Success Initiative – SSI Community Partnerships Initiatives Implementation Continuation (Fund 404) – This fund classification is used to account, on a project basis, for funds granted for teacher training and allocations to schools to implement scientific, research-based programs for students who have been identified as unlikely to achieve the third grade STAAR reading standard by the end of the third grade. This program supports significant improvements in educational and developmental outcomes for children and youth who live in distressed communities by providing access to great schools and creating strong partnerships to increase family and community support that will prepare students to receive an excellent education from early learning and progressing to college and a career.

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, 2022**

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
ASSETS			
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -
1240 Receivables from Other Governments	32,045	12,560,546	5,377,088
1290 Other Receivables, Net	9,984	-	1,158
1300 Inventories	-	-	-
1000 Total Assets	<u>42,029</u>	<u>12,560,546</u>	<u>5,378,246</u>
LIABILITIES			
2110 Accounts Payable	-	153,150	-
2120 Short Term Debt Payable - Current	-	-	-
2150 Payroll Deductions and Withholdings Payable	-	997,164	545,758
2160 Accrued Wages and Benefits Payable	-	5,881,258	3,212,935
2170 Due to Other Funds	42,029	5,280,009	1,603,674
2180 Due to Other Governments	-	-	-
2200 Accrued Expenditures	-	248,965	15,879
2300 Unearned Revenues	-	-	-
2000 Total Liabilities	<u>42,029</u>	<u>12,560,546</u>	<u>5,378,246</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>\$ 42,029</u>	<u>\$ 12,560,546</u>	<u>\$ 5,378,246</u>

EXHIBIT H-1

225	226	240	244
IDEA - Part B Preschool	IDEA - Part B High Cost EDI Evaluation Capacity	Food Services Program	Career and Technical - Basic Grant
\$ -	\$ -	\$ 20,342,220	\$ -
40,788	521,642	2,452,353	232,484
-	-	20,815	-
-	-	9,324,957	-
40,788	521,642	32,140,345	232,484
-	-	963,128	8,611
-	-	-	-
2,799	-	339,315	379
17,221	-	1,968,013	2,941
20,643	521,642	14,428	99,741
-	-	-	-
125	-	-	120,812
-	-	81,304	-
40,788	521,642	3,366,188	232,484
-	-	9,324,957	-
-	-	19,449,200	-
-	-	-	-
-	-	-	-
-	-	28,774,157	-
40,788	521,642	32,140,345	232,484

Dallas Independent School District
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022

	255	263	266	272
Data Control Codes	ESSA Title II, Part A Improving Teacher Quality and Principal Preparation	Title III, Part A English Lang. Acquisition	ESSER School Emergency Relief Fund	Medicaid Admin. Claim MAC
ASSETS				
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 4,725,947
1240 Receivables from Other Governments	933,876	1,457,022	21,604	-
1290 Other Receivables, Net	-	-	-	-
1300 Inventories	-	-	-	-
1000 Total Assets	<u>933,876</u>	<u>1,457,022</u>	<u>21,604</u>	<u>4,725,947</u>
LIABILITIES				
2110 Accounts Payable	91,778	216,166	-	551
2120 Short Term Debt Payable - Current	-	-	-	-
2150 Payroll Deductions and Withholdings Payable	10,298	65,287	-	-
2160 Accrued Wages and Benefits Payable	53,155	434,527	-	-
2170 Due to Other Funds	751,531	715,336	-	-
2180 Due to Other Governments	1,062	-	-	-
2200 Accrued Expenditures	26,052	25,706	21,604	-
2300 Unearned Revenues	-	-	-	-
2000 Total Liabilities	<u>933,876</u>	<u>1,457,022</u>	<u>21,604</u>	<u>551</u>
FUND BALANCES				
Nonspendable Fund Balance				
3410 Inventories	-	-	-	-
Restricted Fund Balance				
3450 Federal or State Funds Grant Restriction	-	-	-	4,725,396
3490 Other Restricted Fund Balance	-	-	-	-
Assigned Fund Balance				
3590 Other Assigned Fund Balance	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,725,396</u>
4000 Total Liabilities and Fund Balances	<u>\$ 933,876</u>	<u>\$ 1,457,022</u>	<u>\$ 21,604</u>	<u>\$ 4,725,947</u>

281	284	289	315	340
CRRSA ESSER II	IDEA - Part B Formula - ARP	Other Federal Special Revenue Funds	SSA IDEA, Part B Discretionary Deaf	SSA - IDEA Part C Deaf - Early Intervention
\$ -	\$ -	\$ 49,696	\$ -	\$ -
4,399,832	263,891	775,428	86,528	323
-	-	-	-	-
-	-	-	-	-
4,399,832	263,891	825,124	86,528	323
111,744	224,376	502,336	-	85
-	-	-	-	-
82,367	-	4,873	7,807	-
485,746	-	42,231	46,845	-
3,686,614	11,617	152,834	31,876	-
-	-	41,850	-	-
33,361	27,898	42,145	-	238
-	-	38,855	-	-
4,399,832	263,891	825,124	86,528	323
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 4,399,832	\$ 263,891	\$ 825,124	\$ 86,528	\$ 323

**Dallas Independent School District
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022**

	393	397	404	410
Data Control Codes	Texas Successful Schools Prog.	Advanced Placement Incentives	Student Success Initiative	State Instructional Materials
ASSETS				
1110 Cash and Cash Equivalents	\$ 6,407	\$ 282,328	\$ -	\$ 599,540
1240 Receivables from Other Governments	-	-	9,870	-
1290 Other Receivables, Net	-	-	-	-
1300 Inventories	-	-	-	-
1000 Total Assets	<u>6,407</u>	<u>282,328</u>	<u>9,870</u>	<u>599,540</u>
LIABILITIES				
2110 Accounts Payable	197	-	3,963	-
2120 Short Term Debt Payable - Current	-	-	-	-
2150 Payroll Deductions and Withholdings Payable	-	-	54	-
2160 Accrued Wages and Benefits Payable	-	-	422	-
2170 Due to Other Funds	-	-	4,462	-
2180 Due to Other Governments	-	-	-	-
2200 Accrued Expenditures	1,021	-	969	-
2300 Unearned Revenues	-	-	-	599,540
2000 Total Liabilities	<u>1,218</u>	<u>-</u>	<u>9,870</u>	<u>599,540</u>
FUND BALANCES				
Nonspendable Fund Balance				
3410 Inventories	-	-	-	-
Restricted Fund Balance				
3450 Federal or State Funds Grant Restriction	5,189	282,328	-	-
3490 Other Restricted Fund Balance	-	-	-	-
Assigned Fund Balance				
3590 Other Assigned Fund Balance	-	-	-	-
3000 Total Fund Balances	<u>5,189</u>	<u>282,328</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	<u>\$ 6,407</u>	<u>\$ 282,328</u>	<u>\$ 9,870</u>	<u>\$ 599,540</u>

429	435	459	461	499	
Other State Special Revenue Funds	SSA Regional Day School - Deaf	Other SSA Special Revenue Funds	Campus Activity Funds	Other Local Special Revenue Funds	Total Non-Major Governmental Funds
\$ 47,871	\$ 457,089	\$ -	\$ 7,252,405	\$ 7,014,434	\$ 40,777,937
421,444	1,236,371	531,020	-	-	31,354,155
-	-	-	64	47,118	79,139
-	-	-	-	-	9,324,957
469,315	1,693,460	531,020	7,252,469	7,061,552	81,536,188
-	14,740	7,569	40,641	82,381	2,421,416
-	-	-	-	1,370	1,370
-	67,815	-	-	-	2,123,916
-	399,660	-	-	-	12,544,954
338,420	768,304	523,451	727,951	47,084	15,341,646
-	-	-	-	-	42,912
83,024	22,460	-	178,888	24,156	873,303
-	-	-	-	2,382,401	3,102,100
421,444	1,272,979	531,020	947,480	2,537,392	36,451,617
-	-	-	-	-	9,324,957
3,079	-	-	-	-	24,465,192
-	-	-	-	3,771,256	3,771,256
44,792	420,481	-	6,304,989	752,904	7,523,166
47,871	420,481	-	6,304,989	4,524,160	45,084,571
\$ 469,315	\$ 1,693,460	\$ 531,020	\$ 7,252,469	\$ 7,061,552	\$ 81,536,188

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, 2022

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	282,480	69,674,786	27,286,499
5020 Total Revenues	282,480	69,674,786	27,286,499
EXPENDITURES			
Current			
11 Instruction	60,470	27,461,106	12,080,018
12 Instructional Resources and Media Services	-	41,828	-
13 Curriculum and Instructional Staff Development	-	27,937,139	336,639
21 Instructional Leadership	-	2,818,770	768,997
23 School Leadership	-	135,175	-
31 Guidance, Counseling and Evaluation Services	-	2,334,937	13,070,161
32 Social Work Services	-	208,483	378,807
33 Health Services	-	-	16,479
34 Student (Pupil) Transportation	-	-	-
35 Food Services	-	-	-
36 Cocurricular/Extracurricular Activities	-	-	-
41 General Administration	-	2,118,671	79,896
51 Facilities Maintenance and Operations	-	572	-
52 Security and Monitoring Services	-	133,675	-
53 Data Processing Services	-	-	555,502
61 Community Services	222,010	6,484,430	-
Debt Service			
71 Principal on Long Term Debt	-	-	-
72 Interest on Long Term Debt	-	-	-
Capital Outlay			
81 Facilities Acquisition and Construction	-	-	-
6030 Total Expenditures	282,480	69,674,786	27,286,499
1100 Excess (Deficiency) of Revenues Over Expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
7913 Right-to-Use Leases	-	-	-
1200 Net Change in Fund Balance	-	-	-
0100 Fund Balance - Beginning	-	-	-
3000 Fund Balance - Ending	\$ -	\$ -	\$ -

225	226	240	244
IDEA - Part B Preschool	IDEA - Part B High Cost EDI Evaluation Capacity	Food Services Program	Career and Technical - Basic Grant
\$ -	\$ -	\$ 1,356,340	\$ -
-	-	151,585	-
297,005	521,642	117,229,546	1,832,049
297,005	521,642	118,737,471	1,832,049
211,501	521,642	-	789,248
-	-	-	-
723	-	-	197,006
84,781	-	-	845,795
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	95,678,763	-
-	-	-	-
-	-	-	-
-	-	1,734,819	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	7,018	-
-	-	293	-
-	-	-	-
297,005	521,642	97,420,893	1,832,049
-	-	21,316,578	-
-	-	25,715	-
-	-	21,342,293	-
-	-	7,431,864	-
\$ -	\$ -	\$ 28,774,157	\$ -

Dallas Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2022

		255	263	266
Data Control Codes		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	7,875,215	8,661,062	252,061
5020	Total Revenues	7,875,215	8,661,062	252,061
EXPENDITURES				
Current				
11	Instruction	-	4,877,500	-
12	Instructional Resources and Media Services	-	-	-
13	Curriculum and Instructional Staff Development	4,850,055	2,836,928	-
21	Instructional Leadership	1,031,031	-	-
23	School Leadership	24,826	-	-
31	Guidance, Counseling and Evaluation Services	2,625	-	-
32	Social Work Services	-	-	-
33	Health Services	-	-	-
34	Student (Pupil) Transportation	-	-	-
35	Food Services	-	-	-
36	Cocurricular/Extracurricular Activities	-	-	-
41	General Administration	1,936,634	44,801	252,061
51	Facilities Maintenance and Operations	25,791	1,143	-
52	Security and Monitoring Services	4,253	1,333	-
53	Data Processing Services	-	-	-
61	Community Services	-	899,357	-
Debt Service				
71	Principal on Long Term Debt	-	-	-
72	Interest on Long Term Debt	-	-	-
Capital Outlay				
81	Facilities Acquisition and Construction	-	-	-
6030	Total Expenditures	7,875,215	8,661,062	252,061
1100	Excess (Deficiency) of Revenues Over Expenditures	-	-	-
OTHER FINANCING SOURCES (USES)				
7913	Right-to-Use Leases	-	-	-
1200	Net Change in Fund Balance	-	-	-
0100	Fund Balance - Beginning	-	-	-
3000	Fund Balance - Ending	\$ -	\$ -	\$ -

