



Annual Comprehensive Financial Report
for the Fiscal Year Ended
June 30, 2023

Report Issued by the
Finance and Accounting
Services Division

Dallas Independent School District

**Dallas Independent School District
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023**

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November 16, 2023

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. Accordingly, the District issues the Annual Comprehensive Financial Report (ACFR) for Dallas Independent School District (the “District” or “Dallas ISD”) for the fiscal year ended June 30, 2023.

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. As such, 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, 2023 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. Weaver and Tidwell, LLP 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, 2023 are fairly presented in conformity with GAAP. Weaver and Tidwell, LLP’s 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.

THE DISTRICT PROFILE

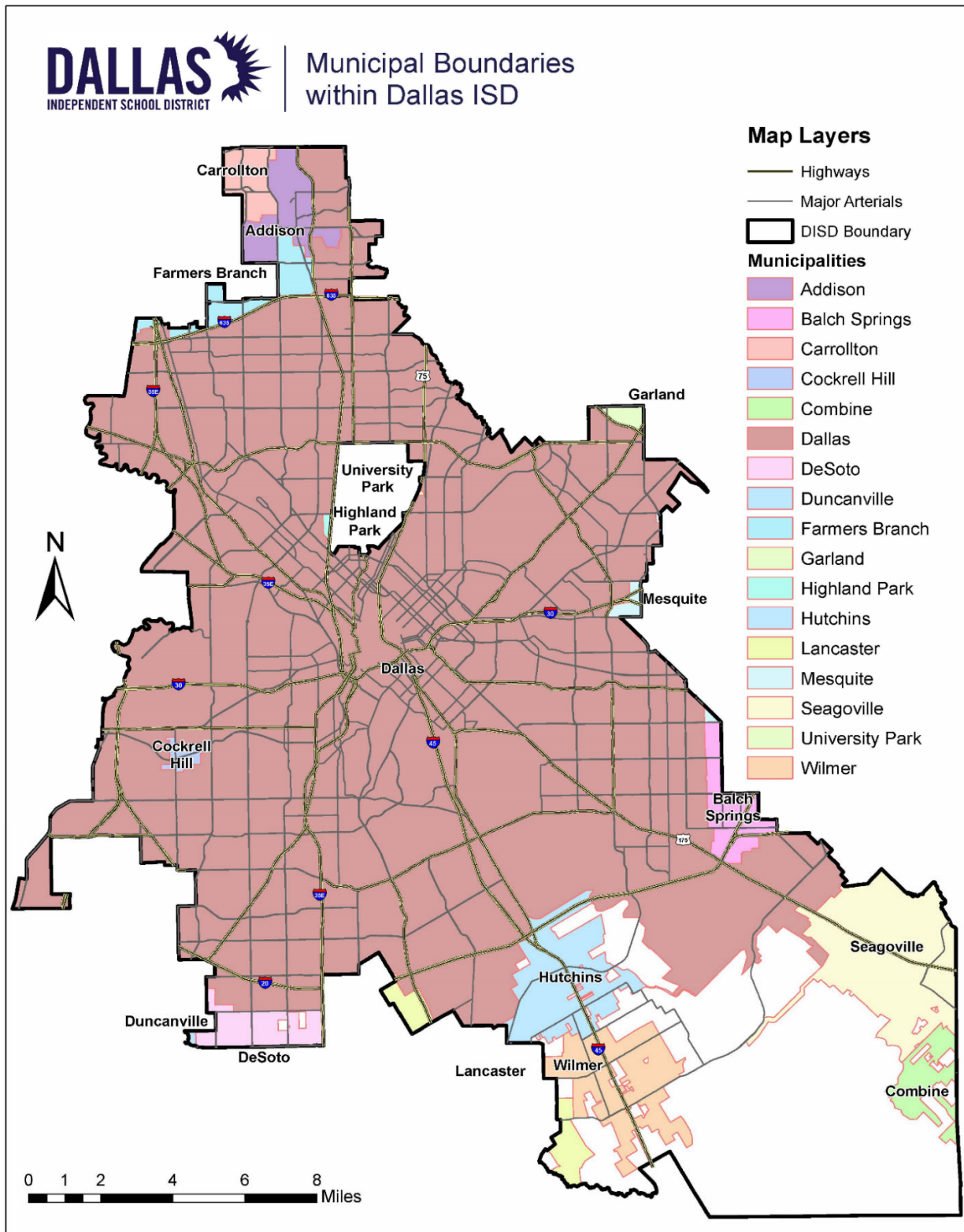
The Dallas ISD is an independent public school district operating under applicable laws and regulations of the State of Texas, providing a full range of educational services appropriate to grade levels prekindergarten through twelve. The District is the second-largest public school district in Texas, 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 (DFW) metropolitan area, which has a population of approximately 7.9 million people. 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 2022-2023 school year, the District served an ethnically and culturally diverse enrollment of 141,169 students in 239 schools. The ethnic composition was approximately 70.9 percent Hispanic, 20.3 percent African-American, 5.5 percent White, 1.2 percent Asian, and 2.1 percent other ethnicities. Dallas ISD had 23,984 total staff in 2022-2023.

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.

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's vision is "Dallas ISD seeks to be a premier urban school district," and the mission is "Educating all students for success."



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

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

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

THE ECONOMIC CONDITION OF THE DISTRICT

THE LOCAL ECONOMY

The DFW economy is one of the most diverse regional economies in the nation. According to the Dallas Regional Chamber, leading industries in terms of percentage of overall employment include trade, transportation, and utilities (20.8 percent), professional and business services (19.2 percent), public administration including education (12.7 percent), and health services (10.1 percent). Numerous corporations and nonprofits locate their headquarters in DFW. Each year additional corporations elect to relocate their headquarters to DFW, bringing additional jobs and growth to the local economy.

During 2022-2023, the DFW economy experienced low unemployment and continued growth in employment and wages. According to the Federal Reserve Bank of Dallas (Dallas Fed), as of June 2023 the DFW unemployment rate was 3.8 percent, which was below the state's jobless rate of 4.1 percent. In the quarter ended June 2023, DFW employment rose an annualized 4.3 percent, faster than the state's 2.6 percent increase. For the 12 months ended June 2023, private sector average hourly earnings in DFW had increased 3.0 percent to \$34.24 per hour.

Housing in DFW during 2022-2023 was marked by a continuation of elevated home prices driven by low inventories and high interest rates. As of June 2023, the inventory for existing single-family homes was extremely low at 2.3 months of supply, well below the six-month benchmark for a normal market. For the twelve months ended June 2023, the volume of new single-family home permits was down 19.8 percent compared with the prior year. In contrast, total new multifamily permits were elevated relative to historical levels. The DFW metroplex is among the busiest large U.S. metros in terms of apartment construction. As of August 2023, average apartment occupancy was stable at around 91.1 percent in DFW and effective monthly rents were stabilized at \$1,518 per unit, little changed from the prior year.

Overall, the local economy is expected to have positive prospects for future economic growth given the region's ability to attract diverse corporate interests and populations.

LONG-TERM FINANCIAL PLANNING

The District's multi-year forecast for the General Fund was last updated in June 2023. Key revenue assumptions included 4.0 percent property value growth, a \$.94290 Maintenance and Operation (M&O) tax rate per \$100 of value, and an annual 1,500 student drop in average daily attendance through 2025-2026. Although the forecast showed both revenues and expenditures growing to \$1.9 billion by 2025-2026, the revenue forecast indicated a widening percentage of local revenue relative to state revenue, and expenditure growth driven by progressively higher recapture payments. To be clear, by 2025-2026 recapture payments were projected to grow to \$349 million, but total expenditures other than recapture were forecasted to fall by 4.8%. Total fund balance was projected to decline to \$776 million by 2025-2026. A portion of the decline was assigned fund balance set aside for the continuation of programs after federal emergency relief funding is exhausted.

In October 2023 the Texas Governor called a special session of the Texas Legislature to consider Senate Bill 1. The proposed bill seeks to create a statewide education savings account program that diverts public school funds to pay for private school subsidies. If passed into law, the bill could negatively impact the District's enrollment, average daily attendance, and revenue.

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 in the 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 end September 2023 and September 2024, respectively. The District is also seeking to obtain reimbursements for coronavirus-related expenditures through other, smaller federal programs.

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 2022-2023 was 53.5 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 to replenish 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 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 to maintain a fund balance in which the year-end unassigned fund balance finances two months of operating expenditures. As of June 30, 2023, the General Fund unassigned fund balance was \$660,000,000. This met the fund balance policy goal, as the 2023-2024 Adopted Budget includes \$2,015,960,355 of operating expenditures, and two-twelfths of this total is \$335,993,393. As of June 30, 2023, the General Fund ending unassigned fund balance was sufficient to finance approximately 3.9 months of operating expenditures.

The Board considered key priorities in the adoption of the District's 2023-2024 General Operating budget. The budget includes increased funding for staff compensation increases, additional funding for safety and security, early learning, career institutes, racial equity, public school choice, and strategic compensation, and increased budget for higher recapture payments to the State. The budget also included spending reductions tied to rightsizing of positions in response to enrollment decline, program changes, and projected staffing needs.

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 2022-2023. 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, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, the District published an Annual Comprehensive Financial Report in which contents conformed to program standards. The report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. The 2022-2023 fiscal year ACFR continues to meet the Certificate of Achievement program requirements and will be submitted to the GFOA to determine its eligibility for another GFOA Certificate of Achievement for Excellence in Financial Reporting Award.

The District received the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting Award for the fiscal year ending June 30, 2022. This award certifies that the ACFR 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. The 2022-2023 fiscal year ACFR continues to meet the Certificate of Excellence program requirements and will be submitted to ASBO to determine its eligibility for another ASBO Certificate of Excellence in Financial Reporting Award.

The District also received the ASBO Meritorious Budget Award for its 2022-2023 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. The 2023-2024 fiscal year budget continues to conform to the program requirements and will be submitted to ASBO to determine its eligibility for another ASBO Meritorious Budget Award.

The District has been awarded a Transparency Star in the area of Contracts and Procurement from the State of Texas Comptroller of Public Accounts. This award recognizes the Procurement team's ability to display financial transparency and meet industry-specific criteria with the use of public funds. This is the first time the Dallas ISD Procurement team has achieved such recognition from the State of Texas.

The Procurement team has also earned the Texas Association of School Business Official's (TASBO) Purchasing Award of Merit for the third year. This award recognizes school districts for following professional standards in the acquisition of goods and services.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services 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.



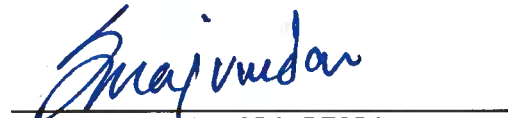
Stephanie S. Elizalde, Ed.D.
Superintendent of Schools



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, 2022

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Dallas Independent School District

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

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



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style with a large, flowing 'J' and 'H'.

**John W. Hutchison
President**

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style with a large, flowing 'S' and 'M'.

**Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director**



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

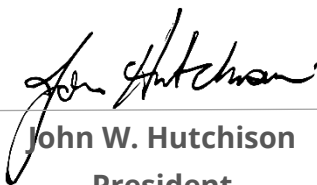
This Meritorious Budget Award is presented to

DALLAS INDEPENDENT SCHOOL DISTRICT

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2022–2023.

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




John W. Hutchison
President


Siobhán McMahon, CAE
Chief Operations Officer/
Interim 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



Sarah Weinberg

Board Secretary

District 2: North and Near East Dallas



Edwin Flores

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



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



Jose Carreón

District 8: Northwest Dallas, Love Field, and parts of East and 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, 2023, at a meeting of the Board of School Trustees of such school district on the 16 day of November, 2023.