272	281	284	289	315	340
Medicaid Admin. Claim MAC	CRRSA ESSER II	IDEA - Part B Formula - ARP	Other Federal Special Revenue Funds	SSA IDEA, Part B Discretionary Deaf	SSA - IDEA Part C Deaf - Early Intervention
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,259,750	17,346,601	312,364	5,873,337	412,109	7,159
1,259,750	17,346,601	312,364	5,873,337	412,109	7,159
-	8,822,928	-	483,481	412,109	-
-	64,331	-	-	-	-
-	326,253	-	467,839	-	-
-	906,067	-	813,466	-	-
-	816,546	-	-	-	-
-	336,056	312,364	3,247,139	-	-
-	12,252	-	-	-	-
467,236	1,389,429	-	-	-	-
-	438,222	-	-	-	-
-	553,571	-	-	-	-
-	51,620	-	-	-	-
-	201,188	-	375,019	-	7,159
-	2,511,160	-	-	-	-
-	148,088	-	77	-	-
-	666,484	-	-	-	-
-	92,192	-	486,316	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	10,214	-	-	-	-
467,236	17,346,601	312,364	5,873,337	412,109	7,159
792,514	-	-	-	-	-
-	-	-	-	-	-
792,514	-	-	-	-	-
3,932,882	-	-	-	-	-
\$ 4,725,396	\$ -	\$ -	\$ -	\$ -	\$ -

Dallas Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2022

Data Control Codes	393	397	404	410
	Texas Successful Schools Prog.	Advanced Placement Incentives	Student Success Initiative	State Instructional Materials
REVENUES				
5700 Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	118,010	248,136	7,674,513
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	-	118,010	248,136	7,674,513
EXPENDITURES				
Current				
11 Instruction	21,493	-	142,708	7,674,513
12 Instructional Resources and Media Services	-	-	-	-
13 Curriculum and Instructional Staff Development	-	-	20,172	-
21 Instructional Leadership	-	-	-	-
23 School Leadership	-	-	83,767	-
31 Guidance, Counseling and Evaluation Services	-	-	1,489	-
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	-	-	-	-
53 Data Processing Services	-	-	-	-
61 Community Services	-	-	-	-
Debt Service				
71 Principal on Long Term Debt	-	-	-	-
72 Interest on Long Term Debt	-	-	-	-
Capital Outlay				
81 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	21,493	-	248,136	7,674,513
1100 Excess (Deficiency) of Revenues Over Expenditures	(21,493)	118,010	-	-
OTHER FINANCING SOURCES (USES)				
7913 Right-to-Use Leases	-	-	-	-
1200 Net Change in Fund Balance	(21,493)	118,010	-	-
0100 Fund Balance - Beginning	26,682	164,318	-	-
3000 Fund Balance - Ending	\$ 5,189	\$ 282,328	\$ -	\$ -

429	435	459	461	499	
Other State Special Revenue Funds	SSA Regional Day School - Deaf	Other SSA Special Revenue Funds	Campus Activity Funds	Other Local Special Revenue Funds	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ 3,568,212	\$ 4,301,426	\$ 9,225,978
1,930,859	4,573,161	531,020	-	-	15,227,284
-	-	-	-	-	259,123,665
1,930,859	4,573,161	531,020	3,568,212	4,301,426	283,576,927
-	3,700,904	95,103	934,125	556,712	68,845,561
-	-	-	237,103	28,776	372,038
20,034	-	371,571	56,971	430,893	37,852,223
-	-	12,713	985	321,671	7,604,276
-	-	-	926,101	14,761	2,001,176
3,197	-	41,458	1,569	3,044	19,354,039
-	-	-	-	-	599,542
-	-	-	2,181	-	1,875,325
-	-	-	-	-	438,222
-	-	-	-	-	96,232,334
-	-	-	729,039	298,162	1,078,821
-	571,075	-	-	203,000	5,789,504
-	-	-	38,853	15,626	4,327,964
1,900,759	-	-	4,945	-	2,193,130
-	-	-	-	-	1,221,986
-	-	10,175	7,407	400,684	8,602,571
-	-	-	-	-	7,018
-	-	-	-	-	293
-	-	-	-	1,247,195	1,257,409
1,923,990	4,271,979	531,020	2,939,279	3,520,524	259,653,432
6,869	301,182	-	628,933	780,902	23,923,495
-	-	-	-	-	25,715
6,869	301,182	-	628,933	780,902	23,949,210
41,002	119,299	-	5,676,056	3,743,258	21,135,361
\$ 47,871	\$ 420,481	\$ -	\$ 6,304,989	\$ 4,524,160	\$ 45,084,571

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, 2022

Data Control Codes	752 Graphics Shop	753 Risk Management	771 Auto Liability Insurance	Total Internal Service Funds
ASSETS				
Current Assets				
1110 Cash and Cash Equivalents	\$ 244,286	\$ 19,129,480	\$ 2,346,415	\$ 21,720,181
1260 Due from Other Funds	-	1,215,048	-	1,215,048
1290 Other Receivables, Net	-	30,000	48,335	78,335
Total Current Assets	<u>244,286</u>	<u>20,374,528</u>	<u>2,394,750</u>	<u>23,013,564</u>
Noncurrent Assets				
Capital Assets				
1530 Furniture and Equipment, Net	145,620	-	-	145,620
1540 Financed Purchases, Net	356,488	-	-	356,488
1550 Right-to-Use Lease Asset, Net	2,696	-	-	2,696
Total Noncurrent Assets	<u>504,804</u>	<u>-</u>	<u>-</u>	<u>504,804</u>
Total Assets	<u>749,090</u>	<u>20,374,528</u>	<u>2,394,750</u>	<u>23,518,368</u>
LIABILITIES				
Current Liabilities				
2110 Accounts Payable	170,180	301,916	56,609	528,705
2150 Payroll Deductions and Withholdings Payable	798	14	-	812
2160 Accrued Wages and Benefits Payable	39,107	1,131	-	40,238
2170 Due to Other Funds	154	3	-	157
2200 Accrued Expenses	13,064	5,759	11,064	29,887
Total Current Liabilities	<u>223,303</u>	<u>308,823</u>	<u>67,673</u>	<u>599,799</u>
Noncurrent Liabilities				
2501 Due Within One Year	168,705	3,297,322	1,025,196	4,491,223
2502 Due in More Than One Year	195,737	6,317,010	490,352	7,003,099
Total Noncurrent Liabilities	<u>364,442</u>	<u>9,614,332</u>	<u>1,515,548</u>	<u>11,494,322</u>
Total Liabilities	<u>587,745</u>	<u>9,923,155</u>	<u>1,583,221</u>	<u>12,094,121</u>
NET POSITION				
3200 Net Investment in Capital Assets	140,362	-	-	140,362
3900 Unrestricted Net Position	20,983	10,451,373	811,529	11,283,885
Total Net Position	<u>\$ 161,345</u>	<u>\$ 10,451,373</u>	<u>\$ 811,529</u>	<u>\$ 11,424,247</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, 2022**

	752 Graphics Shop	753 Risk Management	771 Auto Liability Insurance	Total Internal Service Funds
OPERATING REVENUES				
Charges for Services	\$ 2,097,073	\$ 9,498,279	\$ 1,309,249	\$ 12,904,601
Total Operating Revenues	<u>2,097,073</u>	<u>9,498,279</u>	<u>1,309,249</u>	<u>12,904,601</u>
OPERATING EXPENSES				
Personnel Services	1,200,090	6,284,077	-	7,484,167
Contractual Services	796,696	1,028,142	456,596	2,281,434
Supplies	276,001	356,548	-	632,549
Other Operating Expenses	-	2,257,203	1,360,698	3,617,901
Depreciation/Amortization Expense	197,760	-	-	197,760
Debt Service	5,789	-	-	5,789
Total Operating Expenses	<u>2,476,336</u>	<u>9,925,970</u>	<u>1,817,294</u>	<u>14,219,600</u>
Operating Income (Loss)	<u>(379,263)</u>	<u>(427,691)</u>	<u>(508,045)</u>	<u>(1,314,999)</u>
NON-OPERATING REVENUES (EXPENSES)				
Transfer In	306,039	-	-	306,039
Total Non-Operating Revenues(Expenses)	<u>306,039</u>	<u>-</u>	<u>-</u>	<u>306,039</u>
Change in Net Position	<u>(73,224)</u>	<u>(427,691)</u>	<u>(508,045)</u>	<u>(1,008,960)</u>
Total Net Position - Beginning	234,569	10,879,064	1,319,574	12,433,207
Total Net Position - Ending	<u>\$ 161,345</u>	<u>\$ 10,451,373</u>	<u>\$ 811,529</u>	<u>\$ 11,424,247</u>

**Dallas Independent School District
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2022**

	752	753	771	Total Internal Service Funds
	Graphics Shop	Risk Management	Auto Liability Insurance	
Cash Flows from Operating Activities				
Cash Received from User Charges	\$ 2,097,073	\$ 11,876,719	\$ 1,271,156	\$ 15,244,948
Cash Payments to Employees for Services	(1,196,777)	(2,541,921)	-	(3,738,698)
Cash Payments for Insurance Claims	-	(3,559,580)	-	(3,559,580)
Cash Payments for Suppliers	(1,190,644)	(3,933,072)	(1,133,833)	(6,257,549)
Interest for Leases and Financed Purchases	(5,789)	-	-	(5,789)
Cash Payments for Principal of Leases	(148,026)	-	-	(148,026)
Cash Payments for Accrued Expenses	-	(204)	-	(204)
Net Cash Provided by (Used for) Operating Activities	(444,163)	1,841,942	137,323	1,535,102
Cash Flows from Non-Capital Financing Activities				
Transfers In	306,039	-	-	306,039
Net Cash Provided by (Used for) Non-Capital Activities	306,039	-	-	306,039
Net Increase (Decrease) in Cash and Cash Equivalents	(138,124)	1,841,942	137,323	1,841,141
Cash and Cash Equivalents at Beginning of Year	382,410	17,287,538	2,209,092	19,879,040
Cash and Cash Equivalents at End of Year	<u>\$ 244,286</u>	<u>\$ 19,129,480</u>	<u>\$ 2,346,415</u>	<u>\$ 21,720,181</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	(379,263)	(427,691)	(508,045)	(1,314,999)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Depreciation/Amortization	197,760	-	-	197,760
Effect of Increases and Decreases in Current Assets and Liabilities				
Decrease (increase) in Due from Other Funds	-	133,290	(38,093)	95,197
Decrease (increase) in Prepayments	-	2,245,150	-	2,245,150
Decrease (increase) in Due to Other Funds	-	3	-	3
Increase (decrease) in Accounts Payable	(55,847)	(291,182)	45,597	(301,432)
Increase (decrease) in Payroll Deductions	23	30	-	53
Increase (decrease) in Accrued Wages Payable	3,290	788	-	4,078
Increase (decrease) in Accrued Liabilities Short Term	-	61,855	749,477	811,332
Increase (decrease) in Accrued Liabilities Long Term	-	119,699	(116,539)	3,160
Increase (decrease) in Accrued Expenses	(62,100)	-	4,926	(57,174)
Increase (decrease) in Lease Liability	(148,026)	-	-	(148,026)
Net Cash Provided by (Used for) Operating Activities	<u>\$ (444,163)</u>	<u>\$ 1,841,942</u>	<u>\$ 137,323</u>	<u>\$ 1,535,102</u>