Signature of Board Secretary


Signature of Board President

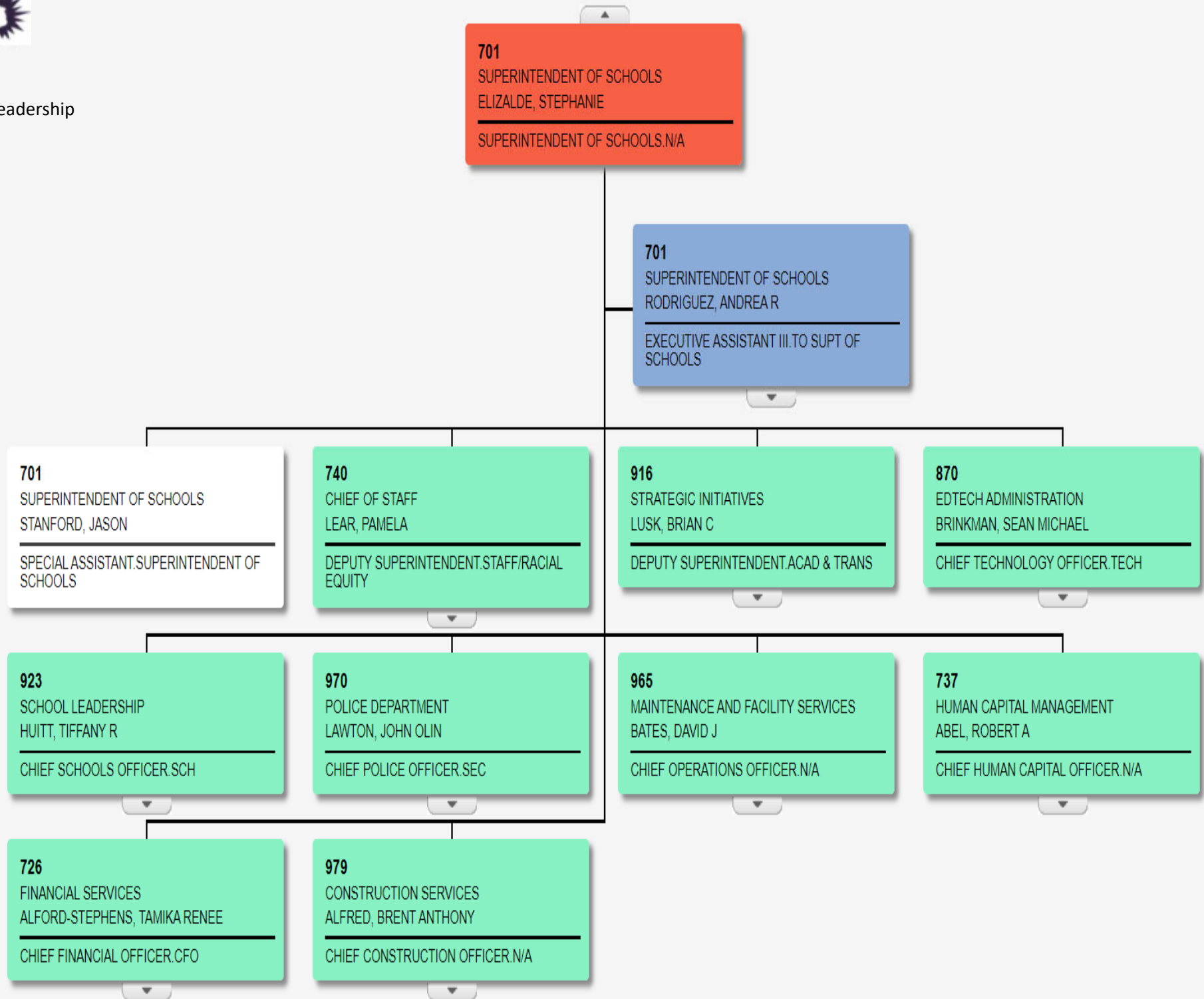
Dallas Independent School District
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023

ADMINISTRATIVE OFFICIALS

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

Robert Abel.....	Chief Human Capital Officer
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 Communications Officer
Angie Gaylord.....	Chief Academic Services Officer
Tiffany Huitt.....	Chief Schools Officer
John Lawton.....	Chief Police Officer
Dr. Pamela Lear.....	Deputy Superintendent of Staff and Racial Equity
Dr. Brian Lusk.....	Deputy Superintendent of Academics & Transformation
Robert Rubel.....	Chief Internal Audit Officer
Ramona Soto.....	General Counsel
Shannon Trejo.....	Chief Innovation 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, 2023, 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, 2023, 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, 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription Based Information Technology Arrangements*. 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that 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 5 through 16, 73 and 74, and 75 through 79, 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, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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, 2023

Dallas Independent School District

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

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, 2023. 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 \$692.9 million for the year ended June 30, 2023. The net position increased by \$168.0 million.

The District's governmental funds financial statements reported a combined ending fund balance of \$2,031.6 million. This balance consists of \$1,006.1 million in the General Fund of which \$321.1 million is assigned, \$25.0 million is non-spendable, and \$660.0 million is unassigned and available for spending at the District's discretion. Restricted fund balance totals \$937.6 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 \$71.7 million of assigned fund balance. The Non-Major Funds include \$7.7 million of assigned fund balance and \$8.4 million of nonspendable fund balance.

For the year ended June 30, 2023, total revenue from all sources, including extraordinary items, was \$2.7 billion. Program revenues accounted for \$521.8 million of total revenues. General revenues accounted for \$2.2 billion.

The General Fund had \$1.9 billion in revenues, which primarily consisted of property taxes and state aid. Expenditures were \$1.9 billion. Other financing sources and uses were \$2.7 million and consisted of a \$0.6 million transfer out to Internal Service Funds, \$7.2 million to the Debt Service Fund, and \$0.2 million to the Campus Activity Fund for credit card rebates. This resulted in an increase to the fund balance of \$31.6 million.

Extraordinary Items (Sources) for \$5.4 million are insurance proceeds received for covering facilities maintenance expenditures related to February 2021 winter storm damage.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

Fund Financial Statements. The remaining statements are fund financial statements that focus on individual parts of the government, reporting the District's operations in more detail than the government-wide statements. The fund financial statements provide more detailed information about the District's most significant funds rather than the District as a whole. Funds are a governmental accounting tool that the District uses to track specific sources of funding and spending for particular purposes. Some funds are required by state law and by bond covenants. The Board of Trustees establishes other funds to control and manage resources for specific purposes or to delineate the use of certain taxes and grants.

The District has three kinds of funds:

- **Governmental Funds**—All of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine the availability of financial resources to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information immediately following the governmental funds statements that explain the relationship (or differences) between them. These include debt financing, capital assets, and revenue recognition.
- **Proprietary Funds**—Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The District's three proprietary funds are Internal Service Funds. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the various functions. The District uses the Internal Service Fund to report activities for its risk management, graphics, and insurance for auto liability expenses. The proprietary fund statements offer short and long-term financial information about the activities the District operates like a business.
- **Fiduciary Funds**—Fiduciary funds are used to account for resources held by the District in a custodial capacity. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary 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 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, 2023**

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>	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balance 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenses and Changes in Fund Net Position • Statement of Cash Flows 	<ul style="list-style-type: none"> • Statement of 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, 2023**

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 2023 and 2022 increased by \$168.0 million. The District's net investment in capital assets is \$839.4 million and includes investments in capital assets (e.g. land, building, equipment, improvements, finance purchased assets, right-to-use lease assets, SBITA assets, and construction in progress) less any debt used to acquire those assets that is still outstanding. Of the remaining net position, \$208.3 million are restricted resources subject to external restrictions on how they are used, and (\$354.8) 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, 2023 and 2022, respectively.

**Exhibit 2
Net Position
Governmental Activities**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>\$ Change Increase/ (Decrease)</u>	<u>% Change Increase/ (Decrease)</u>
Current and Other Assets	\$ 2,698,629,118	\$ 2,381,265,742	\$ 317,363,376	13.3%
Capital Assets	3,990,429,705	3,650,227,182	340,202,523	9.3%
Total Assets	<u>6,689,058,823</u>	<u>6,031,492,924</u>	<u>657,565,899</u>	<u>10.9%</u>
Deferred Outflows of Resources	<u>444,777,905</u>	<u>355,887,645</u>	<u>88,890,260</u>	<u>25.0%</u>
Current Liabilities	628,642,293	472,258,658	156,383,635	33.1%
Long Term Liabilities	5,206,169,293	4,645,165,619	561,003,674	12.1%
Total Liabilities	<u>5,834,811,586</u>	<u>5,117,424,277</u>	<u>717,387,309</u>	<u>14.0%</u>
Deferred Inflows of Resources	<u>606,175,218</u>	<u>745,070,968</u>	<u>(138,895,750)</u>	<u>(18.6%)</u>
Net Position:				
Net Investment in				
Capital Assets	839,399,474	630,748,328	208,651,146	33.1%
Restricted	208,269,527	169,744,823	38,524,704	22.7%
Unrestricted	(354,819,077)	(275,607,827)	(79,211,250)	28.7%
Total Net Position	<u>\$ 692,849,924</u>	<u>\$ 524,885,324</u>	<u>\$ 167,964,600</u>	<u>32.0%</u>

Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023

Other Financial Highlights. For the year ended June 30, 2023, the District's total revenues were \$2.7 billion. Exhibit 3 shows the year-over-year change in revenues and expenses. The District's total revenues increased \$389.9 million, or 16.6%, over the prior year, and the total expenses increased \$446.2 million or 21.0%, over the prior year.

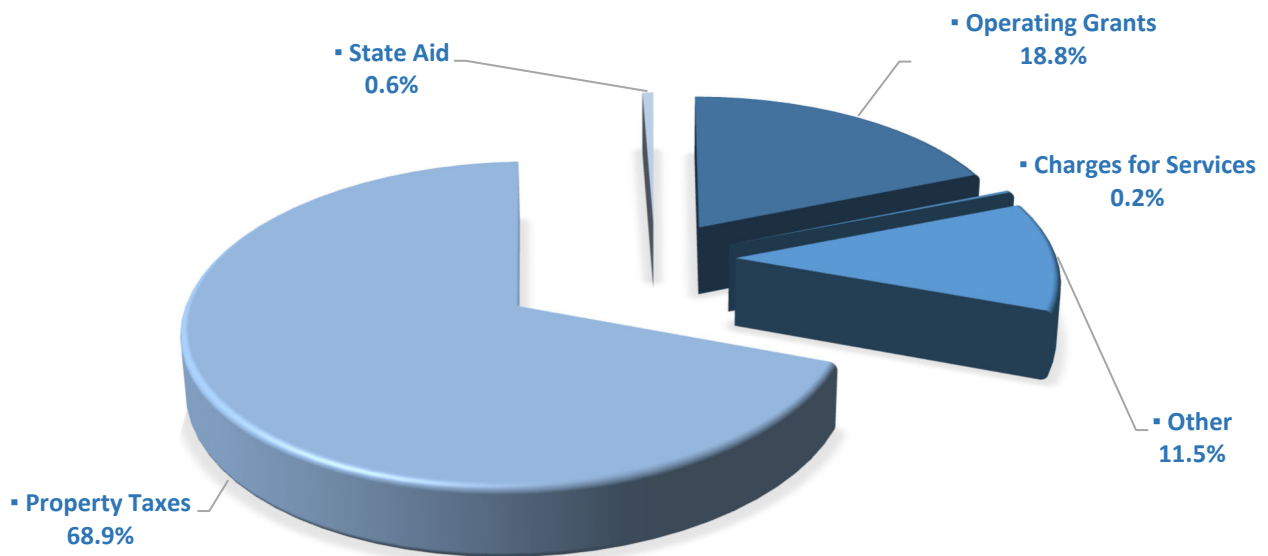
Exhibit 3
Changes in Net Position
Governmental Activities

	June 30, 2023	June 30, 2022	\$ Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Revenues				
Program Revenues:				
Operating Grants and Contributions	\$ 515,141,790	\$ 443,338,242	\$ 71,803,548	16.2%
Charges for Services	6,643,734	4,152,364	2,491,370	60.0%
General Revenues:				
Investment Earnings	75,437,598	(5,377,815)	80,815,413	(1502.8%)
Property Taxes	1,887,592,069	1,741,150,454	146,441,615	8.4%
State Aid	16,868,519	42,919,472	(26,050,953)	(60.7%)
Grants and Contributions, Unrestricted	193,261,011	91,164,628	102,096,383	112.0%
Other	41,005,343	28,659,058	12,346,285	43.1%
Total Revenues	<u>2,735,950,064</u>	<u>2,346,006,403</u>	<u>389,943,661</u>	<u>16.6%</u>
Expenses				
Instruction	1,173,638,465	1,004,236,979	169,401,486	16.9%
Instructional Resources and Media Services	16,021,342	14,585,509	1,435,833	9.8%
Curriculum and Staff Development	59,095,929	59,799,697	(703,768)	(1.2%)
Instructional Leadership	78,525,664	57,458,311	21,067,353	36.7%
School Leadership	131,484,080	114,857,081	16,626,999	14.5%
Guidance, Counseling and Evaluation Services	101,004,233	79,002,173	22,002,060	27.8%
Social Work Services	1,762,529	1,704,888	57,641	3.4%
Health Services	28,806,645	26,203,296	2,603,349	9.9%
Student (Pupil) Transportation	72,310,672	62,721,267	9,589,405	15.3%
National Breakfast and Lunch	115,960,364	100,553,734	15,406,630	15.3%
Cocurricular/Extracurricular Activities	50,234,747	43,306,251	6,928,496	16.0%
General Administration	61,736,428	54,554,227	7,182,201	13.2%
Facilities Maintenance and Operations	211,041,315	171,641,924	39,399,391	23.0%
Security and Monitoring Services	32,950,334	25,695,932	7,254,402	28.2%
Data Processing Services	46,857,085	51,927,176	(5,070,091)	(9.8%)
Community Services	15,430,692	12,526,284	2,904,408	23.2%
Debt Service - Interest on Long Term Debt	115,546,646	123,440,648	(7,894,002)	(6.4%)
Debt Service - Bond Related Fees	3,886,021	4,581,836	(695,815)	(15.2%)
Facilities Acquisition and Construction	34,149,909	14,455,158	19,694,751	136.2%
Contracted Instructional Services Between Schools	216,689,569	97,987,095	118,702,474	121.1%
Payments to Juvenile Justice Alt. Ed. Prg.	14,058	9,726	4,332	44.5%
Other Intergovernmental Charges	6,201,018	5,930,560	270,458	4.6%
Total Expenses	<u>2,573,347,745</u>	<u>2,127,179,752</u>	<u>446,167,993</u>	<u>21.0%</u>
Excess (Deficiency) before Extraordinary Items	162,602,319	218,826,651	(56,224,332)	(25.7%)
Extraordinary Item - Resource	5,362,281	41,310,834	(35,948,553)	(87.0%)
Extraordinary Item - (Use)	-	(9,287,259)	9,287,259	(100.0%)
Increase (decrease) in Net Position	167,964,600	250,850,226	(82,885,626)	(33.0%)
Net Position - Beginning	524,885,324	274,035,098	250,850,226	91.5%
Net Position - Ending	<u>\$ 692,849,924</u>	<u>\$ 524,885,324</u>	<u>\$ 167,964,600</u>	<u>32.0%</u>

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

The District's revenue was generated from the following sources: 68.9% from property taxes, 0.6% from state aid, 18.8% from operating grants, 0.2% from charges for services, and 11.5% from miscellaneous revenue sources (See Exhibit 4).