**TEXAS EDUCATION AGENCY
REQUIRED SCHEDULES**

**DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Exhibit J-1

	1	2	3	10	20	31	32	40	50
	Tax Rates								
Fiscal year (1)	Maintenance	Debt Service	Net Assessed/ Appraised Value for School Tax Purposes	Beginning Balance	Current Year's Total Levy	Maintenance Collections	Debt Service Collections	Entire Year's Adjustments	Ending Balance
2013	(2) 1.04000-1.50000	0.139500-0.250297	712,670,230,979	\$ 11,423,201	-	\$ 1,517,838	\$ 228,786	\$ (1,072,097)	\$ 8,604,480
2014	1.040050	0.242035	80,040,860,095	2,039,996	-	176,125	40,986	(64,095)	1,758,790
2015	1.040050	0.242035	85,633,556,319	2,905,720	-	214,624	49,946	(67,281)	2,573,869
2016	1.040050	0.242035	91,173,609,390	3,645,607	-	343,744	79,994	(69,727)	3,152,142
2017	1.040050	0.242035	100,935,505,829	4,338,044	-	526,884	122,613	(116,844)	3,571,703
2018	1.040050	0.242035	108,482,803,909	5,637,197	-	869,400	202,322	(95,351)	4,470,124
2019	1.170000	0.242035	119,329,737,566	8,620,525	-	1,729,012	357,676	(22,088)	6,511,749
2020	1.068350	0.242035	128,350,910,821	13,718,761	-	2,849,449	645,543	(1,279,755)	8,944,014
2021	1.054700	0.242035	128,056,436,790	30,315,460	-	(2,153,731)	(494,245)	(20,613,952)	12,349,484
2022	1.006200	0.242035	141,905,281,463	-	1,717,724,797	1,399,555,026	336,654,049	46,133,907	27,649,629
Wilmer Hutchins (1)				346,030	-	42,132	-	(81,580)	222,318
1000 Totals				<u>\$ 82,990,541</u>	<u>\$ 1,717,724,797</u>	<u>\$ 1,405,670,503</u>	<u>\$ 337,887,670</u>	<u>\$ 22,651,137</u>	<u>\$ 79,808,302</u>

(1) Wilmer Hutchins ISD was annexed by the District effective July 1, 2007.

(2) Highest and lowest level for 10 years (2004-2013)

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, 2022

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance with Final Budget
		Original	Final		
REVENUES					
5700	Local and Intermediate Sources	\$ 2,283,931	\$ 2,283,931	\$ 1,356,340	\$ (927,591)
5800	State Program Revenues	625,000	625,000	151,585	(473,415)
5900	Federal Program Revenues	103,094,354	103,094,354	117,229,546	14,135,192
5020	Total Revenues	106,003,285	106,003,285	118,737,471	12,734,186
EXPENDITURES					
Current					
6035	Food Services	115,105,976	115,096,565	95,678,763	19,417,802
6051	Facilities Maintenance and Operations	1,944,991	1,944,991	1,734,819	210,172
6071	Principal on Long Term Debt	-	9,097	7,018	2,079
6072	Interest on Long Term Debt	-	314	293	21
6030	Total Expenditures	117,050,967	117,050,967	97,420,893	19,630,074
1100	Excess (Deficiency) of Revenues Over Expenditures	(11,047,682)	(11,047,682)	21,316,578	32,364,260
OTHER FINANCING SOURCES (USES)					
7913	Right-to-Use Leases	-	-	25,715	25,715
7915	Transfers In	-	15,000,000	-	(15,000,000)
7080	Total Other Financing Sources (Uses)	-	15,000,000	25,715	(14,974,285)
1200	Net Change in Fund Balances	(11,047,682)	3,952,318	21,342,293	17,389,975
0100	Fund Balance - Beginning	7,431,864	7,431,864	7,431,864	-
3000	Fund Balance - Ending	\$ (3,615,818)	\$ 11,384,182	\$ 28,774,157	\$ 17,389,975

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, 2022

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance with Final Budget
		Original	Final		
REVENUES					
5700	Local and Intermediate Sources	\$ 336,514,962	\$ 336,514,962	\$ 340,634,468	\$ 4,119,506
5800	State Program Revenues	-	-	1,700,396	1,700,396
5020	Total Revenues	336,514,962	336,514,962	342,334,864	5,819,902
EXPENDITURES					
Debt Service					
71	Principal on Long Term Debt	164,480,000	232,375,000	212,375,000	20,000,000
72	Interest on Long Term Debt	136,536,102	139,581,182	136,669,942	2,911,240
73	Bond Fees and Charges	1,650,000	2,486,669	2,048,595	438,074
6030	Total Expenditures	302,666,102	374,442,851	351,093,537	23,349,314
1100	Excess (Deficiency) of Revenues Over Expenditures	33,848,860	(37,927,889)	(8,758,673)	29,169,216
OTHER FINANCING SOURCES (USES)					
7911	Capital Related Debt Issued	-	-	264,805,000	264,805,000
7915	Transfers In	7,167,000	7,167,000	37,190,623	30,023,623
7916	Premium or Discount on Issuance of Bonds	-	-	23,986,213	23,986,213
8949	Other (Uses)	-	-	(286,781,453)	(286,781,453)
7080	Total Other Financing Sources (Uses)	-	7,167,000	39,200,383	32,033,383
1200	Net Change in Fund Balances	33,848,860	(30,760,889)	30,441,710	61,202,599
0100	Fund Balance - Beginning	222,442,066	222,442,066	222,442,066	-
3000	Fund Balance - Ending	\$ 256,290,926	\$ 191,681,177	\$ 252,883,776	\$ 61,202,599

**Dallas Independent School District
Use of Funds Report - Select State Allotment Programs
For the Fiscal Year Ended June 30, 2022**

Section A: Compensatory Education Programs

AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Did your LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$196,882,552
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$102,200,076

Section B: Bilingual Education Programs

AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Did your LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the district's fiscal year.	\$43,822,521
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$25,103,071

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.

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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:	2022	2021	2020	2019
Expenses				
Governmental Activities:				
Instruction	\$ 1,004,236,979	\$ 1,078,164,284	\$ 1,095,737,419	\$ 972,334,416
Instructional Resources and Media Services	14,585,509	18,401,935	21,402,181	21,169,253
Curriculum and Staff Development	59,799,697	64,995,553	70,424,170	63,888,041
Instructional Leadership	57,458,311	55,389,836	52,236,843	42,121,680
School Leadership	114,857,081	123,102,392	123,359,013	110,067,219
Guidance, Counseling and Evaluation Services	79,002,173	84,734,280	81,244,094	74,521,153
Social Work Services	1,704,888	1,925,327	3,349,661	2,931,749
Health Services	26,203,296	24,595,412	26,438,683	21,876,353
Student (Pupil) Transportation	62,721,267	58,353,284	70,395,894	66,868,011
Food Services	100,553,734	97,710,527	127,056,390	124,943,934
Cocurricular/Extracurricular Activities	43,306,251	42,795,172	37,457,609	37,551,758
General Administration	54,554,227	53,824,592	53,816,493	48,798,452
Facilities Maintenance and Operation	171,641,924	205,824,400	174,138,069	141,865,719
Security and Monitoring Services	25,695,932	23,674,507	24,592,052	21,494,308
Data Processing Services	51,927,176	45,694,626	44,976,107	48,959,455
Community Services	12,526,284	12,011,566	12,978,647	12,029,540
Debt Service - Interest and Fees on Long-Term Debt	123,440,648	134,313,447	122,613,896	121,968,174
Debt Service - Bond Issuance Cost and Fees	4,581,836	182,736	107,552	1,944,555
Facilities Acquisition and Construction	14,455,158	8,339,925	18,944,454	1,613,647
Contracted Instructional Services Between Schools	97,987,095	85,377,533	18,509,704	67,373,116
Payments to Juvenile Justice Alternative Ed. Prg.	9,726	14,628	10,296	3,000
Payments to Tax Increment Fund	-	-	-	64,955
Other Intergovernmental Charges	5,930,560	5,928,126	5,893,777	5,445,908
Total Primary Government Program Expenses	<u>2,127,179,752</u>	<u>2,225,354,088</u>	<u>2,185,683,004</u>	<u>2,009,834,396</u>
Program Revenues				
Governmental Activities:				
Charges for Service:				
Instruction	577,952	488,693	437,708	541,675
Curriculum and Staff Development	-	-	-	-
Instructional Leadership	-	-	-	-
Food Services	1,015,882	365,675	1,615,674	1,646,080
Cocurricular/Extracurricular Activities	1,061,389	625,955	963,354	973,006
Facilities Maintenance and Operations	1,497,141	1,630,144	2,131,009	2,555,272
Operating Grants and Contributions	443,338,242	348,776,116	460,333,166	345,125,422
Total Primary Government Program Revenues	<u>447,490,606</u>	<u>351,886,583</u>	<u>465,480,911</u>	<u>350,841,455</u>
Net (Expense)/Revenue				
Total Primary Government Expenses	<u>(1,679,689,146)</u>	<u>(1,873,467,505)</u>	<u>(1,720,202,093)</u>	<u>(1,658,992,941)</u>
General Revenues				
Governmental Activities:				
Taxes				
Property Taxes Levied for General Purposes	1,403,521,481	1,396,475,465	1,319,796,489	1,330,674,650
Property Taxes Levied for Debt Services	337,628,973	320,496,981	299,013,041	275,270,197
State Aid not Restricted to Specific Purpose	42,919,472	41,246,541	47,717,109	82,073,509
Grants, Contributions and Other Revenue not Restricted	91,164,628	188,987,283	130,924,356	151,059,331
Investment Earnings	(5,377,815)	6,291,780	29,195,172	33,470,753
Gain (loss) on Sale of Equipment	-	-	-	-
Miscellaneous	28,659,058	30,332,983	21,773,101	9,079,224
Extraordinary Items	32,023,575	7,353,108	9,218,116	-
Total Primary Government	<u>1,930,539,372</u>	<u>1,991,184,141</u>	<u>1,857,637,384</u>	<u>1,881,627,664</u>
Change in Net Position				
Total primary government	<u>\$ 250,850,226</u>	<u>\$ 117,716,636</u>	<u>\$ 137,435,291</u>	<u>\$ 222,634,723</u>

Source: Statement of Activities for the Dallas Independent School District

Dallas Independent School District

S-1

2018	2017	2016	2015	2014	2013
\$ 650,662,754	\$ 956,576,387	\$ 998,278,934	\$ 918,378,917	\$ 838,734,964	\$ 837,619,961
14,203,567	24,430,222	25,176,186	24,268,027	23,293,647	23,618,126
35,993,922	51,704,106	58,250,759	50,396,457	48,023,182	36,333,128
26,067,193	37,602,700	36,526,926	31,039,518	26,485,116	21,583,374
64,548,864	106,125,020	107,487,393	94,868,296	86,999,537	82,180,544
45,798,249	72,535,828	73,248,880	66,733,501	58,852,078	59,251,653
1,609,764	2,997,092	3,313,751	2,965,574	2,775,531	2,485,963
12,806,971	21,451,753	21,511,094	20,099,689	17,948,403	18,162,354
49,670,287	55,779,292	53,830,113	46,322,785	35,812,881	25,497,358
103,681,948	123,592,132	118,626,758	107,517,917	101,484,589	93,529,323
29,291,340	38,266,030	36,421,282	30,184,490	28,452,778	23,425,259
34,962,724	51,693,840	53,243,020	48,175,732	39,655,687	34,292,907
119,466,649	157,815,314	166,498,335	145,367,996	142,000,753	147,466,378
13,495,855	23,036,834	21,386,056	23,283,265	19,989,832	19,098,721
38,018,316	45,348,246	46,293,855	44,278,942	38,590,780	41,618,908
8,209,966	12,992,401	13,166,512	12,067,736	9,614,304	8,371,779
124,140,537	126,555,232	199,431,914	27,515,111	124,428,173	128,536,048
49,021	85,007	4,410,076	4,427,183	1,259,936	-
2,831,109	1,078,436	1,336,580	33,668	2,145,951	5,047,018
-	-	-	-	-	-
7,332	8,814	5,622	6,762	2,736	10,488
65,673	7,476	-	-	69,898	3,749,780
5,069,208	4,919,416	4,791,696	4,578,190	4,410,880	3,835,557
1,380,651,249	1,914,601,578	2,043,235,742	1,702,509,756	1,651,031,636	1,615,714,627
2,592	-	309,722	172,766	233,006	261,509
382,990	446,980	629,792	1,611,367	1,817,454	1,278,066
42,554	49,664	69,977	179,041	201,939	127,807
1,587,248	1,464,642	1,600,005	2,821,535	3,801,181	5,558,516
1,135,602	909,673	946,391	1,152,755	1,160,349	1,167,991
3,748,263	4,672,484	2,026,208	1,917,887	1,413,139	6,482,941
49,994,516	334,916,110	361,222,410	356,499,886	293,878,890	286,311,657
56,893,765	342,459,553	366,804,505	364,355,237	302,505,958	301,188,487
(1,323,757,484)	(1,572,142,025)	(1,676,431,237)	(1,338,154,519)	(1,348,525,678)	(1,314,526,140)
1,086,494,144	1,003,755,255	910,501,189	854,963,342	801,098,678	767,724,171
253,771,120	233,607,228	211,887,005	198,979,050	186,427,489	184,313,028
150,206,649	257,588,928	345,639,301	346,230,033	334,227,912	337,558,928
109,392,657	70,160,602	81,703,893	87,298,011	53,752,263	41,041,051
20,599,310	10,901,449	8,457,518	3,084,819	2,478,190	2,439,424
-	-	-	-	-	-
49,183,203	34,387,827	36,477,865	25,615,604	19,352,649	10,052,203
41,512,474	-	-	-	-	-
1,711,159,557	1,610,401,289	1,594,666,771	1,516,170,859	1,397,337,181	1,343,128,805
\$ 387,402,073	\$ 38,259,264	\$ (81,764,466)	\$ 178,016,340	\$ 48,811,503	\$ 28,602,665