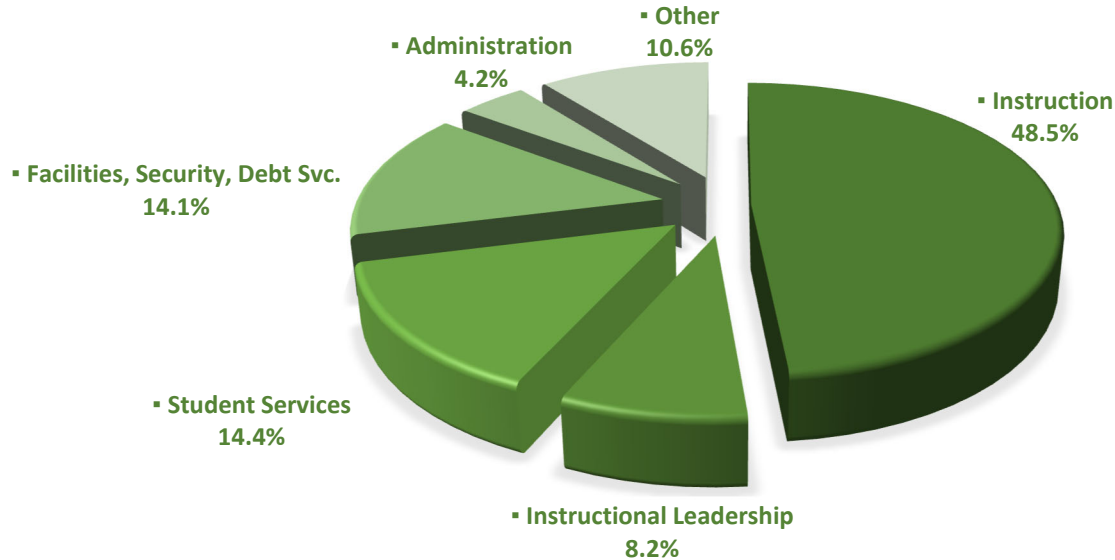
**Exhibit 4
Sources of Revenue
Governmental Activities**



**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

For the year ended June 30, 2023, the District's total cost of all programs and services was \$2.6 billion. Approximately 49% of the District's governmental activities were dedicated to instructional areas. Direct student services, such as counseling, nursing, and transportation services, comprised approximately 14% of governmental expenses. The costs to operate facilities, including utilities, security services and debt payments comprised 14% 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, 2023, the District's governmental funds reported ending fund balances of \$2.0 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 35.5% of the total 2023 General Fund expenditures, while total fund balance represents 54.2% of that same amount.

The increase in fund balance in the General Fund is primarily due to increased collection of Property Tax revenues. Tax revenues for the year increased primarily due to increased property tax collections, which grew as a result of a 16.6% rate increase on all classes of property, as well as an average increase of approximately 14.8% in taxable property values, driven by increased local real estate market values and commercial real estate values. Federal revenue also increased due to increased reimbursements for the Emergency Connectivity program. Insurance proceeds of \$5.4 million were received to cover facilities maintenance expenditures related to winter storm damage.

There were some Budget-to-Actual variances in General Fund. Budget exceeded Actuals in function 11 due to employee pay raises that have not been fully expensed.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

The Debt Service Fund had a total fund balance of \$303.3 million, of which \$231.6 million was restricted for the payment of debt service requirements. The Debt Service fund balance increased by \$50.4 million due to increased property tax collections. Collections grew as a result of a 16.6% rate increase on all classes of property, as well as an average increase of approximately 14.8% in taxable property values, driven by increased local real estate market values and commercial real estate values.

The Capital Projects Fund had a total fund balance of \$684.6 million. An increase in fund balance of \$91.0 million in the Capital Projects Fund is primarily due to a sale of "Unlimited Tax School Building Bonds, Series 2023" for \$551.5 million. The District also issued \$50.0 million Unlimited CP notes, series 1A. For more information, please see Note J. There was also an increase in construction expenditures committed to the Bond Program as discussed below.

The ESSER III Fund was a major fund in fiscal year 2023. 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 consist of Special Revenue Funds. Non-Major Governmental Funds have a total fund balance of \$37.5 million, representing a decrease for the current year of \$7.5 million due to a decrease in revenue and an increase in expenditures in the Food Services Fund. A decrease in revenue was caused by the reduced rate in reimbursement of meals. For the fiscal year 2022, The District was allowed to use the Seamless Summer Option (SSO) rate and were able to claim 100% of all meals served which reimbursed at a higher rate due to the pandemic. However, for the fiscal year 2023, under the National School Lunch Program (NSLP), reimbursements under the Community Eligibility Provision (CEP) were claimed, the rate for which was 84% which led to the decrease in revenue.

In fiscal year 2023, the District implemented GASB 96. Under this Statement, a government must generally recognize a right-to-use intangible asset and corresponding subscription liability. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87 - Leases, as amended. For more information, please see Summary of Significant Accounting Policies (Note A).

Net Position Analysis

In fiscal year 2023, total revenue increased \$389.9 million primarily due to increased collection of property taxes and investment earnings. Program revenues increased primarily due to increased reimbursements in ESSER II, ESSER III, and Emergency Connectivity Programs. Charges for Services increased due to increased funding to mitigate the repair costs in some schools due to rain damage.

In fiscal year 2023, expenses increased by \$446.2 million due to increased payroll costs and costs of supplies. There was also an increase in recapture costs to Texas Education Agency. A decrease in unrestricted grants and contributions was due to a decrease in GASB 75 adjustments resulting from a decrease in the measure of the OPEB expense.

The District reported an increase in the deficit in unrestricted net position from prior year to \$354.8 million. The primary reason for the deficit is the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

Capital Assets. At June 30, 2023, the District had \$4.0 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 \$340.2 million or 9.3% over last year. See Exhibit 6.

**Exhibit 6
District's Capital Assets**

	June 30, 2023	June 30, 2022	\$ Change	% Change
Land	\$ 268,064,512	\$ 261,160,751	\$ 6,903,761	2.64%
Building and Improvements	5,178,431,670	4,618,317,236	560,114,434	12.13%
Furniture and Equipment	365,211,951	344,243,852	20,968,099	6.09%
Financed Purchases - Furniture and Equipment	7,520,455	5,827,131	1,693,324	29.06%
Right-to-Use Lease Assets - Building	18,914,110	18,914,110	-	-
SBITA - Subscriptions	86,780,092	-	86,780,092	-
Right-to-Use Lease Assets - Furniture and Equipment	1,071,078	1,071,078	-	-
Total	5,925,993,868	5,249,534,158	676,459,710	12.89%
Accumulated Depreciation	(2,320,009,684)	(2,138,781,083)	(181,228,601)	8.47%
Net Book Value, net of CIP	3,605,984,184	3,110,753,075	495,231,109	15.92%
Construction in Progress	384,445,521	539,474,107	(155,028,586)	-28.74%
Net Book Value	\$ 3,990,429,705	\$ 3,650,227,182	\$ 340,202,523	9.32%

For the year ended June 30, 2023, the District's capital spending totaled \$567 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 SBITA - Subscriptions.

In addition, \$16.2 million in building and capital equipment were retired during the fiscal year. For more information on the District's capital assets, see Note H in the financial statements.

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 14 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, 2023**

Debt Administration. For the year ended June 30, 2023, the District had \$5.2 billion in long-term debt outstanding. This represents a net increase of \$556.7 million, or 12.0%, over last year. (See Exhibit 7).

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

	June 30, 2023	June 30, 2022	\$ Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Bonds and Notes Payable	\$ 3,840,785,000	\$ 3,500,300,000	\$ 340,485,000	9.7%
Workers Compensation/Auto Liability	12,470,148	11,129,880	1,340,268	12.0%
Premium on Bonds	206,374,497	194,247,244	12,127,253	6.2%
Commercial Paper	-	50,000,000	(50,000,000)	(100.0%)
Financed Purchases	3,438,972	4,239,051	(800,079)	(18.9%)
GASB 87 Lease Liability	14,235,852	16,862,589	(2,626,737)	(15.6%)
GASB 96 Subscription Liability	62,482,747	-	62,482,747	-
Net Pension Liability (District's Share)	715,831,452	303,114,994	412,716,458	136.2%
Net OPEB Liability (District's Share)	350,550,625	569,594,378	(219,043,753)	(38.5%)
Long Term Debt Outstanding	<u>\$ 5,206,169,293</u>	<u>\$ 4,649,488,136</u>	<u>\$ 556,681,157</u>	<u>12.0%</u>

Under GASB Statement No. 87, the District, as a lessee, had a beginning lease liability of \$16,862,589 in fiscal year 2023. The ending balance of the lease liability is \$14,235,852.

For the year ended June 30, 2023, 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 \$1,693,324 for the future payments at the inception of the agreement. The ending balance of financed purchase payment liability is \$1,138,270. The total ending liability for financed purchases was \$3,438,972.

For the year ended June 30, 2023, the District implemented GASB Statement No. 96, Subscription Based Information Technology Arrangements. Under this statement, the District recognized a long term subscription liability of \$86,778,592 in fiscal year 2023. The ending balance of subscription liability is \$62,482,027. The accrued liability for fiscal year 2023 was \$1,884,121.

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 LBJ Building Tenant Lease Revenue by \$3.0 million.
- Amendment approved to increase revenue by \$0.8 million for the payment from the Department of Health & Human Services for damage to Cobb Fieldhouse.
- Amendment approved to increase revenue by \$70.5 million for current year taxes.
- Amendment approved to decrease revenue by \$1.0 million for prior year taxes.
- Amendment approved to increase revenue by \$2.6 million for Penalties & Interest.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

- Amendment approved to increase revenue by \$28.2 million for Investment Earnings.
- Amendment approved for \$16.9 million increase in Other Revenue from Local Sources.
- Amendment approved to increase revenue by \$24.4 million for Available School Fund.
- Amendment approved to decrease revenue by \$17.6 million for Foundation - School Program.
- Amendment approved to increase revenue by \$3.1 million due to eRate discount.
- Amendment approved to increase revenue by \$31.2 million for Indirect Cost through TEA.
- Amendment approved to increase revenue by \$0.9 million for Miscellaneous Federal Revenue.
- Amendment approved for \$3.0 million increase in Other Resources and Non-Operating Revenue due to Insurance and Reimbursement for Flooding.
- Amendment approved for \$5.3 million increase in Other Resources and Non-Operating Revenue due to Winter 2022 Storm Damage Repairs.
- Amendment approved for \$8.4 million increase in Other Resources and Non-Operating Revenue due to GASB 96.

Expenditures

- Amendment approved to increase expenditures by \$3.0 million to fund LBJ Building Maintenance and Operations for major improvements and remodeling.
- Amendment approved to increase expenditures by \$1.5 million to fund Security Officers, Security Training, Security Uniforms, Equipment and Other.
- Amendment approved to increase Fiscal Year 2022-2023 expenditure budget by amount of unspent purchase order balances from Fiscal Year 2020-2021 Assigned Fund Balance totaling \$8.7 million.
- Amendment approved to increase expenditures for by \$0.8 million for damage to Cobb Fieldhouse.
- Amendment approved to increase expenditures by \$1.7 million for Fuel for Student Transportation.
- Amendment approved to increase expenditures by \$10.5 million for Winter Storm 2022 Reclass.
- Amendment approved to increase expenditures by \$1.8 million for Waste Management Contract.
- Amendment approved to increase expenditures in Instruction, General Administration and Facilities Maintenance and Operations by \$8.4 million due to GASB 96 implementation.
- Amendment approved to increase expenditures in by \$131.4 million for Recapture costs.
- Amendment approved for \$4.0 million increase in Other Resources and Non-Operating Uses due to Flood Damage Costs, including Deductible.
- Amendment approved for \$0.2 million increase in Other Resources and Non-Operating Uses due to Adjuster Fee for 2021 Winter Freeze Claim.
- Amendment approved for \$6.3 million increase in Other Resources and Non-Operating Uses due to Winter 2022 Storm Damage Expenses.
- Amendment approved to increase Food Services expenditures by \$0.1 million due to GASB 87 Implementation.

**Dallas Independent School District
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In June 2023, the Board of Trustees adopted the 2023-24 budget, which supports the District's goals.

The primary factors considered in preparing the District's budget for the 2023-24 fiscal year included 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 \$0.771800 per \$100 valuation for the 2023-24 year. The Interest and Sinking ("I&S") tax rate remained at \$0.242035 per \$100 valuation for the 2023-24 year.

In August 2023, Texas Senate Bill 2 (SB2) was signed into law by the Texas governor. SB2 requires Maintenance and Operations (M&O) tax rate compression plus a \$100,000 homestead exemption. To comply with SB2, the District adopted an M&O tax rate of \$0.771800 for 2023-2024. SB2 is expected to reduce the District's local revenue and increase the state's portion of school funding, but it does not increase overall funding to the District. SB2 is also expected to decrease recapture payments because of reduced local revenue.

Student enrollment is projected to be 140,097 in 2023-24.

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, 2023

Data Control Codes		Primary Government
		Governmental Activities
ASSETS		
1110	Cash and Cash Equivalents	\$ 2,255,495,743
1120	Investments	165,811,667
1220	Property Taxes Receivables (delinquent)	91,773,925
1230	Allowance for Uncollectible Taxes (credit)	(55,164,742)
1240	Due from Other Governments	172,340,468
1250	Accrued Interest	1,309,816
1290	Other Receivables, Net	33,580,369
1300	Inventories	19,537,748
1410	Prepaid Items	13,944,124
Capital Assets		
1510	Land	268,064,512
1520	Buildings and Improvements, Net	3,164,342,492
1530	Furniture and Equipment, Net	92,191,591
1540	Finance Purchased Assets, Net	3,795,197
1550	Right-to-Use Lease Asset, Net	14,060,135
1553	SBITA Assets, Net	63,530,257
1580	Construction in Progress	384,445,521
1000	Total Assets	6,689,058,823
DEFERRED OUTFLOWS OF RESOURCES		
1701	Deferred Loss on Refunding	49,538,969
1705	Related to the TRS Pension	294,117,847
1706	Related to the TRS OPEB	101,121,089
1700	Total Deferred Outflows of Resources	444,777,905
LIABILITIES		
2110	Accounts Payable	97,573,006
2120	Other Liabilities	2,620,663
2140	Interest Payable	53,169,717
2150	Payroll Deductions & Withholdings Payable	24,070,371
2160	Accrued Wages and Benefits Payable	177,991,077
2180	Due to Other Governments	250,513,767
2200	Accrued Expenses	16,454,114
2300	Unearned Revenue	6,249,578
Noncurrent Liabilities		
2501	Due Within One Year	238,231,361
2502	Due in More Than One Year	3,901,555,855
2540	Net Pension Liability (District's Share)	715,831,452
2545	Net OPEB Liability (District's Share)	350,550,625
2000	Total Liabilities	5,834,811,586
DEFERRED INFLOWS OF RESOURCES		
2602	Deferred Inflow - Other	1,992,835
2605	Related to the TRS Pension	58,390,883
2606	Related to the TRS OPEB	545,791,500
2600	Total Deferred Inflows of Resources	606,175,218
NET POSITION		
3200	Net Investment in Capital Assets	839,399,474
3820	Restricted for Federal and State Programs	26,250,560
3850	Restricted for Debt Service	178,451,374
3890	Restricted for Other Programs	3,567,593
3900	Unrestricted	(354,819,077)
3000	Total Net Position	\$ 692,849,924

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, 2023**

				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	\$ 1,173,638,465	\$ 833,295	\$ 230,444,585	\$ (942,360,585)
12 Instructional Resources and Media Services	16,021,342	-	1,238,918	(14,782,424)
13 Curriculum and Staff Development	59,095,929	-	37,685,327	(21,410,602)
21 Instructional Leadership	78,525,664	-	29,108,688	(49,416,976)
23 School Leadership	131,484,080	-	6,129,087	(125,354,993)
31 Guidance, Counseling and Evaluation Services	101,004,233	-	38,176,853	(62,827,380)
32 Social Work Services	1,762,529	-	596,753	(1,165,776)
33 Health Services	28,806,645	-	8,376,287	(20,430,358)
34 Student (Pupil) Transportation	72,310,672	-	3,794,263	(68,516,409)
35 Food Services	115,960,364	968,444	101,442,613	(13,549,307)
36 Cocurricular/Extracurricular Activities	50,234,747	1,371,170	578,468	(48,285,109)
41 General Administration	61,736,428	-	8,217,346	(53,519,082)
51 Facilities Maintenance and Operations	211,041,315	3,470,825	28,072,573	(179,497,917)
52 Security and Monitoring Services	32,950,334	-	2,925,894	(30,024,440)
53 Data Processing Services	46,857,085	-	3,705,391	(43,151,694)
61 Community Services	15,430,692	-	10,182,677	(5,248,015)
72 Debt Service - Interest on Long Term Debt	115,546,646	-	-	(115,546,646)
73 Debt Service - Bond Related Fees	3,886,021	-	-	(3,886,021)
81 Facilities Acquisition and Construction	34,149,909	-	4,466,067	(29,683,842)
91 Contracted Instructional Services Between Schools	216,689,569	-	-	(216,689,569)
95 Payments to Juvenile Justice Alternative Ed. Prg.	14,058	-	-	(14,058)
99 Other Intergovernmental Charges	6,201,018	-	-	(6,201,018)
TOTAL PRIMARY GOVERNMENT	\$ 2,573,347,745	\$ 6,643,734	\$ 515,141,790	\$ (2,051,562,221)
Data Control Codes				
General Revenues				
Taxes				
MT	Property Taxes, Levied for General Purposes			1,502,004,221
DT	Property Taxes, Levied for Debt Service			385,587,848
SF	State Aid not Restricted to Specific Purpose			16,868,519
IE	Investment Earnings			75,437,598
MI	Miscellaneous Local and Intermediate Revenue			41,005,343
GC	Grants, Contributions and Other Revenue not Restricted			193,261,011
E1	Extraordinary Item - Resource			5,362,281
TR	Total General Revenues, Extraordinary Items, and Transfers			2,219,526,821
CN	Change in Net Position			167,964,600
NB	Net Position - Beginning			524,885,324
NE	Net Position - Ending			<u>\$ 692,849,924</u>

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

**Dallas Independent School District
Balance Sheet
Governmental Funds
June 30, 2023**

		10 General Fund	50 Debt Service Fund
ASSETS			
1110	Cash and Cash Equivalents	\$ 1,174,008,752	\$ 278,578,749
1120	Investments	141,086,949	24,724,718
1220	Property Taxes Receivables (delinquent)	74,211,169	17,562,756
1230	Allowance for Uncollectible Taxes (credit)	(44,408,725)	(10,756,017)
1240	Due from Other Governments	25,846,156	374,391
1250	Accrued Interest	820,614	-
1260	Due from Other Funds	102,069,747	-
1290	Other Receivables, Net	33,244,467	-
1300	Inventories	11,092,524	-
1410	Prepaid Items	13,944,124	-
1000	Total Assets	1,531,915,777	310,484,597
LIABILITIES			
2110	Accounts Payable	22,872,616	-
2120	Other Liabilities	769,687	-
2150	Payroll Deductions and Withholdings Payable	20,931,541	-
2160	Accrued Wages and Benefits Payable	158,154,214	-
2170	Due to Other Funds	1,168,592	-
2180	Due to Other Governments	249,745,681	768,086
2200	Accrued Expenditures	9,950,421	-
2300	Unearned Revenues	3,183,914	-
2000	Total Liabilities	466,776,666	768,086
DEFERRED INFLOWS OF RESOURCES			
2601	Unavailable Revenue - Property Taxes	28,180,632	6,425,449
2602	Other Deferred Resource Inflows (See Note K)	30,801,372	-
2600	Total Deferred Inflows of Resources	58,982,004	6,425,449
FUND BALANCES			
	Nonspendable Fund Balance		
3410	Inventories	11,092,524	-
3430	Prepaid Items	13,944,124	-
	Restricted Fund Balance		
3450	Federal or State Funds Grant Restriction	-	-
3470	Capital Acquisition and Contractual Obligation	-	-
3480	Retirement of Long Term Debt	-	231,621,091
3490	Other Restricted Fund Balance	-	-
	Assigned Fund Balance		
3565	Retirement of Loans or Notes Payable	-	71,669,971
3590	Other Assigned Fund Balance	321,120,459	-
3600	Unassigned Fund Balance	660,000,000	-
3000	Total Fund Balances	1,006,157,107	303,291,062
4000	Total Liabilities, Deferred Inflows & Fund Balances	\$ 1,531,915,777	\$ 310,484,597

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
\$ 744,151,818	\$ -	\$ 33,384,820	\$ 2,230,124,139
-	-	-	165,811,667
-	-	-	91,773,925
-	-	-	(55,164,742)
-	75,037,310	71,082,611	172,340,468
489,202	-	-	1,309,816
-	-	-	102,069,747
583	-	305,319	33,550,369
-	-	8,445,224	19,537,748
-	-	-	13,944,124
744,641,603	75,037,310	113,217,974	2,775,297,261
57,767,835	11,821,307	4,718,604	97,180,362
1,850,831	-	145	2,620,663
3,732	771,850	2,362,234	24,069,357
88,559	5,452,849	14,255,557	177,951,179
664	54,769,665	47,456,856	103,395,777
-	-	-	250,513,767
342,166	2,221,639	3,820,766	16,334,992
-	-	3,065,664	6,249,578
60,053,787	75,037,310	75,679,826	678,315,675
-	-	-	34,606,081
-	-	-	30,801,372
-	-	-	65,407,453
-	-	8,445,224	19,537,748
-	-	-	13,944,124
-	-	17,805,336	17,805,336
684,587,816	-	-	684,587,816
-	-	-	231,621,091
-	-	3,567,593	3,567,593
-	-	-	71,669,971
-	-	7,719,995	328,840,454
-	-	-	660,000,000
684,587,816	-	37,538,148	2,031,574,133
\$ 744,641,603	\$ 75,037,310	\$ 113,217,974	\$ 2,775,297,261

Dallas Independent School District

Dallas Independent School District
Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position
June 30, 2023

Total Fund Balances - Governmental Funds (from C-1)	\$ 2,031,574,133
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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 in governmental funds, including Construction in Progress, and not including Financed Purchases, Right-to-Use assets, and SBITA assets, is \$3,932,451,209. The sum of these results in an increase in net position in the amount of \$4,013,644,842.

Net Capital Assets - Governmental Funds

Financed Purchase Assets, net	3,603,241	
Right-to-Use Lease Assets, net	14,060,135	
SBITA Assets, net	63,530,257	
Capital Assets, net		
(other than Financed Purchases, Right-to-Use Lease Assets, and SBITAs)	3,909,003,501	3,990,197,134

The amount reported as lease income in the government-wide statements from the assets leased to others was \$746,563. The annual amortization of the Deferred Inflow of Resources was \$762,936. The adjustment to lease revenues earned as opposed to revenues received (booked in governmental funds) for the lease assets leased by the District to others resulted in the change in net position in the amount of \$16,373.

16,373

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 financing lease and those associated with the Right-to-Use leases and SBITAs were also not reported in the governmental funds and must be reported in the government-wide statement. The total SBITA liability is \$62,482,746. The decrease in the ending net position from these totals is \$4,077,582,360.

Bonds and Notes Payable	(3,840,785,000)	
Deferred Losses on Refundings	49,538,969	
Premium on Bonds	(206,374,498)	
Financed Purchase Liability	(3,243,233)	
Right-to-Use Lease Liability	(14,235,852)	
SBITA Liability	(62,482,746)	(4,077,582,360)

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 \$50,455,753 in the Debt Service Funds and \$2,713,964 in the General Fund, for a total of \$53,169,717. (See A-1)

(53,169,717)

Certain financial resources are not available to pay for current period expenditures and therefore are deferred in the governmental funds. These Deferred Inflow of Resources must be adjusted to recognize as revenues those earned in the current reporting period. The effects of these changes are as follows:

Deferred Resource Inflow for Property Taxes	34,606,081	
Medicaid/SHARS	28,792,164	63,398,245

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).

13,741,640

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	(715,831,452)	
Deferred Outflows of Resources - TRS Pension	294,117,847	
Deferred Inflows of Resources - TRS Pension	(58,390,883)	(480,104,488)

The impact on the ending net position related to the TRS OPEB plan came from the following:

Net OPEB Liability	(350,550,625)	
Deferred Outflows of Resources - TRS OPEB	101,121,089	
Deferred Inflows of Resources - TRS OPEB	(545,791,500)	(795,221,036)

Total Net Position of Governmental Activities (see A-1)

\$ 692,849,924

The notes to the basic financial statements are an integral part of this statement.
The above Capital Assets and Liabilities do not include Internal Service Funds.