Dallas Independent School District

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

Fiscal Year Ended June 30:	2022	2021	2020	2019
Governmental Activities:				
Net Investment in Capital Assets	\$ 630,748,328	\$ 454,034,389	\$ 396,154,426	\$ 353,356,942
Restricted	169,744,823	121,618,627	114,584,087	110,047,571
Unrestricted	(275,607,827)	(301,617,918)	(354,442,214)	(444,543,505)
Total Governmental Activities Net Position	\$ 524,885,324	\$ 274,035,098	\$ 156,296,299	\$ 18,861,008

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

Dallas Independent School District

S-2

2018	2017	2016	2015	2014	2013
\$ 322,930,292	\$ 268,379,771	\$ 19,321,452	\$ 222,450,356	\$ 169,438,211	\$ 226,638,835
102,613,514	79,484,886	254,277,208	154,385,740	76,265,991	84,729,743
(629,317,521)	165,806,871	201,813,604	180,340,634	419,545,825	326,193,821
<u>\$ (203,773,715)</u>	<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>

Dallas Independent School District

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

Fiscal Year Ended June 30:	2022	2021	2020	2019
Revenues				
Local Sources:				
Property Taxes	\$ 1,756,640,362	\$ 1,734,078,779	\$ 1,625,503,526	\$ 1,613,635,986
Interest	(5,628,253)	6,291,779	29,195,172	33,470,753
Other	16,485,082	13,701,470	16,613,086	18,710,996
State Sources	202,452,112	220,726,617	227,916,217	234,689,340
Federal Sources	463,523,342	349,326,130	349,753,100	341,258,766
Total Revenue	<u>2,433,472,645</u>	<u>2,324,124,775</u>	<u>2,248,981,101</u>	<u>2,241,765,841</u>
Expenditures				
Instruction	1,013,149,493	982,139,769	949,551,494	855,476,205
Instructional Resources and Media Services	13,675,145	16,241,537	18,345,682	18,647,553
Curriculum and Staff Development	64,801,818	62,627,736	61,708,030	57,630,975
Instructional Leadership	62,741,018	53,848,780	47,312,204	38,923,482
School Leadership	117,803,993	113,041,101	107,685,615	97,849,280
Guidance, Counseling, and Evaluation Services	83,901,067	80,323,040	71,969,377	67,602,079
Social Work Services	1,840,318	1,833,721	2,959,931	2,678,416
Health Services	27,228,917	22,842,430	23,293,963	19,581,946
Student Transportation	69,197,703	51,833,954	59,412,970	50,587,137
Food Services	96,310,633	87,926,338	110,649,572	111,700,306
Co-Curricular/Extra-Curricular Activities	40,866,438	37,855,275	31,739,179	32,910,709
General Administration	56,533,251	55,096,524	51,982,725	46,894,385
Plant Maintenance and Operations	179,246,313	202,596,612	167,180,260	134,010,205
Security and Monitoring Services	26,915,657	24,506,628	23,107,695	20,042,705
Data Processing Services	52,360,715	40,192,846	35,750,152	32,629,639
Community Services	12,922,455	10,852,711	10,860,805	10,474,922
Debt Service				
Principal	216,937,653	164,285,000	155,595,000	133,245,000
Interest	150,404,687	164,071,511	141,343,679	145,421,341
Facilities Acquisition & Construction	459,642,209	353,950,932	331,562,770	312,342,228
Intergovernmental Charges	103,927,381	91,320,287	24,413,777	72,886,979
Total Expenditures	<u>2,850,406,864</u>	<u>2,617,386,732</u>	<u>2,426,424,880</u>	<u>2,261,535,492</u>
Other Financing Sources (uses)				
Proceeds from Bonds and Notes	526,945,000	553,555,000	341,975,000	800,000
Proceeds from Refunding Bonds	264,805,000	568,255,000	-	68,025,000
Right-to-Use Leases & Financed Purchases	14,225,484	-	-	-
Transfers In /Out	(306,039)	2,349,358	10,771,873	-
Premium on Bonds	51,282,709	113,492,024	39,127,754	8,135,755
Sale of Real & Personal Property	520,404	384,463	599,782	325,751
Payments to Refunded Bond Escrow Agent	(286,781,453)	(629,027,028)	-	(75,000,000)
Total Other Financing Sources (uses)	<u>570,691,105</u>	<u>609,008,817</u>	<u>392,474,409</u>	<u>2,286,506</u>
Extraordinary Items				
Extraordinary Items	29,827,831	6,128,507	25,601,329	-
Net Changes in Fund Balances	<u>\$ 183,584,717</u>	<u>\$ 321,875,367</u>	<u>\$ 240,631,959</u>	<u>\$ (17,483,145)</u>
Debt service as a percentage of noncapital expenditures (1)	15.10%	14.51%	13.98%	14.31%

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

2018	2017	2016	2015	2014	2013
\$ 1,350,404,734	\$ 1,250,216,214	\$ 1,131,070,782	\$ 1,063,513,416	\$ 993,116,637	\$ 953,024,424
20,588,573	10,901,450	8,457,520	3,084,819	2,490,870	2,439,424
38,782,856	26,561,577	35,340,417	27,919,560	23,424,643	26,212,625
271,922,516	349,845,527	442,535,971	451,066,685	393,745,055	395,145,649
305,326,146	288,871,749	295,517,788	314,513,874	287,146,679	260,503,088
1,987,024,825	1,926,396,517	1,912,922,478	1,860,098,354	1,699,923,884	1,637,325,210
881,359,309	865,829,893	893,271,045	853,166,619	767,476,755	763,008,812
19,599,778	22,121,284	22,795,374	22,882,147	21,771,417	22,064,026
51,168,167	50,470,310	55,812,949	50,784,870	47,505,300	35,686,203
38,663,853	36,084,991	34,576,624	30,866,857	26,110,168	21,138,257
94,023,624	96,313,120	96,774,330	88,767,725	80,506,607	75,202,435
67,279,886	67,754,706	67,753,209	64,816,543	56,672,484	56,862,691
2,689,889	2,936,775	3,263,195	2,924,614	2,731,254	2,442,091
18,841,269	19,656,153	19,639,366	19,164,696	16,943,543	17,033,913
39,054,459	55,743,237	53,924,053	46,315,857	35,805,953	25,528,534
111,415,975	113,862,535	111,672,916	101,308,709	95,659,982	89,271,199
33,982,948	34,406,552	32,731,001	27,157,237	25,677,557	20,414,477
47,070,338	51,678,899	52,691,371	50,648,623	40,191,375	33,884,965
142,814,234	151,122,084	161,679,314	143,121,525	136,554,325	141,159,026
20,161,322	21,502,684	22,256,194	23,542,452	19,823,365	18,871,512
30,131,468	34,409,262	33,838,248	36,450,445	31,179,276	30,837,025
11,087,568	12,274,936	12,364,415	11,643,071	9,135,120	7,813,628
108,605,000	122,795,000	103,990,000	50,515,000	62,595,000	54,095,000
145,742,468	148,002,335	133,348,140	142,354,189	133,689,215	134,757,695
230,582,630	174,827,546	153,844,110	95,996,507	80,870,347	278,132,001
5,142,213	4,935,706	4,797,318	4,584,952	4,483,514	7,595,825
2,099,416,398	2,086,728,008	2,071,023,172	1,867,012,638	1,695,382,557	1,835,799,315
-	4,405,000	647,230,000	590,875,000	143,340,000	-
-	-	-	-	-	437,060,000
-	-	-	-	-	-
29,824,208	(822,930)	(926,624)	(351,439)	(25,719,847)	(234,982)
-	-	76,488,994	85,253,985	-	64,753,841
21,084,897	5,843,740	484,990	1,402,794	413,206	31,942
-	-	-	(671,684,268)	-	(498,445,267)
50,909,105	9,425,810	723,277,360	5,496,072	118,033,359	3,165,534
-	-	-	-	-	-
\$ (61,482,468)	\$ (150,905,681)	\$ 565,176,666	\$ (1,418,212)	\$ 122,574,686	\$ (195,308,571)
13.36%	14.18%	11.46%	10.33%	12.22%	12.21%

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:	2022	2021	2020	2019
Revenues				
Local Sources:				
Property Taxes	72.2%	74.6%	72.3%	72.0%
Interest	-0.2%	0.3%	1.3%	1.5%
Other	0.7%	0.6%	0.7%	0.8%
State Sources	8.3%	9.5%	10.1%	10.5%
Federal Sources	19.0%	15.0%	15.6%	15.2%
Total Revenue	100%	100%	100%	100%
Expenditures				
Instruction	35.5%	37.5%	39.1%	37.8%
Instructional Resources and Media Services	0.5%	0.6%	0.8%	0.8%
Curriculum and Staff Development	2.3%	2.4%	2.5%	2.5%
Instructional Leadership	2.2%	2.1%	1.9%	1.8%
School leadership	4.1%	4.3%	4.4%	4.3%
Guidance, Counseling, and Evaluation Services	2.9%	3.1%	3.0%	3.1%
Social Work Services	0.1%	0.1%	0.1%	0.1%
Health Services	1.0%	0.9%	1.0%	0.9%
Student Transportation	2.4%	2.0%	2.4%	2.2%
Food Services	3.4%	3.4%	4.6%	4.9%
Co-Curricular/Extra-Curricular Activities	1.4%	1.4%	1.3%	1.5%
General Administration	2.0%	2.1%	2.1%	2.1%
Plant Maintenance and Operations	6.3%	7.7%	6.9%	5.9%
Security and Monitoring Services	0.9%	0.9%	1.1%	0.9%
Data Processing Services	1.8%	1.5%	1.5%	1.4%
Community Services	0.5%	0.4%	0.4%	0.5%
Debt Service				
Principal	7.6%	6.3%	6.4%	5.9%
Interest	5.3%	6.3%	5.8%	6.4%
Facilities Acquisition & Construction	16.1%	13.5%	13.7%	13.8%
Intergovernmental Charges	3.6%	3.5%	1.0%	3.2%
Total expenditures	100%	100%	100%	100%