Dallas Independent School District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2023

Data Control Codes	10 General Fund	50 Debt Service Fund
REVENUES		
5700 Local and Intermediate Sources	\$ 1,579,683,758	\$ 394,015,163
5800 State Program Revenues	176,676,437	4,578,880
5900 Federal Program Revenues	124,651,489	-
5020 Total Revenues	1,881,011,684	398,594,043
EXPENDITURES		
Current		
11 Instruction	884,671,447	-
12 Instructional Resources and Media Services	12,853,118	-
13 Curriculum and Instructional Staff Development	24,975,945	-
21 Instructional Leadership	54,834,819	-
23 School Leadership	122,042,552	-
31 Guidance, Counseling and Evaluation Services	65,848,943	-
32 Social Work Services	1,239,355	-
33 Health Services	21,335,456	-
34 Student (Pupil) Transportation	66,461,499	-
35 Food Services	20,997	-
36 Cocurricular/Extracurricular Activities	45,159,102	-
41 General Administration	57,399,790	-
51 Facilities Maintenance and Operations	190,431,612	-
52 Security and Monitoring Services	28,054,669	-
53 Data Processing Services	35,645,026	-
61 Community Services	5,405,404	-
Debt Service		
71 Principal on Long Term Debt	9,393,266	210,975,000
72 Interest on Long Term Debt	7,548,140	144,298,596
73 Bond Fees and Charges	553	80,161
Capital Outlay		
81 Facilities Acquisition and Construction	1,278,856	-
Intergovernmental		
91 Contracted Instructional Services Between Schools	216,689,569	-
95 Payments to Juvenile Justice Alternative Ed. Prg.	14,058	-
99 Other Intergovernmental Charges	6,197,359	-
6030 Total Expenditures	1,857,501,535	355,353,757
1100 Excess (Deficiency) of Revenues Over Expenditures	23,510,149	43,240,286
OTHER FINANCING SOURCES (USES)		
7911 Capital Related Debt Issued (Regular Bonds)	-	-
7912 Sale of Real and Personal Property	559,314	-
7914 Financed Purchases	1,693,324	-
7915 Transfers In	-	7,167,000
7916 Premium on Issuance of Bonds	-	-
7949 Other Resources	8,389,355	-
8911 Transfers Out (Use)	(7,936,129)	-
8940 Payment to Bond Refunding Escrow Agent (Use)	-	-
7080 Total Other Financing Sources (Uses)	2,705,864	7,167,000
EXTRAORDINARY ITEMS		
7919 Extraordinary Item - Resource	5,362,281	-
1200 Net Change in Fund Balance	31,578,294	50,407,286
0100 Fund Balance - Beginning	974,578,813	252,883,776
3000 Fund Balance - Ending	\$ 1,006,157,107	\$ 303,291,062

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	
\$	26,062,067	\$	-	\$	11,274,188	\$	2,011,035,176
	-		-		6,338,972		187,594,289
	-		159,685,397		337,460,000		621,796,886
	26,062,067		159,685,397		355,073,160		2,820,426,351
	50,135,210		96,114,129		132,072,561		1,162,993,347
	-		74,520		1,296,918		14,224,556
	-		7,258,764		30,426,985		62,661,694
	-		19,475,697		9,428,567		83,739,083
	-		1,269,519		5,297,930		128,610,001
	-		16,388,577		21,517,130		103,754,650
	-		284,695		304,707		1,828,757
	-		511,834		6,908,069		28,755,359
	67,971		749,389		2,671,913		69,950,772
	-		-		111,397,109		111,418,106
	-		-		1,534,745		46,693,847
	-		1,115,722		7,248,994		65,764,506
	199,752		14,710,124		12,478,633		217,820,121
	912,827		929,682		1,874,672		31,771,850
	-		1,382,118		2,374,564		39,401,708
	-		538,484		9,653,802		15,597,690
	6,176,843		10,121,012		3,556,161		240,222,282
	155,254		49,517		16,729		152,068,236
	3,805,307		-		-		3,886,021
	455,913,715		-		4,466,064		461,658,635
	-		-		-		216,689,569
	-		-		-		14,058
	-		-		3,659		6,201,018
	517,366,879		170,973,783		364,529,912		3,265,725,866
	(491,304,812)		(11,288,386)		(9,456,752)		(445,299,515)
	601,460,000		-		-		601,460,000
	-		-		-		559,314
	-		-		-		1,693,324
	-		-		190,944		7,357,944
	53,484,841		-		-		53,484,841
	28,469,966		11,288,386		1,719,385		49,867,092
	-		-		-		(7,936,129)
	(101,121,096)		-		-		(101,121,096)
	582,293,711		11,288,386		1,910,329		605,365,290
	-		-		-		5,362,281
	90,988,899		-		(7,546,423)		165,428,056
	593,598,917		-		45,084,571		1,866,146,077
\$	684,587,816	\$	-	\$	37,538,148	\$	2,031,574,133

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, 2023

Total Net Change in Fund Balances - Governmental Funds (from C-2)	\$	165,428,056
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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 SBITAs, were \$500,755,423 (excluding internal service funds' capital assets). 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, the right-to-use leases, and the new SBITAs was \$196,989,592 (including adjustments for deleted assets). The SBITA Agreements related to prior year was \$36,911,500, upon implementation in fiscal year 2023. The loss of \$202,578 was caused by the deletion of the District's assets. The change in net position from these activities is \$368,944,719.

Capital Asset Additions - Governmental Funds	500,755,423	
Total Depreciation Expense - Governmental Funds	(196,989,592)	
Gain/Loss from Capital Assets Deletions	(202,578)	
SBITA Agreements related to prior year upon implementation in fiscal year 2023	36,911,500	340,474,753

Repayment of principal 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, right-to-use leases, and the SBITAs. The District also entered into SBITA arrangements this year. These were recorded in 7949 in the fund level statements. This must be reclassified and shown as an increase in the long term liability. The SBITA Agreements related to prior year was \$36,911,500, upon implementation in fiscal year 2023. The District's Capital Project Fund had a short-term loan in amount of \$100,000,000, which redeemed this fiscal year. The total impact of these is to increase the change in net position by \$286,343,078.

Principal Payments	210,975,000	
Principal Payment Financed Purchases	2,328,495	
Principal Payment Right-to-Use Lease	2,622,942	
SBITA Principal Payment	24,295,845	
Redemption of Commercial Paper	100,000,000	
Amortization of Loss on Bond Refunding	(6,764,875)	
Amortization of Bond Premium	41,357,587	
New SBITA Liability	(49,867,092)	
New Financed Purchase Liability	(1,693,324)	
SBITA Agreements related to prior year upon implementation in fiscal year 2023	(36,911,500)	286,343,078

The adjustment to lease revenues earned as opposed to revenues received (booked in governmental funds) for the assets leased by the District to others resulted in an increase in the change in net position in the amount of \$16,373.

16,373

The District issued new Series 2023 bonds for \$551,460,000 with a premium of \$53,484,841. 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 an increase in long-term debt. The effect of this reclassification will decrease the change in net position in the Statement of Activities. The total impact on the change in net position from these two actions was a decrease in the amount of \$654,944,841.

(654,944,841)

In the fund level statements, revenues are reported when they are available. In the Statement of Activities, revenues are reported when they are earned. The revenues 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. The total change in the change in net position due to the SHARS adjustments was a decrease in net position by \$15,767,317. The adjustments for tax revenues and the adjustment for estimated differences cause an increase in revenues in the amount of \$5,204,785. The net effect of all of these adjustments was a decrease in the change in net position in the amount of \$10,562,532.

(10,562,532)

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, 2023

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 increase by that amount. The interest accrued this year to be paid next year is \$56,219,691, which includes the interest accrued for Lease Purchases, Right-to-Use Lease Liabilities, and SBITA Liabilities, in addition to other liabilities in the governmental funds. The net decrease in accrued interest is (\$3,049,974). The change in ending net position will increase by that amount.

Interest Accrued in FY22 but Paid in FY23	56,219,691	
Interest Should be Accrued in FY23	(53,169,717)	3,049,974

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 increase the change in net position. (See D-2.)

2,317,393

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. The sum of these changes causes a decrease in the change in net position in the amount of \$(21,500,965).

Deferred Outflows increased by	112,165,339	
Deferred Inflows decreased by	279,050,154	
Ending Net Pension Liability increased by	(412,716,458)	(21,500,965)

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 in the amount of \$57,343,311. This resulted from the following changes:

Decrease in Deferred Resource Outflow	(16,510,204)	
Increase in Deferred Resource Inflow	(145,190,238)	
Decrease in Ending Net OPEB Liability	219,043,753	57,343,311

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

\$ 167,964,600

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, 2023**

	Governmental Activities
	Total Internal Service Funds
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 25,371,604
Due from Other Funds	1,326,220
Other Receivables, Net	30,000
Total Current Assets	26,727,824
Noncurrent Assets	
Capital Assets	
Furniture and Equipment, Net	40,615
Financed Purchase, Net	191,955
Total Noncurrent Assets	232,570
Total Assets	26,960,394
LIABILITIES	
Current Liabilities	
Accounts Payable	392,644
Accrued Liabilities - Short Term	4,981,458
Payroll Deductions and Withholdings Payable	1,014
Accrued Wages and Benefits Payable	39,898
Due to Other Funds	190
Accrued Expenses	119,122
Total Current Liabilities	5,534,326
Noncurrent Liabilities	
Due in More Than One Year	7,684,428
Total Noncurrent Liabilities	7,684,428
Total Liabilities	13,218,754
NET POSITION	
Net Investment in Capital Assets	36,832
Unrestricted Net Position	13,704,808
Total Net Position	\$ 13,741,640

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, 2023

	Governmental Activities
	Total Internal Service Funds
OPERATING REVENUES	
Charges for Services	\$ 14,208,004
Total Operating Revenues	<u>14,208,004</u>
OPERATING EXPENSES	
Personnel Services	6,965,310
Contractual Services	2,849,991
Supplies	608,408
Other Operating Expenses	1,768,523
Depreciation/Amortization Expense	206,588
Debt Service	4,330
Total Operating Expenses	<u>12,403,150</u>
Operating Income (Loss)	1,804,854
NON-OPERATING REVENUES (EXPENSES)	
Loss on Sale of Property	<u>(65,646)</u>
Total Non-Operating Revenues (Expenses)	<u>(65,646)</u>
Income Before Transfers	1,739,208
Transfers In	<u>578,185</u>
Change in Net Position	2,317,393
 Total Net Position - Beginning	 <u>11,424,247</u>
 Total Net Position - Ending	 <u><u>\$ 13,741,640</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, 2023**

	Governmental Activities
	Total Internal Service Funds
Cash Flows from Operating Activities	
Cash Received from User Charges	\$ 14,145,167
Cash Payments to Employees for Services	(3,224,074)
Cash Payments for Insurance Claims	(2,870,982)
Cash Payments for Suppliers	(4,854,975)
Cash Payments for Accrued Expenses	51,136
Net Cash Provided by (Used for) Operating Activities	<u>3,246,272</u>
Cash Flows from Capital and Related Financing Activities	
Cash Payments for Interest on Leases and Financed Purchases	(4,330)
Cash Payments for Principal of Leases	(168,704)
Net Cash Provided by (Used for) Capital and Related Activities	<u>(173,034)</u>
Cash Flows from Non-Capital Financing Activities	
Transfers In	<u>578,185</u>
Net Cash Provided by (Used for) Non-Capital Activities	<u>578,185</u>
Net Increase in Cash and Cash Equivalents	3,651,423
Cash and Cash Equivalents at Beginning of Year	<u>21,720,181</u>
Cash and Cash Equivalents at End of Year	<u><u>25,371,604</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Operating Income (Loss)	1,804,854
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Depreciation/Amortization	206,588
Effect of Increases and Decreases in Current Assets and Liabilities	
Decrease (increase) in Receivables	48,335
Decrease (increase) in Due from Other Funds	(111,172)
Increase (decrease) in Accounts Payable	(136,062)
Increase (decrease) in Payroll Deductions	392
Increase (decrease) in Accrued Wages Payable	(340)
Increase (increase) in Due to Other Funds	(154)
Increase (decrease) in Accrued Expenses	38,099
Increase (decrease) in Lease Liability	(168,704)
Increase (decrease) in Accrued Liabilities - Short Term	710,076
Increase (decrease) in Accrued Liabilities - Long Term	681,328
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ 3,073,240</u></u>

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

**Dallas Independent School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023**

	Custodial Fund
ASSETS	
Cash and Cash Equivalents	\$ 3,023,703
Total Assets	<u>3,023,703</u>
LIABILITIES	
Accounts Payable	72,271
Due to Student Groups	29,102
Accrued Expenses	<u>161,663</u>
Total Liabilities	<u>263,036</u>
NET POSITION	
Restricted for Student Clubs	<u>2,760,667</u>
Total Net Position	<u>\$ 2,760,667</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, 2023

	Custodial Fund
Additions	
Contributions and Donations	\$ 244,707
Fundraising	617,444
Tuition and Fees	1,265,039
Other	1,078,495
Total Additions	<u>3,205,685</u>
Deductions	
Personnel Services	3,362
Contractual Services	164,847
Supplies	1,587,216
Equipment and Software	6,550
Other	1,381,963
Total Deductions	<u>3,143,938</u>
Income (Loss)	61,747
Change in Fiduciary Net Position	61,747
 Total Net Position - Beginning	 <u>2,698,920</u>
Total Net Position - Ending	<u><u>\$ 2,760,667</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, 2023**

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**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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 \$3,231,257 and \$755,682 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, 2023**

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 \$22,543,819 which is included in Receivables from Other Governments in the governmental funds balance sheet, to reflect cash that will be received in fiscal year 2024, which was generated by attendance and the type of instructional services provided in fiscal year 2023, fiscal year 2022 property value audit, and fiscal year 2022 recapture cost overpayment refund. The District has also accrued an offsetting liability of \$248,763,783 which is included in Due to Other Governments, to reflect an anticipated Texas Education Agency final fiscal year 2023 settle-up adjustment that will occur in 2024.

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 2023. 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, 2023**

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 a custodian.

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, 2023**

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 lease 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 Lease 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
Lease and SBITA 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, 2023**

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 \$2,418,429 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
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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.

The District reported an increase in the deficit in unrestricted net position from prior year to \$354.8 million. The primary reason for the deficit is the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

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, 2023, the District had no committed fund balance.
- **Assigned Fund Balance.** The portion of fund balance that is self-imposed by the District to be used for a particular purpose. The assigned fund balance can only be removed by the Superintendent of Schools or the Chief Financial Officer.
- **Unassigned Fund Balance.** The portion of the spendable fund balance within the General Fund that has not been classified within any categories above. It is the portion of fund balance available to finance operating expenditures.

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

**Dallas Independent School District
Notes to the Basic Financial Statements
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As of the end of the current fiscal year, the District's Governmental Fund Balance was \$2,031,574,133 reported as follows:

Fund Balances	General Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable					
Inventories	\$ 11,092,524	\$ -	\$ -	\$ 8,445,224	\$ 19,537,748
Prepaid Items	13,944,124	-	-	-	13,944,124
Restricted					
Federal or State Grants	-	-	-	17,805,336	17,805,336
Capital Acquisition	-	-	684,587,816	-	684,587,816
Debt Services	-	231,621,091	-	-	231,621,091
Local	-	-	-	3,567,593	3,567,593
Assigned					
Retirement of Loans/Notes Payable	-	71,669,971	-	-	71,669,971
Other Assigned Fund Balance	321,120,459	-	-	7,719,995	328,840,454
Unassigned	660,000,000	-	-	-	660,000,000
Total Fund Balances	\$1,006,157,107	\$ 303,291,062	684,587,816	\$ 37,538,148	\$2,031,574,133

The Other Assigned Fund Balance consists of \$219.1 million to fund the continuation of programs after ESSER funding is exhausted, \$0.2 assigned for the Carter High School weight room, \$15.0 million is assigned for the campus security program, \$71.7 million for the future payment of QSCB notes, and \$5.0 million for anticipated capital expenditures. Additionally, \$10.1 million is earmarked for encumbrances carried forward to fiscal year 2024 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, 2023, that were subsequently provided for in the 2023-2024 budget totaled \$10,104,553 in Other Assigned Fund Balance in the General Fund, and were broken down by functions as follows:

Function 11 - Instruction	1,114,196
Function 12 - Instructional Resources and Media Services	171
Function 13 - Curriculum & Staff Development	6,000
Function 21 - Instructional Leadership	80,875
Function 31 - Guidance, Counseling and Evaluation Services	48,456
Function 36 - Cocurricular/Extracurricular Activities	1,625,205
Function 41 - General Administration	1,246,419
Function 51 - Facilities Maintenance and Operations	3,730,646
Function 52 - Security and Monitoring Services	1,705,492
Function 53 - Data Processing Services	547,093
Total	\$ 10,104,553

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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 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 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 \$50,000 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.

**Dallas Independent School District
Notes to the Basic Financial Statements
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- 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.

GASB 96 SBITA (Subscription Based Information Technology Arrangements)

In the fiscal year 2023, GASB Statement 96 was implemented by the District. A SBITA is defined as a contract that conveys control of the right to use another party's (an SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The District has implemented a threshold of \$50,000 for GASB 96 per annual subscription cost.

Under this Statement, the District recognizes a right-to use subscription asset—an intangible asset—and a corresponding subscription liability at the commencement of the subscription term when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the incremental borrowing rate specified in the agreement. If the interest rate is not specified, Dallas ISD uses the yield rates of bonds issued by the District.

The District recognizes amortization of the principal payment on the subscription liability as an outflow of resources.

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, 2023, the net carrying amount of the District's cash deposits, excluding student activity fund deposits of \$3,203,703, was \$(5,732,974). The bank balance of \$13,000,000 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, 2023, 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, 2023, cash on hand in Custodial Funds totaled \$3,203,703 and was on deposit with the contracted depository and separate bank accounts. The District's Custodial Fund bank balance on June 30, 2023, 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.

**Dallas Independent School District
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For the Fiscal Year Ended June 30, 2023**

- b. The date of highest deposit was September 14, 2022, with combined cash and certificates of deposit balance of \$106,692,032.
- c. On September 15, 2022, the amount of bonds, securities pledged, and FDIC coverage was \$121,020,726.
- d. The FDIC coverage portion of the collateral listed above was \$250,000/\$250,000.
- e. The District had no occasions during the year of not being sufficiently collateralized, in which the pledged collateral requirement was less than the collateral requirement.

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

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

Dallas Independent School District
Notes to the Basic Financial Statements
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As of June 30, 2023, 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	\$ (2,709,271)	-0.1%	\$ (2,709,271)	-0.1%	\$ (2,709,271)	\$ -	\$ -	N/A
Money markets and FDIC insured investment accounts	45,322,221	1.9%	45,322,221	1.9%	45,322,221	-	-	N/A
Investment pools:								
LOGIC	232,798,140	9.6%	232,798,140	9.6%	232,798,140	-	-	AAAm
Lone Star	348,888,699	14.4%	348,888,699	14.4%	348,888,699	-	-	AAAm
Texas CLASS	258,012,763	10.6%	258,012,763	10.6%	258,012,763	-	-	AAAm
Texas Range Daily/Daily Select	218,766,258	9.0%	218,766,258	9.0%	218,766,258	-	-	AAAmmf
Texas Range Fixed Term	486,986,064	20.1%	486,986,064	20.1%	486,986,064	-	-	AAAf
TexPool	242,705,086	10.0%	242,705,086	10.0%	242,705,086	-	-	AAAm
Texas FIT	100,332,752	4.1%	100,332,752	4.1%	100,332,752	-	-	AAAf
Texas FIT Fixed Term	327,416,732	13.5%	327,416,732	13.5%	327,416,732	-	-	AAAf
Total Investment pools	2,215,906,494	91.3%	2,215,906,494	91.3%	2,215,906,494	-	-	
*Total cash and cash equivalents	2,258,519,444	93.1%	2,258,519,444	93.1%	2,258,519,444	-	-	
Commercial Paper	19,910,048	0.8%	19,910,048	0.8%	19,910,048	-	-	A1+/P1
American Municipal Power Authority - Ohio	775,749	0.0%	775,749	0.0%	-	775,749	-	A1
Boone County Kentucky Municipal Bond	1,250,366	0.1%	1,250,366	0.1%	-	1,250,366	-	AA-
City of Alice, Texas GO LTD Bond	924,773	0.0%	924,773	0.0%	-	924,773	-	AA
City of West Palm Beach, Florida Bond	1,078,684	0.0%	1,078,684	0.0%	-	1,078,684	-	Aa2
Corpus Christi GO Municipal Bond	421,717	0.0%	421,717	0.0%	-	421,717	-	Aa2
Federal Farm Credit Bureau Agency	19,217,906	0.8%	19,217,906	0.8%	-	19,217,906	-	Aaa
Federal Home Loan Bank Agency	78,498,825	3.2%	78,498,825	3.2%	-	78,498,825	-	Aaa
Fontana Unified School District Municipal Bond	783,780	0.0%	783,780	0.0%	-	783,780	-	Aa3
Gainesville Florida Pension Municipal Bond	1,517,420	0.1%	1,517,420	0.1%	-	1,517,420	-	Aa3
Indiana State Finance Authority	671,731	0.0%	671,731	0.0%	-	671,731	-	A+
North Hudson Sewerage Authority, NJ (A)	535,832	0.0%	535,832	0.0%	-	535,832	-	A+
Oregon State School Board Assoc GO Municipal Bond	508,855	0.0%	508,855	0.0%	-	508,855	-	Aa2
Pennsylvania Economic Development Municipal Bond	2,905,195	0.1%	2,905,195	0.1%	-	2,905,195	-	A3
Reading Pennsylvania Municipal Bond	3,868,891	0.2%	3,868,891	0.2%	-	3,868,891	-	A1
San Bernardino County Redevelopment Successor Muni Bond	1,884,518	0.1%	1,884,518	0.1%	-	1,884,518	-	AA
San Francisco City & County Redevelopment Municipal Bond	1,339,099	0.1%	1,339,099	0.1%	-	1,339,099	-	Aa3
State of Hawaii GO Municipal Bond	23,635,143	1.0%	23,635,143	1.0%	-	23,635,143	-	Aa2
Texas State Public Finance Municipal Bond	1,412,902	0.1%	1,412,902	0.1%	-	1,412,902	-	Aa2
Texas State University System	872,367	0.0%	872,367	0.0%	-	872,367	-	Aa2
University of North Texas	1,401,357	0.1%	1,401,357	0.1%	-	1,401,357	-	Aa2
Walnut Valley Unified School District Municipal Bond	2,730,253	0.1%	2,730,253	0.1%	-	-	2,730,253	Aa1
*Total Investments	166,145,411	6.8%	166,145,411	6.8%	19,910,048	143,505,110	2,730,253	
Total cash, cash equivalents and investments	\$ 2,424,664,855	100.0%	\$ 2,424,664,855	100.0%	\$ 2,278,429,492	\$ 143,505,110	\$ 2,730,253	

*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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For the Fiscal Year Ended June 30, 2023**

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, 2023 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.

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 a weighted average maturity of 60 days or less, and a weighted average life of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of the 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, Texas Range, LOGIC, and TX-Fit investment pools are external investment pools measured at net asset value. Texas CLASS, Texas Range, LOGIC, and TX-Fit's strategy is to seek the 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, Texas Range, LOGIC, and TX-Fit have a redemption notice period of one day and may be redeemed 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 uses an Allspring Treasury Plus Money Market account rated AAAm/Aaa-mf as a sweep account for excess overnight funds. District bank accounts, other than zero balance accounts, utilize the sweep for bank balances above a predetermined threshold value.

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 based on the lowest priority level input that is significant to the entire measurement.

Dallas Independent School District
Notes to the Basic Financial Statements
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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, 2023	Quoted Prices in	Significant	Significant	Percent of	
		Active Markets for	Other	Unobservable		Total
		Identical Assets	Observable Inputs	Inputs	Investments	
		(Level 1)	(Level 2)	(Level 3)		
<i>Investments not Subject to Fair Value:</i>						
Money markets and FDIC insured investment accounts	\$ 45,322,221	\$ -	\$ -	\$ -	1.87%	
Investment Pools:						
LOGIC	\$ 232,798,140	\$ -	\$ -	\$ -	9.59%	
Lone Star	348,888,699	-	-	-	14.37%	
Texas CLASS	258,012,763	-	-	-	10.63%	
Texas Range Daily/Daily Select	218,766,258				9.01%	
Texas Range Fixed Term	486,986,064	-	-	-	20.06%	
TexPool	242,705,086	-	-	-	10.00%	
Texas FIT	100,332,752	-	-	-	4.13%	
Texas FIT Fixed Term	327,416,732				13.49%	
<i>Investments by Fair Value Level:</i>						
Commercial Paper	\$ 19,910,048	\$ -	\$ 19,910,048	\$ -	0.82%	
US Government Agency Securities:						
Federal Farm Credit Bureau Agency	19,217,906	-	19,217,906	-	0.79%	
Federal Home Loan Bank Agency	78,498,825	-	78,498,825	-	3.23%	
Municipal Bonds:						
American Municipal Power Authority - Ohio	\$ 775,749	\$ -	\$ 775,749	\$ -	0.03%	
Boone County Kentucky Municipal Bond	1,250,366	-	1,250,366	-	0.05%	
City of Alice, Texas GO LTD Bond	924,773	-	924,773	-	0.04%	
City of West Palm Beach, Florida Bond	1,078,684	-	1,078,684	-	0.04%	
Corpus Christi GO Municipal Bond	421,717	-	421,717	-	0.02%	
Fontana Unified School District Municipal Bond	783,780	-	783,780	-	0.03%	
Gainesville Florida Pension Municipal Bond	1,517,420	-	1,517,420	-	0.06%	
Indiana State Finance Authority	671,731	-	671,731	-	0.03%	
North Hudson Sewerage Authority, NJ (A)	535,832	-	535,832	-	0.02%	
Oregon State School Board Assoc GO Municipal Bond	508,855	-	508,855	-	0.02%	
Pennsylvania Economic Development Municipal Bond	2,905,195	-	2,905,195	-	0.12%	
Port Douglas County Washington Municipal Bond	3,868,891	-	3,868,891	-	0.16%	
Reading Pennsylvania Municipal Bond	1,884,518	-	1,884,518	-	0.08%	
San Bernardino County Redevelopment Successor Muni Bond	1,339,099	-	1,339,099	-	0.06%	
San Francisco City & County Redevelopment Municipal Bond	23,635,143	-	23,635,143	-	0.97%	
Texas State Public Finance Municipal Bond	1,412,902	-	1,412,902	-	0.06%	
Texas State University System	872,367	-	872,367	-	0.04%	
University of North Texas	1,401,357	-	1,401,357	-	0.06%	
Walnut Valley Unified School District Municipal Bond	2,730,253	-	2,730,253	-	0.11%	
Total Investments	\$ 2,427,374,126	\$ -	\$ 166,145,411	\$ -	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, 2023**

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 Range Daily, Texas Range 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. On August 1, 2023, Fitch downgraded the rating of long-term US sovereign debt from AAA to AA+. Both rating agencies have maintained a "Stable" outlook for long-term US sovereign debt. Moody's has maintained its highest rating of Aaa. 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, similar to a Certificate of Deposit Account Registry Service (CDARS) program, which 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, 2023, there are no foreign currency investments in the District's portfolio.

During the 2022-2023 fiscal year, the Federal Reserve increased the Fed funds rate from 1.75% to 5.25% by the end of June 2023. 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.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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	\$ 1,509,220,873	\$ 386,922,752	\$ -	\$ -	\$ 1,896,143,625
Food Services	-	-	-	1,711,947	1,711,947
Gifts and Bequests	2,875	-	600,000	5,529,862	6,132,737
Campus Activity Funds	-	-	-	3,387,908	3,387,908
Interest Income	42,885,864	7,092,411	25,459,323	-	75,437,598
Tuition, Fees and Cocurricular	1,866,851	-	-	-	1,866,851
Rental Income	3,451,061	-	-	-	3,451,061
Other	22,256,234	-	2,744	644,471	22,903,449
Totals	<u>\$ 1,579,683,758</u>	<u>\$ 394,015,163</u>	<u>\$ 26,062,067</u>	<u>\$ 11,274,188</u>	<u>\$ 2,011,035,176</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, 2022 was \$212,311,830,000. After deductions of all exemptions and reductions provided by law and those granted by the District, the 2022 tax year levy was based on property values of \$162,911,964,185.