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

Dallas Independent School District

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2018	2017	2016	2015	2014	2013
68.0%	64.9%	59.1%	57.2%	58.4%	58.2%
1.0%	0.6%	0.5%	0.2%	0.1%	0.1%
2.0%	1.4%	1.9%	1.5%	1.4%	1.7%
13.7%	18.1%	23.1%	24.2%	23.2%	24.1%
15.3%	15.0%	15.4%	16.9%	16.9%	15.9%
100%	100%	100%	100%	100%	100%
42.0%	41.5%	43.1%	45.7%	45.3%	41.6%
0.9%	1.1%	1.1%	1.2%	1.3%	1.2%
2.4%	2.4%	2.7%	2.7%	2.8%	1.9%
1.9%	1.8%	1.8%	1.7%	1.5%	1.2%
4.5%	4.6%	4.7%	4.8%	4.7%	4.1%
3.2%	3.2%	3.3%	3.5%	3.3%	3.1%
0.1%	0.1%	0.2%	0.2%	0.2%	0.2%
0.9%	0.9%	0.9%	1.0%	1.0%	0.9%
1.9%	2.7%	2.6%	2.5%	2.1%	1.4%
5.3%	5.5%	5.4%	5.4%	5.6%	4.9%
1.6%	1.6%	1.6%	1.5%	1.5%	1.1%
2.3%	2.5%	2.5%	2.7%	2.4%	1.8%
6.8%	7.2%	7.8%	7.7%	8.1%	7.7%
1.0%	1.1%	1.1%	1.2%	1.2%	1.0%
1.4%	1.6%	1.6%	2.0%	1.8%	1.7%
0.5%	0.6%	0.6%	0.6%	0.5%	0.4%
5.2%	5.9%	5.0%	2.7%	3.7%	2.9%
6.9%	7.1%	6.4%	7.6%	7.9%	7.3%
11.0%	8.4%	7.4%	5.1%	4.8%	15.2%
0.2%	0.2%	0.2%	0.2%	0.3%	0.4%
100%	100%	100%	100%	100%	100%

Dallas Independent School District

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

Fiscal Year Ended June 30:	2022	2021	2020	2019	2018	2017	2016
General Fund:							
Non-Spendable	\$ 22,014,696	\$ 14,117,543	\$ 17,650,395	\$ 14,330,669	\$ 8,905,030	\$ 8,797,676	\$ 8,394,857
Assigned	292,525,314	246,710,899	189,990,513	107,882,093	112,386,017	117,970,598	275,845,332
Unassigned	660,038,803	662,450,197	661,759,126	590,780,454	251,241,835	133,385,186	98,359,896
Total General Fund	974,578,813	923,278,639	869,400,034	712,993,216	372,532,882	260,153,460	382,600,085
Non-spendable:							
Non-major	9,324,957	7,205,070	7,596,821	4,293,710	5,398,933	6,803,027	6,770,618
Capital Projects	-	319,416	718,264	-	-	-	-
Restricted:							
Debt Service	188,380,805	165,106,095	154,294,866	138,763,223	124,926,486	112,323,141	134,439,298
Capital Projects	593,598,917	515,385,878	265,124,250	197,362,742	497,016,453	693,887,626	803,033,746
Federal or State Funds (1)	24,465,192	4,353,391	4,207,768	15,147,086	18,177,820	15,511,302	16,703,404
Local Special Revenue Funds	3,771,256	3,201,215	3,135,974	3,003,934	3,340,021	2,815,603	2,254,115
Assigned - Debt Service	64,502,971	57,335,971	50,168,971	42,999,353	110,832,353	103,668,000	-
Assigned - Other	7,523,166	6,375,684	6,012,219	5,461,326	5,282,788	3,828,045	4,094,620
Total All Governmental Funds	\$ 1,866,146,077	\$ 1,682,561,359	\$ 1,360,659,167	\$ 1,120,024,590	\$ 1,137,507,736	\$ 1,198,990,204	\$ 1,349,895,886

Fiscal Year Ended June 30:	2015	2014	2013
General Fund:			
Non-Spendable	\$ 7,699,359	\$ 8,230,314	\$ 11,499,868
Assigned	186,647,485	175,667,574	6,009,210
Unassigned	163,184,173	158,942,100	263,644,498
Total General Fund	357,531,017	342,839,988	281,153,576
Non-spendable:			
Capital Projects	-	4,970,382	-
Non-major	4,061,426	-	3,592,519
Restricted:			
Debt Service	135,296,606	112,388,437	117,974,957
Capital Projects	258,889,822	305,824,929	244,003,261
Federal or State Funds (1)	21,809,316		
Food Service		13,329,755	13,862,032
Grants and Donations	2,635,520	2,843,937	2,626,439
Assigned - Debt Service	-	-	349,962
Assigned - Other	4,495,513	3,940,004	-
Total All Governmental Funds	\$ 784,719,220	\$ 786,137,432	\$ 663,562,746

(1) As of June 30, 2013, the District has included Food Services within this category.

Source: Balance Sheet of Governmental Funds for the Dallas Independent School District

Dallas Independent School District

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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
2021	1,717,724,797	46,133,907	1,763,858,704	1,736,209,075	101.1%	-	1,736,209,075	98.4%
2020	1,606,870,221	134,900,525	1,741,770,746	1,711,455,286	106.5%	17,965,976	1,729,421,262	99.3%
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%

- (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

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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
2022	1.006200	0.242035	1.248235	1,384,654,885	333,069,912	1,717,724,797
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

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

Dallas Independent School District

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

Fiscal Year Ended June 30:	Real Property			Net Taxable Assessed Value	Total Direct Tax Rate
	Residential	Commercial Property	Personal Property		
2022	63,227,570,856	63,120,185,465	15,557,525,142	141,905,281,463	1.248235
2021	56,951,024,911	56,561,483,598	14,543,928,281	128,056,436,790	1.310385
2020	54,691,226,302	58,663,264,662	14,996,419,857	128,350,910,821	1.412035
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

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
2022	0.61466	0.79463	0.58250	0.82302	0.77330	0.70155	0.70000	0.58900	0.75697
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

Source: Dallas Central Appraisal District and Dallas ISD records

Dallas Independent School District

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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
0.76915	0.68246	0.76929	0.70862	0.78880	0.23795	0.25500	0.12351	1.24824
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

Dallas Independent School District

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

Principal Taxpayers	2022			2013		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Oncor Electric Delivery	\$ 990,844,130	1	0.70%	\$ 642,145,580	2	0.84%
Northpark Land Partners	678,663,570	2	0.48%	602,355,420	4	0.79%
Southwest Airlines Co	614,164,930	3	0.43%	591,365,381	5	0.78%
FM Village Fixed Rate LLC	597,964,150	4	0.42%			
AT&T Mobility LLC	553,239,900	5	0.39%	627,677,530	3	0.82%
Post Apartment Homes LP	548,068,800	6	0.39%	358,575,810	6	0.47%
Equinix LLC	459,255,680	7	0.32%			
Atmos Energy	392,305,410	8	0.28%			
Teachers Insurance Fund	370,217,650	9	0.26%	187,104,470	10	0.25%
Galleria Mall Investors LP	366,051,790	10	0.26%	344,401,530	7	0.45%
Crescent Real Estate Group				653,878,580	1	0.86%
PC Village Apts Dallas LP				338,091,930	8	0.44%
Walmart				279,751,790	9	0.37%
Total Ten Principal Taxpayers	\$ 5,570,776,010		3.93%	\$ 4,625,348,021		6.06%
Total Taxable Assessed Value	\$ 141,905,281,463			\$ 76,274,060,956		

Source: Dallas Central Appraisal District and Dallas ISD records

Dallas Independent School District

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Computation of Direct and Overlapping Debt (Unaudited)

Taxing Jurisdiction	Net Bonded Debt	Overlapping	
		Percent (1)	Amount
Addison, Town of	\$ 95,328,365	89.66%	\$ 85,471,412
Balch Springs, City of	7,137,949	27.86%	1,988,633
Carrollton, City of	200,215,000	8.51%	17,038,297
Cockrell Hill, City of	6,140,000	97.68%	5,997,552
Combine, City of	1,187,000	9.99%	118,581
Dallas County	116,665,000	45.59%	53,187,574
Dallas County CCD	118,575,000	45.59%	54,058,343
Dallas Co Hosp Dist	556,450,741	45.59%	253,685,893
Dallas, City of	1,952,170,416	78.98%	1,541,824,195
DeSoto, City of	61,435,928	22.23%	13,657,207
Duncanville, City of	17,920,906	0.19%	34,050
Farmers Branch, City of	44,408,028	33.82%	15,018,795
Garland, City of	338,250,000	1.29%	4,363,425
Grand Prairie, City of	361,196,076	**	-
Hutchins, City of	10,070,607	86.46%	8,707,047
Lancaster, City of	50,966,980	3.85%	1,962,229
Mesquite, City of	219,935,000	2.20%	4,838,570
Seagoville, City of	12,111,140	79.23%	9,595,656
Univ Pk, City of	13,520,000	0.15%	20,280
Wilmer, City of	19,570,836	100.00%	19,570,836
Total Estimated Overlapping Debt			<u>2,091,138,572</u>
Dallas ISD Direct Debt			<u>3,744,547,244</u>
Total Direct and Overlapping Bonded Debt			<u><u>\$ 5,835,685,816</u></u>

**Less than 0.01%

Source: Texas Municipal Reports (TMR)

(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.

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
2022	1,343,266	141,905,281,463	3,744,547,244	194,247,244	188,380,805	143,340,000
2021	1,400,337	128,056,436,790	3,437,008,853	196,993,853	165,106,095	143,340,000
2020	1,377,641	128,350,910,821	2,697,449,417	155,157,792	154,294,866	143,340,000
2019	1,356,896	119,329,737,566	2,690,275,000	144,419,510	138,763,223	143,340,000
2018	1,281,031	108,482,803,909	2,830,495,000	164,355,890	124,926,486	218,340,000
2017	1,283,763	100,935,505,829	2,939,100,000	192,207,755	112,323,141	218,340,000
2016	1,281,031	92,439,839,696	3,057,490,000	221,917,322	134,439,298	219,460,000
2015	1,257,676	85,633,556,319	2,604,313,196	90,063,196	135,296,606	151,340,000
2014	1,241,162	80,040,860,095	2,573,747,354	115,233,953	112,388,437	152,972,000
2013	1,223,378	76,274,060,956	2,492,731,000	130,915,785	117,974,957	11,346,000

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

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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
3,556,166,439	2.51%	0.10%	2,647	105,642	35,487	5,060	7.46%
3,271,902,758	2.56%	0.11%	2,337	91,447	34,479	5,495	6.78%
2,543,154,551	1.98%	0.11%	1,846	93,167	32,804	6,925	5.63%
2,551,511,777	2.14%	0.12%	1,880	87,943	31,007	6,547	6.06%
2,705,568,514	2.49%	0.20%	2,112	84,684	28,771	5,855	7.34%
2,826,776,859	2.80%	0.22%	2,202	78,625	28,584	5,368	7.70%
2,923,050,702	3.16%	0.24%	2,282	72,161	28,771	4,932	7.93%
2,469,016,590	2.88%	0.18%	1,963	68,089	28,522	5,706	6.88%
2,461,358,917	3.08%	0.19%	1,983	64,489	26,032	5,498	7.62%
2,374,756,043	3.11%	0.01%	1,941	62,347	25,757	5,663	7.54%

Dallas Independent School District

Legal Debt Margin Information Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	2022	2021	2020	2019
Debt Limit - 10% of Assessed Valuation	\$ 14,190,528,146	\$ 12,805,643,679	\$ 12,835,091,082	\$ 11,932,973,757
Amount of Debt Applicable to Debt Limit:				
Gross Bonded Debt	3,744,547,244	3,437,008,853	2,697,449,417	2,690,275,000
Less - Fund Balance of Debt Service Fund	188,380,805	165,106,095	154,294,866	138,763,223
Total Net Debt Applicable to Debt Limit	<u>3,556,166,439</u>	<u>3,271,902,758</u>	<u>2,543,154,551</u>	<u>2,551,511,777</u>
Legal Debt Margin:	<u>\$ 10,634,361,707</u>	<u>\$ 9,533,740,921</u>	<u>\$ 10,291,936,531</u>	<u>\$ 9,381,461,980</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25.06%	25.55%	19.81%	21.38%

Source: Dallas ISD Records

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2018	2017	2016	2015	2014	2013
\$ 10,848,280,391	\$ 10,093,550,583	\$ 9,243,983,970	\$ 8,563,355,632	\$ 8,004,086,010	\$ 7,627,406,096
2,830,495,000	2,939,100,000	3,057,490,000	2,604,313,196	2,573,747,354	2,492,731,000
124,926,486	112,323,141	134,439,298	135,296,606	115,233,953	130,915,785
2,705,568,514	2,826,776,859	2,923,050,702	2,469,016,590	2,458,513,401	2,361,815,215
<u>\$ 8,142,711,877</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>
24.94%	28.01%	31.62%	28.83%	30.72%	30.96%

Dallas Independent School District

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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
2022	212,375,000	138,718,537	351,093,537	2,850,406,864	12.32%
2021	164,285,000	153,767,411	318,052,411	2,617,382,071	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%

Source: Dallas ISD Records

Dallas Independent School District

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Outstanding Debt by Type Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended	General Obligation Bonds	Notes Payable	Total Primary Government
2022	\$ 3,551,207	\$ 193,340	\$ 3,744,547
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

Source: Dallas ISD Records

Dallas Independent School District

Dallas Independent School District

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

	2022	Fiscal Year Ended June 30 2021	2020	2019	2018
Beginning Fund Equity	\$ 923,278,638	\$ 869,400,034	\$ 712,993,216	\$ 372,532,882	\$ 260,153,460
Revenues:					
From Ad Valorem Taxes	1,416,247,959	1,410,744,361	1,325,416,228	1,337,246,266	1,095,855,141
% of Total Revenue	82.86%	82.59%	82.78%	78.76%	75.62%
From State and Federal Funds	292,202,883	289,433,957	247,234,679	331,551,280	317,222,956
% of Total Revenue	17.10%	16.94%	15.44%	19.53%	21.89%
From Other Local Sources	732,018	8,025,672	28,409,394	29,004,569	36,120,172
% of Total Revenue	0.04%	0.47%	1.77%	1.71%	2.49%
Total Revenues	<u>1,709,182,860</u>	<u>1,708,203,990</u>	<u>1,601,060,301</u>	<u>1,697,802,115</u>	<u>1,449,198,269</u>
Total Expenditures	1,661,190,188	1,631,113,745	1,444,603,443	1,426,000,782	1,380,489,339
Total Other Financing Sources	7,227,285	(20,183,478)	2,923,617	68,659,001	43,670,492
Total Extraordinary Items	<u>(3,919,782)</u>	<u>(8,768,757)</u>	<u>(2,973,657)</u>	-	-
Ending Fund Equity	<u><u>\$ 974,578,813</u></u>	<u><u>\$ 917,538,044</u></u>	<u><u>\$ 869,400,034</u></u>	<u><u>\$ 712,993,216</u></u>	<u><u>\$ 372,532,882</u></u>

Per Student Calculations:

Assessed Value Per Student	\$ 1,139,454	\$ 991,067	\$ 924,166	\$ 850,557	\$ 752,543
Ad Valorem Tax Revenue Per Student	\$ 11,372	\$ 10,918	\$ 9,543	\$ 9,532	\$ 7,602
State and Federal Funds Per Student	2,346	2,240	1,780	2,363	2,201
Other Local Sources Per Student	6	62	205	207	251
Total Revenue Per Student	<u>\$ 13,724</u>	<u>\$ 13,220</u>	<u>\$ 11,528</u>	<u>\$ 12,102</u>	<u>\$ 10,054</u>
Total Expenditures Per Student	\$ 13,339	\$ 12,624	\$ 10,402	\$ 10,164	\$ 9,576
Average Daily Attendance	124,538	129,211	138,883	140,296	144,155

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)
2022	1,343,266	143,558	124,538
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

(1) Information was obtained from the United States Census Bureau, the Dallas Regional Economic Development Guide, and the United States Department of Labor.

(2) Information was obtained from Dallas ISD records.

District Employees (2)	Median Household Income (1)	Per Capita Personal Income (1)	Unemployment Rate (1)
23,271	54,747	35,487	4.4%
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%

Dallas Independent School District

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

Principal Employers	2022			2013		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Texas Health Resources	27,000	1	0.63%	19,230	3	0.81%
Wal-mart Stores, Inc.	25,534	2	0.60%			
Dallas Independent School District	23,271	3	0.55%	18,314	4	0.77%
Lockheed Martin Aeronautics Co.	22,000	4	0.52%	14,126	7	0.59%
University of Texas Southwestern Medical Center	21,539	5	0.51%	13,122	10	0.55%
Baylor Scott & White Health	18,195	6	0.43%	17,097	5	0.72%
Medical City Healthcare	17,000	7	0.40%			
University of North Texas System	14,730	8	0.35%			
Bank of America	13,850	9	0.32%	20,000	2	0.84%
City of Dallas	13,000	10	0.31%	13,369	9	1.62%
American Airlines Group, Inc.				24,700	1	1.04%
AT&T Inc.				15,800	6	0.66%
JP Morgan Chase				13,500	8	0.57%
Total	196,119		4.60%	169,258		8.17%

Estimated Total Employed Workforce in 2022 4.3 million

Source: Dallas Business Journal Book of Lists, Dallas County Financial Records, Dallas City Hall,
U. S. Bureau of Labor Statistics, Dallas ISD Records as of July 19, 2022

Dallas Independent School District

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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
2022	\$ 1,920,843,620	143,558	13,380	\$ 1,661,190,188	11,572	13.30	85%
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%

(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
2022	56,500	63,900	10,793
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
2013	45,100	51,485	10,112
2013	45,100	51,485	10,112

Source: Dallas ISD Records

Dallas Independent School District

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

Fiscal Year Ended June 30:	2022	2021	2020	2019
FTE				
Instruction	13,209.7	12,959.9	12,787.2	12,598.0
Instructional Resources and Media Services	147.0	173.5	216.0	251.5
Curriculum and Staff Development	513.5	592.4	615.3	586.6
Instructional Leadership	659.0	490.5	477.7	419.2
School leadership	1,541.0	1,535.0	1,457.0	1,419.5
Guidance, Counseling, and Evaluation Services	861.6	862.6	776.8	479.1
Social Work Services	23.0	24.0	41.5	4.1
Health Services	333.1	316.1	311.1	308.1
Student Transportation	1,238.5	1,238.5	1,243.0	1,225.5
Food Services	1,699.0	1,763.0	1,801.0	1,843.0
Co-Curricular/Extra-Curricular Activities	71.7	71.1	68.0	70.1
General Administration	463.3	439.7	435.5	424.2
Plant Maintenance and Operations	1,577.5	1,561.5	1,559.5	1,526.5
Security and Monitoring Services	438.5	413.0	392.0	390.0
Data Processing Services	227.6	228.6	220.5	212.0
Community Services	193.7	191.3	191.5	174.8
Facilities Acquisition & Construction	51.7	52.0	50.5	48.5
Total FTE	23,249.4	22,912.6	22,644.1	21,980.7

Source: Dallas ISD Records as of June 30, 2022

Dallas Independent School District

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2018	2017	2016	2015	2014	2013
12,771.3	12,976.1	13,129.0	13,168.7	12,688.1	12,476.3
263.0	322.0	320.0	320.5	316.0	316.0
569.2	543.0	608.4	624.2	567.8	362.1
407.6	369.5	339.2	321.3	291.7	245.9
1,417.5	1,436.0	1,460.0	1,428.0	1,368.0	1,329.5
741.3	752.3	774.1	757.0	666.6	656.9
39.0	43.0	45.0	48.0	43.0	38.0
306.1	328.3	315.6	314.0	304.0	294.9
17.0	3.0	3.0	3.0	3.0	3.0
1,790.0	1,785.0	1,783.0	1,771.0	1,770.0	1,461.0
71.1	72.1	72.0	73.0	71.4	45.4
414.9	447.4	457.9	457.2	373.6	300.3
1,577.3	1,538.1	1,541.7	1,545.5	1,547.1	1,535.0
422.2	408.0	407.0	400.0	391.0	403.0
217.5	237.6	226.5	210.5	223.6	221.6
190.9	184.6	186.8	189.1	147.6	128.6
43.5	41.5	26.0	21.0	20.5	20.5
21,259.4	21,487.5	21,695.2	21,652.0	20,793.0	19,838.0

Dallas Independent School District

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

Fiscal Year Ended June 30:	2022	2021	2020	2019
PIC				
11 Basic Education Services	\$ 548,608,472	\$ 542,191,139	\$ 493,700,230	\$ 548,113,538
21 Gifted and Talented	11,914,830	11,422,185	10,043,338	9,249,264
22 Career and Technology	32,576,673	34,384,515	31,235,789	25,248,122
23 Special Education	128,007,337	127,831,972	121,435,208	109,861,721
24 Accelerated Education	19,211,180	14,170,030	18,132,649	11,668,228
25 Bilingual Education	9,928,699	13,631,105	11,031,052	18,880,836
26 AEP Services	691,782	634,185	719,604	1,585,799
28 DAEP Basic	3,279,548	3,171,872	3,004,607	2,799,797
29 DAEP Supplemental	-	-	3,649	17,465
30 Title I Part A	63,949,353	63,321,224	53,956,832	35,649,092
31 High School Allotment	-	1,150	12,633,153	13,791,872
32 Pre-Kindergarten Regular Education	6,273,355	6,653,472	6,246,893	9,398,130
33 PK Special Education	7,732,120	9,339,684	794	-
34 PK Comp Education	15,068,213	21,596,606	23,529,382	34,552,720
35 PK Bilingual Education	15,174,372	15,775,866	13,964,229	13,242,772
36 Early Education Allotment	44,475,058	39,377,004	34,510,070	-
37 Dyslexia	8,961,267	9,478,862	10,647,003	-
38 College, Career, and Military Readiness	4,730,301	4,773,372	3,931,360	-
43 Dyslexia - Special Education	320	-	-	-
91 Athletics and Related	23,406,856	21,999,051	18,180,634	18,699,047
99 Undistributed	717,200,451	691,360,456	577,696,967	573,242,379
Total	\$ 1,661,190,188	\$ 1,631,113,746	\$ 1,444,603,443	\$ 1,426,000,782

Source: Dallas ISD Records

Dallas Independent School District

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2018	2017	2016	2015	2014	2013
\$ 557,820,129	\$ 558,146,624	\$ 552,343,411	\$ 507,152,802	\$ 474,927,651	\$ 466,713,547
6,620,726	7,245,967	10,503,846	9,668,344	8,940,356	9,534,610
27,073,688	29,909,327	28,955,755	25,098,566	24,693,065	23,442,817
108,453,937	116,644,342	115,118,770	100,677,065	89,554,017	76,488,103
11,708,860	10,318,273	10,145,059	5,275,144	4,044,321	3,903,140
19,996,800	19,762,792	30,904,073	28,095,535	23,388,823	15,464,944
1,955,490	3,364,526	3,374,453	2,674,268	2,488,846	2,243,646
3,571,120	3,688,059	3,428,375	3,395,527	3,249,212	2,796,025
13,141	80	13,095	1,059	9,247	9,570
40,263,182	40,906,044	49,123,522	53,237,260	49,324,415	45,442,486
14,361,020	13,620,305	18,347,667	18,076,718	14,770,151	9,633,184
7,781,747	6,716,867	6,446,065	5,130,282	7,369,459	31,822,829
-	-	-	-	2	-
32,521,092	29,162,908	27,750,176	25,638,961	21,236,766	-
12,440,902	10,637,638	9,590,777	8,223,025	6,301,771	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18,971,028	20,276,170	17,322,180	15,625,414	14,768,601	12,796,532
516,936,476	573,158,136	559,995,982	492,146,690	425,396,766	421,340,351
<u>\$ 1,380,489,338</u>	<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>