The tax rates assessed for the year ended June 30, 2023, to finance General Fund operations and the payment of principal and interest on long term debt were \$0.942900 and \$0.242035 per \$100 valuation, respectively, for a total of \$1.184935 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, 2023, were 98.0% 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 \$44,408,725 and \$10,756,017 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.

Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

NOTE D: RECEIVABLES

Property tax receivable as of June 30, 2023, 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	\$ 74,211,169	\$ 17,562,756	\$ 91,773,925
Less: Allowance for uncollectible	<u>(44,408,725)</u>	<u>(10,756,017)</u>	<u>(55,164,742)</u>
Totals	<u>\$ 29,802,444</u>	<u>\$ 6,806,739</u>	<u>\$ 36,609,183</u>

In addition, the District has recorded a state aid receivable of \$22.5 million and a receivable from other governmental entities of \$176.0 million as of June 30, 2023.

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, 2023, the components of unearned revenue reported in the General Fund and Non-Major Governmental funds were as follows:

	General	Non-Major	Totals
Grants	\$ -	\$ 3,065,664	\$ 3,065,664
Other	<u>3,183,914</u>	<u>-</u>	<u>3,183,914</u>
Totals	<u>\$ 3,183,914</u>	<u>\$ 3,065,664</u>	<u>\$ 6,249,578</u>

NOTE F: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund balances at June 30, 2023, consisted of the following individual fund receivables and payables:

Fund	Receivables	Payables
General Fund:		
ESSER III American Rescue Plan Fund	\$ 54,769,665	\$ -
Non-Major Governmental Funds	47,300,082	-
Internal Service Funds	-	1,168,592
	<u>102,069,747</u>	<u>1,168,592</u>
ESSER III American Rescue Plan Fund		
General Fund	-	54,769,665
	<u>-</u>	<u>54,769,665</u>
Non-Major Governmental Funds:		
General Fund	-	47,300,082
Internal Service Funds	-	156,774
	<u>-</u>	<u>47,456,856</u>
Internal Service Funds:		
General Fund	1,168,592	-
Non-Major Governmental Funds	156,964	190
Capital Projects Fund	664	-
	<u>1,326,220</u>	<u>190</u>
Capital Projects Fund:		
Internal Service Funds	-	664
	<u>-</u>	<u>664</u>
	<u>\$ 103,395,967</u>	<u>\$ 103,395,967</u>

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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

Interfund transfers are defined as "flows of assets without equivalent flows of assets in return and without a requirement for repayment". Interfund transfers during the year ended June 30, 2023, were as follows:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund	Debt Service	7,167,000 *
General Fund	Internal Service Fund	578,185 **
General Fund	Non-Major Governmental Funds	190,944 ***

*\$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 2023, the District transferred \$0.5 million from the General Fund to cover \$0.3 million of Graphics Shop costs and \$0.2 million of Auto Liability Insurance costs.

***In fiscal year 2023, the District transferred \$0.2 million from the General Fund to Campus Activity Fund for credit card rebates.

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>Liability at Commencement</u>	<u>Lease Term in Months</u>	<u>Ending Balance</u>
Governmental Fund			
Furniture and Equipment	\$ 286,415	13 - 96	\$ 178,149
Buildings	16,572,380	26 - 468	14,057,703
Total Governmental Fund			<u>14,235,852</u>

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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

Governmental Fund

Year Ended June 30,	Principal	Interest	Total
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	196,897	113,606	310,503
2029 - 2030	404,652	217,980	622,632
2031 - after	7,344,018	1,807,648	9,151,666
Total Governmental Fund	\$ 14,235,852	\$ 2,737,509	\$ 16,973,361

The value of the right-to-use assets at the commencement was \$19,985,189 and had accumulated amortization of \$5,925,053.

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 receives monthly, quarterly, or annual payments from tenants. Interest revenue is calculated at the weighted average yield rate of most recently launched bonds.

The future lease receivables and interest amount as of fiscal year end are as follows:

Year Ended June 30,	Principal	Interest	Total
2024	705,486	35,292	740,778
2025	408,334	22,768	431,102
2026	359,113	14,058	373,171
2027	260,282	6,878	267,160
2028	82,442	3,384	85,826
2029 - after	193,551	3,787	197,338
Total	\$ 2,009,208	\$ 86,167	\$ 2,095,375

The balance of the deferred inflow as of the end of the current fiscal year was \$2,009,208 and had amortization of \$746,563 in the year. The total amount of inflows of resources from lease revenue was \$746,563, and interest revenue of \$43,452 was recognized in the current fiscal year from leases totaling \$790,015.

Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

NOTE H: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, is as follows:

	Balance at June 30, 2022	Additions	Transfers	Deletions	Balance at June 30, 2023
Capital assets, not being depreciated/amortized:					
Land	\$ 261,160,751	\$ 7,997,883	\$ -	\$ (1,094,122)	\$ 268,064,512
Construction in progress	539,474,107	415,582,165	(570,610,751)	-	384,445,521
Total capital assets, not being depreciated/amortized	<u>800,634,858</u>	<u>423,580,048</u>	<u>(570,610,751)</u>	<u>(1,094,122)</u>	<u>652,510,033</u>
Capital assets, being depreciated/amortized:					
Building and improvements	4,618,317,236	5,045,812	558,151,683	(3,083,060)	5,178,431,670
Furniture and equipment	344,243,852	21,661,769	12,459,068	(13,152,738)	365,211,951
Furniture and equipment - Financed					
Purchases	5,827,131	1,693,324	-	-	7,520,455
Right-to-Use Lease Assets - Building	18,914,110	-	-	-	18,914,110
SBITA	-	86,780,092	-	-	86,780,092
Right-to-Use Lease Assets - Furniture and equipment	1,071,078	-	-	-	1,071,078
Total capital assets, being depreciated/amortized	<u>4,988,373,407</u>	<u>115,180,997</u>	<u>570,610,751</u>	<u>(16,235,798)</u>	<u>5,657,929,356</u>
Less accumulated depreciation/amortization for:					
Buildings and improvements	1,867,241,882	149,930,355	-	(3,083,060)	2,014,089,179
Furniture and equipment	266,632,410	19,272,466	-	(12,884,516)	273,020,360
Furniture and equipment - Financed					
Purchases	1,618,648	2,106,610	-	-	3,725,258
Right-to-Use Lease Assets - Building	2,508,603	2,636,910	-	-	5,145,513
SBITA	-	23,249,835	-	-	23,249,835
Right-to-Use Lease Assets - Furniture and equipment	779,540	-	-	-	779,540
Total accumulated depreciation/amortization	<u>2,138,781,083</u>	<u>197,196,176</u>	<u>-</u>	<u>(15,967,576)</u>	<u>2,320,009,684</u>
Total capital assets, being depreciated/amortized, net	2,849,592,324	(82,015,179)	570,610,751	(268,222)	3,337,919,672
Capital assets, net	<u>\$ 3,650,227,182</u>	<u>\$ 341,564,869</u>	<u>\$ -</u>	<u>\$ (1,362,344)</u>	<u>\$ 3,990,429,705</u>

Capital assets include assets recorded in Internal Service Funds, net of depreciation/amortization, of \$232,570.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

Depreciation/Amortization by Function

		Depreciation/Amortization Expense
Regular Assets		
11	Instruction	\$ 100,553,379
12	Instructional Resources and Media Services	2,456,331
13	Curriculum and Instructional Staff Development	730,691
21	Instructional Leadership	681,406
23	School Leadership	10,617,752
31	Guidance, Counseling and Evaluation Services	3,577,844
32	Social Work Services	52,916
33	Health Services	1,708,640
34	Student (Pupil) Transportation	4,968,963
35	Food Services	10,827,139
36	Cocurricular/Extracurricular Activities	5,192,348
41	General Administration	1,242,051
51	Facilities Maintenance and Operations	15,446,471
52	Security and Monitoring Services	3,893,086
53	Data Processing Services	2,767,225
61	Community Services	845,637
81	Facilities Acquisition and Construction	3,640,943
	Regular Assets Total	<u>\$ 169,202,822</u>
Right-to-Use Lease Assets - Buildings		
11	Instruction	585,828
34	Student (Pupil) Transportation	217,743
51	Facilities Maintenance and Operations	1,833,339
	Right-to-Use Lease Assets - Buildings Total	<u>\$ 2,636,910</u>
Right-to-Use Lease Assets - Furniture and Equipment		
41	General Administration	224,924
51	Facilities Maintenance and Operations	56,805
	Right-to-Use Lease Assets - Furniture and Equipment Total	<u>\$ 281,729</u>
Furniture and Equipment - Financed Purchases		
11	Instruction	1,682,909
35	Food Services	8,572
41	General Administration	126,785
81	Facilities Acquisition and Construction	6,616
	Furniture and Equipment - Financed Purchase Total	<u>\$ 1,824,882</u>
SBITA GASB-96 Subscriptions		
11	Instruction	13,556,255
12	Instructional Resources and Media Services	70,243
33	Health Services	38,525
34	Student (Pupil) Transportation	533,803
41	General Administration	397,400
51	Facilities Maintenance and Operations	324,531
52	Security and Monitoring Services	67,795
53	Data Processing Services	8,261,283
	Right-to-Use Lease Assets - Buildings Total	<u>\$ 23,249,835</u>
	Total Depreciation/Amortization Expense	<u>\$ 197,196,177</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.

In compliance with the new SBITA – GASB 96, Depreciation by Function allocations for software subscriptions were reported for fiscal year 2023.

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, 2023, are \$677,026,032 for projects under the bond programs.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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 2053. At June 30, 2023, \$303,303,466 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	\$ 821,615
2014A	Unlimited Tax Refunding Bonds - Serially in varying amounts from August 15, 2015 to August 15, 2034	1.00% - 5.00%	356,115	85,900
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	182,595
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	54,425
2019B	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2021 to February 15, 2040	3.00% - 5.00%	311,975	281,105
2020	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2021 to February 15, 2050	2.00% - 5.00%	278,345	263,115
2021	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2021 to February 15, 2045	1.75% - 4.00%	275,210	259,710
2021A	Unlimited Tax Refunding Bonds - Serially in varying amounts from February 15, 2022 to February 15, 2031	3.00% - 5.00%	158,900	114,660
2021B	Unlimited Tax Refunding Bonds - Taxable Serially in varying amounts from August 15, 2023 to August 15, 2034	1.935% - 4.00%	409,355	409,355
2022	Unlimited Tax School Building Bonds - Serially in varying amounts from February 15, 2023 to February 15, 2052	2.375% - 5.00%	406,905	320,550
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
2023	Unlimited Tax School Building & Refunding Bonds - Serially in varying amounts from February 15, 2024 to February 15, 2053	4.00% - 5.00%	551,460	551,460
Total				<u>\$ 3,697,445</u>

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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, 2023 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, 2023, the District has transferred \$71,669,971 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, 2023, the District has \$45,000,000 remaining of the \$75 million 2018 Transportation Bond Authorization, \$2,300,375,000 remaining of the 2020 School Building Bond Authorization, and \$170,000,000 remaining of the 2020 Technology Bond Authorization.

In January 2023, the District issued \$551,460,000 in "Unlimited Tax School Building and Refunding Bonds, Series 2023" with interest rates ranging from 4.00% to 5.00%. The District received a net premium of \$53,484,841. The total proceeds, less issuance costs and underwriter's discount of \$1,476,867 and \$2,343,148, 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, 2024, until February 15, 2053. The total interest requirements of these bonds aggregate \$437,185,758, as of June 30, 2023. 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.

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, 2023

The following is a summary of the changes in the District's long-term debt for the year ended June 30, 2023:

Description	Long-Term Liabilities Outstanding July 1, 2022 (in thousands)	Additions and Interest Accretion (in thousands)	Retired/ Refunded/ Defeased (in thousands)	Long-Term Liabilities Outstanding June 30, 2023 (in thousands)	Amount Due Within One Year from June 30, 2023 (in thousands)
General Obligation Bonds:					
Series 2010C	\$ 845,140	\$ -	\$ 23,525	\$ 821,615	\$ 24,860
Series 2012	18,400	-	18,400	-	-
Series 2012A	2,535	-	2,535	-	-
Series 2014A	97,535	-	11,635	85,900	25,010
Series 2015	83,745	-	-	83,745	-
Series 2016A	197,965	-	15,370	182,595	16,160
Series 2017 QZAB	4,405	-	-	4,405	-
Series 2019	58,085	-	3,660	54,425	3,850
Series 2019B	291,915	-	10,810	281,105	11,365
Series 2020	268,530	-	5,415	263,115	5,690
Series 2021	267,615	-	7,905	259,710	8,230
Series 2021A	137,880	-	23,220	114,660	20,695
Series 2021B	409,355	-	-	409,355	21,490
Series 2021C	2,145	-	2,145	-	-
Series 2022	406,905	-	86,355	320,550	6,125
Series 2022A	264,805	-	-	264,805	-
Series 2023	-	551,460	-	551,460	62,000
Total General Obligation Bonds	\$ 3,356,960	\$ 551,460	\$ 210,975	\$ 3,697,445	\$ 205,475
Maintenance Tax Notes Payable:					
Series 2013-QSCB	\$ 143,340	\$ -	\$ -	\$ 143,340	\$ -
Total Maintenance Tax Notes	\$ 143,340	\$ -	\$ -	\$ 143,340	\$ -
Total Bonds and Notes Payable	\$ 3,500,300	\$ 551,460	\$ 210,975	\$ 3,840,785	\$ 205,475
Commercial Paper	\$ 50,000	\$ 50,000	\$ 100,000	\$ -	\$ -
Other Long-Term Obligations:					
Workers Compensation/Auto Liability	\$ 11,130	\$ 5,771	\$ 4,431	\$ 12,470	\$ 4,982
Premium on Bonds	194,247	53,486	41,358	206,375	-
Financed Purchases	4,239	1,694	2,493	3,440	2,528
GASB 87 Lease Liability	16,862	-	2,626	14,236	2,560
GASB 96 Subscription Liability	36,911	49,867	24,296	62,482	22,686
Net Pension Liability	303,115	468,981	56,265	715,831	-
Net OPEB Liability	569,594	41,888	260,932	350,550	-
	\$ 1,136,098	\$ 621,687	\$ 392,401	\$ 1,365,384	\$ 32,756
Totals	\$ 4,686,398	\$ 1,223,147	\$ 703,376	\$ 5,206,169	\$ 238,231