Dallas Independent School District

Student/Teacher Ratio Ten Year Comparison (Unaudited)

Campus Level	2021-2022			2020-2021			2019-2020			2018-2019			2017-2018		
	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio
High	42,075	2,525.8	16.7	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
Middle	32,186	2,163.2	14.9	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
Elementary	69,297	4,469.8	15.5	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
District	143,558	9,158.8	15.7	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

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

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2016-2017			2015-2016			2014-2015			2013-2014			2012-2013		
Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio
39,597	2,335.5	17.0	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
31,427	1,903.1	16.5	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
86,862	5,438.7	16.0	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
157,886	9,677.3	16.3	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

Dallas Independent School District

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Enrollment Trend Last Ten Fiscal Years (Unaudited)

	Total Enrollment	Change	% Change	FTE's	Change	% Change
2021-2022	143,558	(1,555)	-1.07%	9,159	(4)	-0.04%
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%

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

Dallas Independent School District

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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	44	7,046,328	604.36
Middle Schools	37	5,415,799	654.74
Elementary Schools	158	11,493,249	1,379.73
Administration Facilities	22	2,390,020	180.90
Athletics & Pool Facilities	<u>12</u>	<u>573,989</u>	<u>233.41</u>
Totals	<u>273</u>	<u>26,919,385</u>	<u>3,053.14</u>

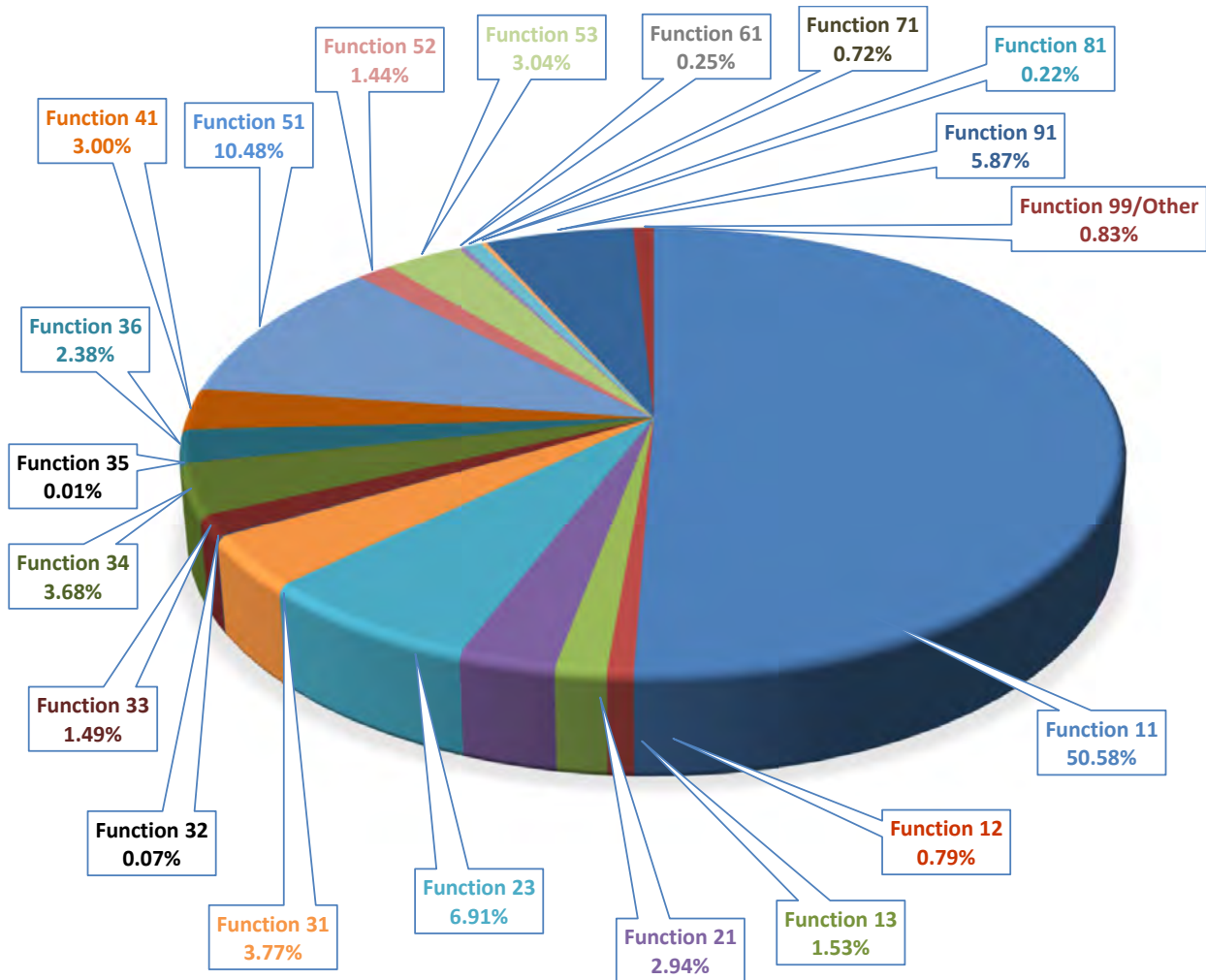
Source: Dallas ISD Records

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	\$ 844,192,613		50.58%	
12	Instructional Resources and Media Services	13,228,831		0.79%	
13	Curriculum and Instructional Staff Development	25,600,569		1.53%	
	Instruction and Instructional Related		\$ 883,022,013		52.90%
21	Instructional Leadership	49,030,186		2.94%	
23	School Leadership	115,324,848		6.91%	
	Instructional and School Leadership		164,355,034		9.85%
31	Guidance, Counseling and Evaluation Services	62,848,168		3.77%	
32	Social Work Services	1,240,776		0.07%	
33	Health Services	24,934,237		1.49%	
34	Student (Pupil) Transportation	61,470,739		3.68%	
35	Food Services	78,299		0.01%	
36	Cocurricular/Extracurricular Activities	39,787,617		2.38%	
	Student Support Services		190,359,836		11.40%
41	General Administration	50,093,226		3.00%	
	Administrative Support Services		50,093,226		3.00%
51	Facilities Maintenance and Operations	174,877,966		10.48%	
52	Security and Monitoring Services	23,963,213		1.44%	
53	Data Processing Services	50,755,161		3.04%	
	Support Services		249,596,340		14.96%
61	Community Services	4,195,790		0.25%	
	Ancillary Services		4,195,790		0.25%
71	Principal on Long Term Debt	12,033,130		0.72%	
	Debt		12,033,130		0.72%
81	Facilities Acquisition and Construction	3,607,644		0.22%	
	Capital Outlay		3,607,644		0.22%
91	WADA Purchase	97,987,095		5.87%	
95	Payments to Juvenile Justice Alternative Ed. Prg.	9,726		0.01%	
99	Other Governmental Charges	5,930,354		0.36%	
00	Non-Operating Expense	7,816,498		0.46%	
	Intergovernmental Charges		111,743,673		6.70%
		<u>\$ 1,669,006,686</u>	<u>\$ 1,669,006,686</u>	<u>100.00%</u>	<u>100.00%</u>

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

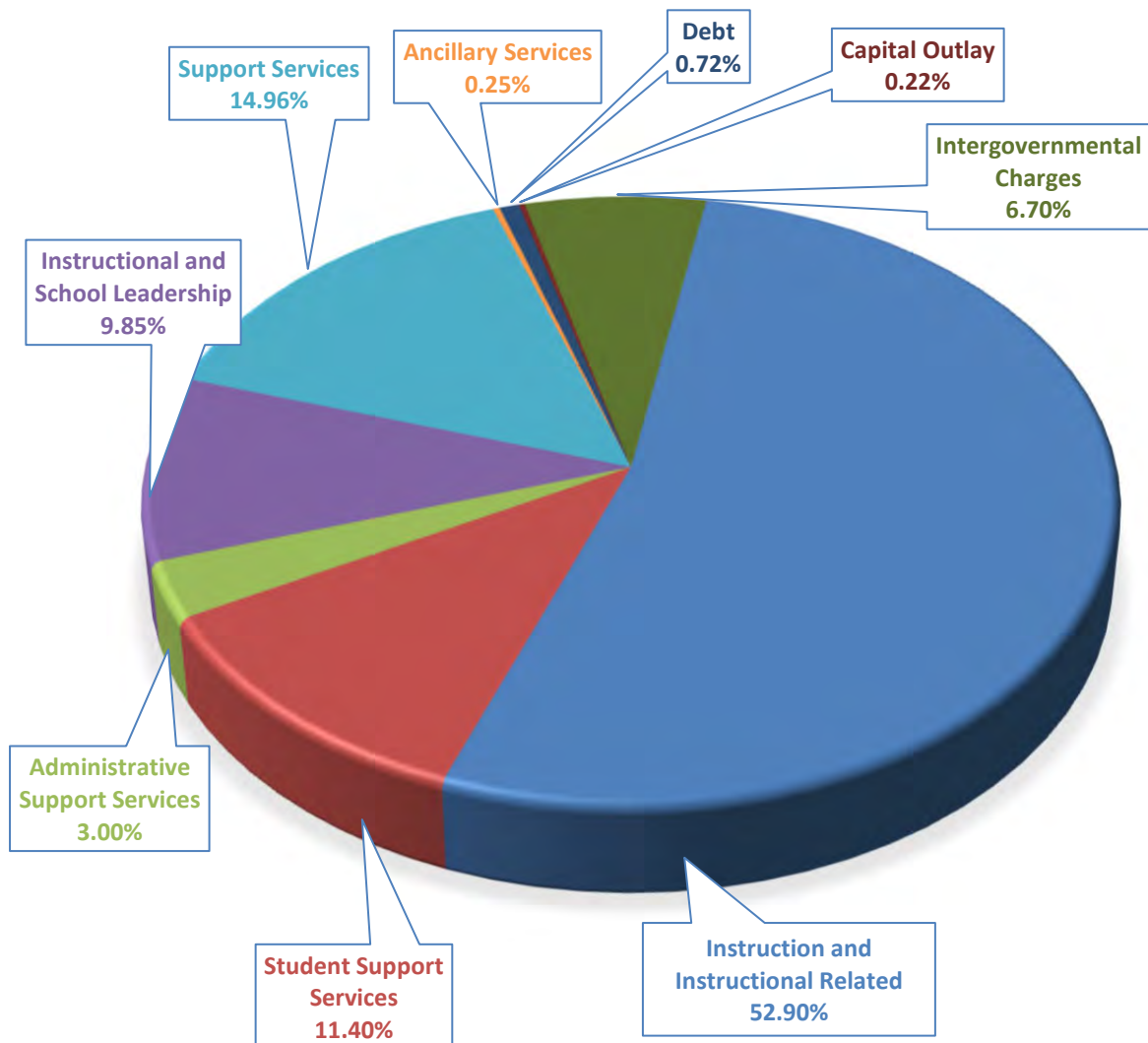
Dallas Independent School District

S-26 (cont'd)

General Operating Expenditures by Group (Unaudited)

Functional Analysis

Instruction and Instructional Related	52.90%
Student Support Services	11.40%
Administrative Support Services	3.00%
Instructional and School Leadership	9.85%
Support Services	14.96%
Ancillary Services	0.25%
Debt	0.72%
Capital Outlay	0.22%
Intergovernmental Charges	6.70%
	<u>100.00%</u>



Dallas Independent School District

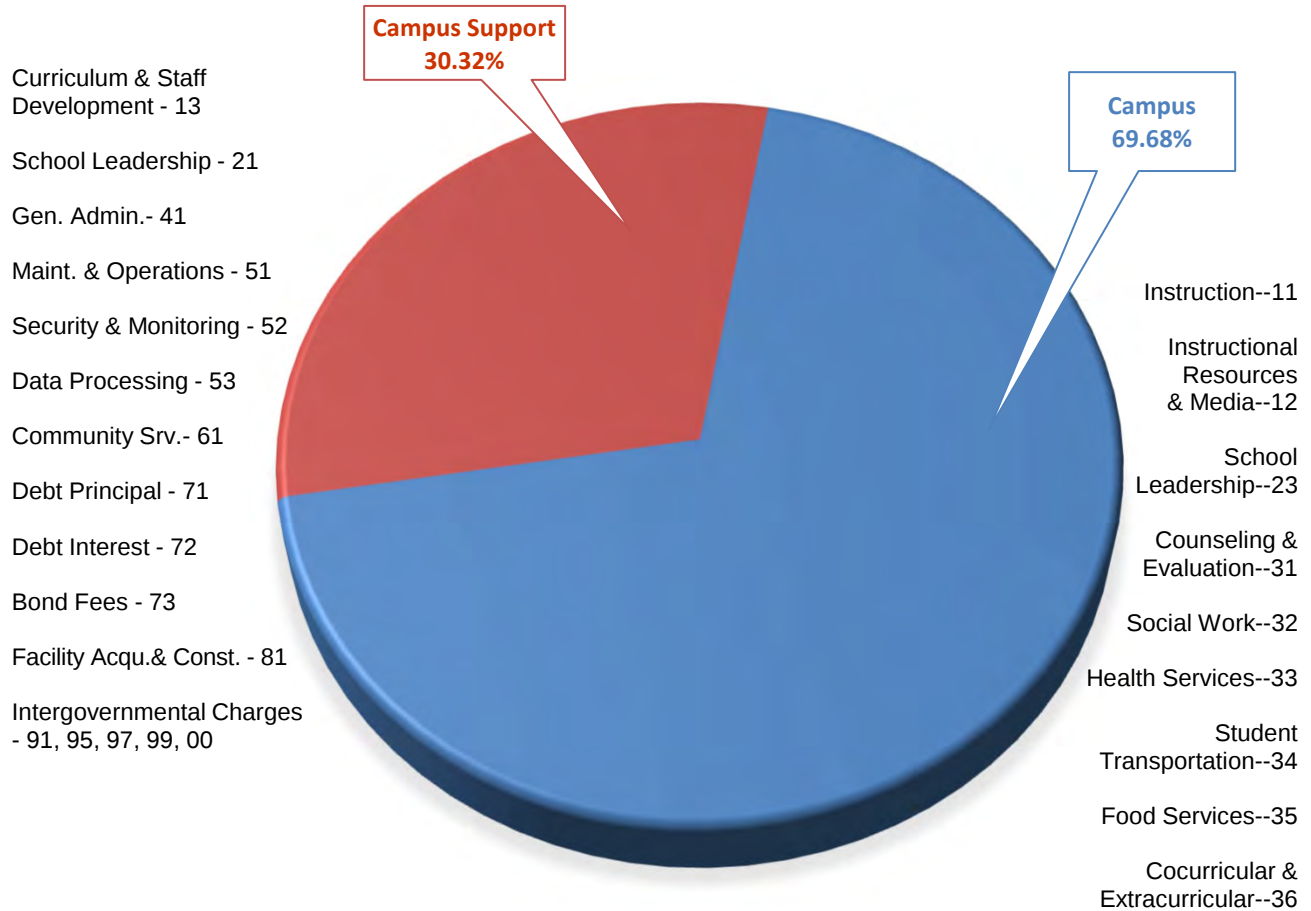
S-26 (cont'd)

General Operating Expenditures Campus and Non-Campus (Unaudited)

Function 11	50.58%
Function 12	0.79%
Function 23	6.91%
Function 31	3.77%
Function 32	0.07%
Function 33	1.49%
Function 34	3.68%
Function 35	0.01%
Function 36	2.38%
	<u>69.68%</u>

Function 13	1.53%
Function 21	2.94%
Function 41	3.00%
Function 51	10.48%
Function 52	1.44%
Function 53	3.04%
Function 61	0.25%
Function 71	0.72%
Function 81	0.22%
Function 99/Other	6.70%
	<u>30.32%</u>

Campus	69.68%
Campus Support	30.32%
	<u>100.00%</u>



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 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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 1, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

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, 2022



**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

Opinion on Each Major Federal Program

We have audited Dallas Independent School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance.

Board of Trustees
Dallas Independent School District

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
November 1, 2022

**Dallas Independent School District
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2022**

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	\$ 16,935
Texas HIPPY - AmeriCorps	94.006	18ACHTX0010003	14,213
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			31,148
U.S. DEPARTMENT OF DEFENSE			
Direct Program			
JROTC	12.357	N/A	2,566,339
TOTAL U.S. DEPARTMENT OF DEFENSE			2,566,339
U.S. DEPARTMENT OF EDUCATION			
Direct Programs			
Title VII - Indian Educational Formula Grant	84.060A	S060A200194	-
Title VII - Indian Educational Formula Grant	84.060A	S060A210194	145,490
Total Direct Programs			145,490
Passed Through Spurwink Services, Inc.			
Spurwick-i3BARR Scale Up Grant	84.411B	U411A160001	-
Spurwick-i3BARR Scale Up Grant	84.411B	U411A160001	37,388
Total Passed through Spurwink Services, Inc.			37,388
Passed Through Texas Education Agency			
ESSA, Title I, Part A	84.010A	20610101057905	6,475
ESSA, Title I, Part A	84.010A	21610101057905	1,309,689
ESSA, Title I, Part A, and Focused Support	84.010A	22610101057905	72,164,506
School Action Fund	84.010A	216101527110005	201,372
Total Title I, Part A, Focus Support			73,682,042
IDEA - Part B Formula	84.027A	206600010579056600	231
IDEA - Part B Formula	84.027A	216600010579056600	260,944
IDEA - Part B Formula	84.027A	226600010579056600	27,025,324
IDEA - Part B Formula-ARP	84.027A	225350010579055000	312,364
SSA - IDEA - Part B Discretionary - Deaf	84.027A	216600110579056673	(253)
SSA - IDEA - Part B Discretionary - Deaf	84.027A	226600110579056673	412,362
IDEA - Part B High Cost	84.027A	66002106	521,642
Total Assistance Listing Number 84.027A			28,532,614
IDEA - Part B Preschool	84.173A	216610010579056610	9,803
IDEA - Part B Preschool	84.173A	226610010579056610	287,202
Total Assistance Listing Number 84.173A			297,005
IDEA C - Early Intervention (Deaf)	84.181A	223911010579053911	7,159
Total Assistance Listing Number 84.181A			7,159
Total Special Education Cluster (IDEA)			28,836,779
Career and Technical - Basic Grant (Perkins IV)	84.048A	21420006057905	130,337
Strengthening Career and Technical Education for the 21st Century (Perkins V)	84.048A	22420006057905	1,936,017
Total Assistance Listing Number 84.048A			2,066,354
Title III, Part A - English Language Acquisition	84.365A	20671001057905	6,182
Title III, Part A - English Language Acquisition	84.365A	21671001057905	366,932
Title III, Part A - English Language Acquisition	84.365A	22671001057905	6,944,693
Title III, Part A - Immigrant	84.365A	20671003057905	470,801
Title III, Part A - Immigrant	84.365A	21671003057905	207,901
Title III, Part A - Immigrant	84.365A	22671003057905	1,171,763
Total Assistance Listing Number 84.365A			9,168,272

ESSA, Title II, Part A, Supporting Effective Instruction	84.367A	21694501057905	247,033
ESSA, Title II, Part A, Supporting Effective Instruction	84.367A	22694501057905	7,572,097
Principal Preparation Grant	84.367A	206945677110003	(36,139)
Principal Residency Grant	84.367A	216945677110002	414,992
Title II, Educator Assessments	84.367A	69451971	29,205
Total Assistance Listing Number 84.367A			<u>8,227,187</u>
Title IV, Part A - Subpart 1	84.424A	20680101057905	114,190
Title IV, Part A - Subpart 1	84.424A	21680101057905	530,577
Title IV, Part A - Subpart 1	84.424A	22680101057905	4,716,495
Total Assistance Listing Number 84.424A			<u>5,361,262</u>
Texas Education for Homeless Children and Youth	84.196A	214600057110020	38,711
Texas Education for Homeless Children and Youth	84.196A	224600057110020	246,945
Total Assistance Listing Number 84.196A			<u>285,656</u>
COVID-19 ESSER Grant	84.425D	20521001057905	252,061
COVID-19 CRRSA ESSER II	84.425D	21521001057905	41,521,721
CRIMSI Full Year THL Printing Reimbursement	84.425D	52102155	15,660
Total Assistance Listing Number 84.425D			<u>41,789,442</u>
COVID-19 ARP ESSER III	84.425U	21528001057905	103,298,614
Total Assistance Listing Number 84.425U			<u>103,298,614</u>
Summer School LEP	84.369A	69552002	39,353
Total Passed through Texas Education Agency			<u>272,754,962</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>272,937,840</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Health and Human Services Commission			
Medicaid Administrative Claiming Program - MAC Cluster	93.778	529-07-0157-00269	1,499,690
HIPPY - Texas Home Visiting	93.870	24486013	68,019
HIPPY - Texas Home Visiting	93.870	24486013	221,981
Total Assistance Listing Number 93.870			<u>290,000</u>
Total Passed through Health and Human Services Commission			<u>1,789,689</u>
Passed Through United States Conference of Catholic Bishops/Migration and Refugee Services			
Refugee School Impact Program	93.566	1702TXRSOC	106,225
Total Passed through United States Conference of Catholic Bishops/Migration and Refugee Services			<u>106,225</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>1,895,914</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Texas Department of Agriculture			
National School Lunch Program - Non-Cash Commodities	10.555	NT4XL1YGLGC5	8,964,658
Summer Food Program - SSO	10.555	NT4XL1YGLGC5	94,039,482
Emergency Operational Cost Reimbursement Program	10.555	NT4XL1YGLGC5	8,955,061
Total Assistance Listing Number 10.555			<u>111,959,201</u>
Fresh Fruit and Vegetable Program	10.582	NT4XL1YGLGC5	718,850
Total Assistance Listing Number 10.582			<u>718,850</u>
Total Child Nutrition Cluster			<u>112,678,051</u>
Child and Adult Care Food Program	10.558	NT4XL1YGLGC5	4,551,495
Total Assistance Listing Number 10.558			<u>4,551,495</u>
Total Passed through Texas Department of Agriculture			<u>117,229,546</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>117,229,546</u>
FEDERAL COMMUNICATION COMMISSION			
Direct Program			
Emergency Connectivity Fund	32.009	N/A	3,038,124
TOTAL FEDERAL COMMUNICATION COMMISSION			<u>3,038,124</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 397,698,911</u>

All amounts include indirect cost allocation.

DALLAS INDEPENDENT SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED June 30, 2022

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, 2022, 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 ESSER Pre-Award Costs recorded in general fund and bond fund for \$26,127,315 for expenditures incurred in Fiscal Year 2021. The Schedule of Federal Awards also includes indirect costs in the amount of \$21,680,075.

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	\$ 344,047,118
Indirect cost reimbursement	21,680,075
JROTC	2,566,339
Medicaid (Fund 180)	239,940
ESSER II (199)	6,362,571
ESSER II (638)	2,482,134
ESSER II (652)	10,315,639
ESSER III (199)	6,966,971
ECF (199)	3,038,124
Total expenditures of federal awards	<u>\$ 397,698,911</u>

Dallas Independent School District

Schedule of Findings and Questioned Costs

Year Ended June 30, 2022

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:

Education Stabilization Fund (ESSER)	
COVID-19 ESSER I	84.425D
COVID-19 CRRSA ESSER II	84.425D
COVID-19 CRIMSI Full Year THL Printing Reimbursement	84.425D
COVID-19 ARP ESSER III	84.425U
Title I, Part A	84.010A
ESSA, Title II, Part A	84.367A
Title III, Part A	84.365A
Emergency Connectivity Fund Program	32.009

- 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, 2022

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, 2022

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

None