For fiscal year ending June 30, 2023, the legal debt margin of the District is \$12,244,036,920.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

Debt Service Requirements. The annual requirements to pay principal and interest on the bond obligations and notes payable outstanding as of June 30, 2023, are as follows:

General Obligation Bonds

Year Ended June 30,	Principal (in thousands)	Interest (in thousands)	Total Requirements (in thousands)
2024	\$ 205,475	\$ 160,114	\$ 365,589
2025	179,630	149,637	329,267
2026	171,845	141,198	313,043
2027	199,300	132,854	332,154
2028	157,975	123,250	281,225
2029-2033	1,205,505	477,560	1,683,065
2034-2038	768,465	203,870	972,335
2039-2043	312,600	112,896	425,496
2044-2048	269,665	66,845	336,510
2049-2053	226,985	22,296	249,281
Totals	<u>\$ 3,697,445</u>	<u>\$ 1,590,520</u>	<u>\$ 5,287,965</u>

Maintenance Tax Notes

Year Ended June 30,	Principal (in thousands)	Interest (in thousands)	Total Requirements (in thousands)
2024	\$ -	\$ 7,237	\$ 7,237
2025	-	7,237	7,237
2026	-	7,237	7,237
2027	-	7,237	7,237
2028	-	7,237	7,237
2029-2033	-	36,187	36,187
2034-2038	143,340	3,619	146,959
Totals	<u>\$ 143,340</u>	<u>\$ 75,991</u>	<u>\$ 219,331</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 \$389,870,000 defeased bonds that remain in escrow at June 30, 2023 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, 2023, the District had no liability for arbitrage.

NOTE J: SHORT TERM OBLIGATIONS

Short Term Debt. 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, the 2020 Technology 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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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. Under the 2020 Technology Bond Authorization, a note of \$50,000,000 of Commercial Paper, Series I, was issued on July 1, 2022, at a rate of 1.40%, and matured on October 6, 2022. A note of \$100,000,000 of Commercial Paper, Series I, was issued on October 6, 2022, at a rate of 3.10%, and matured on February 15, 2023, and was fully refunded by the Unlimited Tax School Building and Refunding Bonds, Series 2023.

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, 2023, the District had no outstanding balance of Commercial Paper issued.

Changes in the Commercial Paper are as follows:

Description	June 30, 2023	June 30, 2022
Beginning of the Period Liability	\$ 50,000,000	\$ 30,000,000
Bonds Issued	(100,000,000)	(30,000,000)
Commercial Paper Retirements	(100,000,000)	-
Commercial Paper Issuances	150,000,000	50,000,000
End of the Period Liability	<u>\$ -</u>	<u>\$ 50,000,000</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, 2023, the District had the following Deferred Inflows of Resources reported in the General Fund and Debt Service Fund:

	General	Debt Service	Total
Property Taxes	\$ 28,180,632	\$ 6,425,449	\$ 34,606,081
GASB 87 Leases	2,009,208	-	2,009,208
Medicaid/SHARS	28,792,164	-	28,792,164
Totals	<u>\$ 58,982,004</u>	<u>\$ 6,425,449</u>	<u>\$ 65,407,453</u>

NOTE L: GENERAL FUND FEDERAL SOURCE REVENUE

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

Build America Bonds Subsidy	\$ 17,471,821
E-Rate	6,432,367
Federal Revenue Distributed by Other Texas Agencies	1,122,664
Indirect Cost Reimbursement	24,900,448
Junior Reserve Officer Training Corps	2,545,741
School Health and Related Services	46,839,979
Qualified School Construction Bonds Subsidy	6,824,714
Emergency Connectivity Fund Revenue from USAC	17,707,198
Health Resources and Services Administration	806,557
Total	<u>\$ 124,651,489</u>

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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

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

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

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 through 2025. Contribution rates can be found in the TRS 2022 ACFR, Note 11, on page 85.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

Contribution Rates

	<u>2022</u>	<u>2023</u>
Member	8.0%	8.0%
Non-Employer Contributing Entity (State)	7.75%	8.0%
Employers	7.75%	8.0%

Dallas ISD 2023 Employer Contributions	\$ 60,386,780
Dallas ISD 2023 Member Contributions	\$ 102,649,426
Dallas ISD 2023 NECE On-Behalf Contributions	\$ 55,207,942

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.
- In addition to the employer contributions listed above, there is an additional surcharge an employer is subject to.
- All public schools, charter schools, and regional educational service centers contribute 1.7% of the member's salary beginning in fiscal year 2022, gradually increasing to 2 percent in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions. 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, 2021. Update procedures were used to roll forward the total pension liability to August 31, 2022. The following table discloses the assumptions that were applied to this measurement period:

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-Term Expected Rate	7.00%
Municipal Bond Rate as of August 2021	3.91% - The 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."

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

Last year ending August 31 in Projection Period (100 years)	2121
Inflation	2.30%
Salary Increases	2.95% to 8.95% 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, 2021. For a full description of these assumptions please see the TRS actuarial valuation report dated November 12, 2021.

Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00%. 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 7.00 percent. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2022 (see page 54 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%	4.6%	1.12%
Non-U.S. Developed	13.0%	4.9%	0.90%
Emerging Markets	9.0%	5.4%	0.75%
Private Equity	14.0%	7.7%	1.55%
Stable Value			
Government Bonds	16.0%	1.0%	0.22%
Stable Value Hedge Funds	5.0%	3.4%	0.18%
Absolute Return	0.0%	3.7%	0.00%
Real Return			
Real Estate	15.0%	4.1%	0.94%
Energy, Natural Resources, and Infrastructure	6.0%	5.1%	0.37%
Commodities	0.0%	3.6%	0.00%
Risk Parity			
Risk Parity	8.0%	4.6%	0.43%

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

Asset Allocation Leverage

Cash	2.0%	3.0%	0.01%
Asset Allocation Leverage	(6.0)%	3.6%	(0.05)%
Inflation Expectation			2.70%
Volatility Drag****			(0.91)%
Expected Return	100.0%		8.21%

* *Absolute Return includes Credit Sensitive Investments.*

** *Target Allocation based on the FY2022 policy model.*

*** *Capital Market Assumptions come from Aon Hewitt (as of 08/31/2022).*

**** *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 of 7.00% in measuring the Net Pension Liability. The discount rate can be found in the 2022 TRS ACFR, Note 11, page 87.

	1% Decrease in Discount Rate 6.00%	Discount Rate 7.00%	1% Increase in Discount Rate 8.00%
DISD's proportionate share of the net pension liability	\$1,113,562,326	\$715,831,452	\$393,451,909

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2023, Dallas Independent School District reported a liability of \$715,831,452 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	\$ 715,831,452
State's proportionate share that is associated with the District	702,388,753
Total	<u>\$ 1,418,220,205</u>

The net pension liability was measured as of August 31, 2021, and rolled forward to August 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2021, rolled forward to August 31, 2022. 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, 2021, through August 31, 2022.

At August 31, 2022, the employer's proportion of the collective net pension liability was 1.12057646303%. In the prior year, this was 1.1902517295%. This year there was a decrease of 0.06967526647% from the previous proportion measured as of August 31, 2021.

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 actuarial assumptions and methods have been modified since the determination of the prior year's Net Pension Liability. These new assumptions were adopted in conjunction with an actuarial experience study. The primary assumption change was the lowering of the single discount rate from 7.25% to 7.00%.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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, 2023, Dallas Independent School District recognized pension expense of \$53,978,908, and revenue of \$55,207,942 for support provided by the state in the Government-wide Statement of Activities.

At June 30, 2023, 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
Difference Between Expected and Actual Economic Experience	\$ 10,379,498	\$ 15,606,481
Changes in Assumptions	133,382,697	33,242,693
Difference Between Projected and Actual Investment Earnings	70,721,857	-
Changes in Proportion and Difference in Proportionate Share	28,458,764	9,541,709
Contributions Paid to TRS Subsequent to the Measurement Date	51,175,031	-
Total	<u>\$ 294,117,847</u>	<u>\$ 58,390,883</u>

Dallas Independent School district reported \$51,175,031 as deferred outflows of resources resulting from the District's contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Pension Expense Amount
2024	\$ 46,062,392
2025	27,031,907
2026	10,892,823
2027	87,248,719
2028	13,316,092
Thereafter	-
Total	<u>\$ 184,551,933</u>

NOTE N: OTHER POST- EMPLOYMENT BENEFITS

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

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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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

Components of the net OPEB liability of the TRS-Care plan as of August 31, 2022, are as follows:

<u>Net OPEB Liability</u>	<u>Total</u>
Total OPEB Liability	\$ 27,061,642,520
Less: Plan Fiduciary Net Position	3,117,937,218
Net OPEB Liability	<u>\$ 23,943,705,302</u>
Net Position as a Percentage of Total OPEB Liability	11.52%

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

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

The premium rates for retirees are 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 2022, is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

Contribution Rates

	<u>2022</u>	<u>2023</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 2023 Employer Contributions	\$ 12,500,857	
Dallas ISD 2023 Member Contributions	\$ 7,858,423	
Dallas ISD 2023 NECE On-Behalf Contributions	\$ 14,668,350	

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 \$83 million in fiscal year 2022 from the federal American Rescue Plan Act (ARPA) to help defray COVID-19-related healthcare costs during fiscal year 2022.

Actuarial Assumptions. The actuarial valuation was performed as of August 31, 2021. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2022. The actuarial valuation was determined using the following actuarial assumptions. Actuarial Assumptions can be found in the 2022 TRS ACFR, Note 9, page 77.

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2021 TRS pension actuarial valuation that was rolled forward to August 31, 2022:

Rates of Mortality	Rates of Termination	General Inflation
Rates of Retirement	Rates of Disability	Wage Inflation

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.91% as of August 31, 2022
Aging Factors	Based on Plan Specific Experience
Election Rates	Normal Retirement: 62% participation prior to age 65 and 25% participation after age 65. 30% 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

**Dallas Independent School District
Notes to the Basic Financial Statements
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Discount Rate. A single discount rate of 3.91 percent was used to measure the Total OPEB Liability. There was an increase of 1.96 percent in the discount rate since the previous year. The Discount Rate can be found in the 2022 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 payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability. The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2021, using the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

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 (3.91%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate 2.91%	Discount Rate 3.91%	1% Increase in Discount Rate 4.91%
DISD’s proportionate share of the net OPEB liability	\$ 413,326,986	\$ 350,550,625	\$ 299,693,715

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	\$ 288,855,294	\$ 350,550,625	\$ 430,530,682

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2023, Dallas Independent School District reported a liability of \$350,550,625 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	\$ 350,550,625
State’s proportionate share that is associated with the District	427,616,687
Total	<u>\$ 778,167,312</u>

The Net OPEB Liability at August 31, 2022 was based on a measurement date of August 31, 2021, and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of August 31, 2021.

At August 31, 2022, the employer’s proportion of the collective Net OPEB Liability was 1.4640433812% compared to the 1.47660978390% as of August 31, 2021. This is an increase of 0.0125664027%.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

Changes Since the Prior Actuarial Valuation. The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB Liability (TOL) since the prior measurement period. These can be found in the 2022 TRS ACFR on page 77.

- The discount rate changed from 1.95 percent as of August 31, 2021, to 3.91 percent as of August 31, 2022. 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, 2023, Dallas Independent School District recognized OPEB expense of \$69,826,895, and revenue of \$60,682,259 for support provided by the state.

At June 30, 2023, 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
Difference Between Expected and Actual Economic Experience	\$ 19,489,375	\$ 292,040,136
Changes in Actuarial Assumptions	53,395,804	243,541,720
Difference Between Projected and Actual Investment Earnings	1,044,195	-
Changes in Proportion and Difference Between Employer's Contributions and Proportionate Share of Contributions	16,534,895	10,209,644
Contributions Paid to TRS Subsequent to the Measurement Date (to be calculated by employer)	10,656,820	-
Total	<u>\$ 101,121,089</u>	<u>\$ 545,791,500</u>

Dallas Independent School District reported \$10,656,820 as deferred outflows of resources resulting from the District's contributions subsequent to the measurement date, which will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	OPEB Expense Amount
2024	\$ (84,574,184)
2025	(84,570,398)
2026	(69,704,731)
2027	(49,579,276)
2028	(54,984,240)
Thereafter	(111,914,402)
Total	<u>\$ (455,327,231)</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

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

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, 2023, the accrued liability for workers' compensation self-insurance of \$12.5 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 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
2022 - 2023	\$ 11,129,880	\$ 5,770,728	\$ (4,430,460)	\$ 12,470,148
2021 - 2022	\$ 10,315,184	\$ 5,100,764	\$ (4,286,068)	\$ 11,129,880

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, 2023 and 2022, these on-behalf payments were \$7,181,905 and \$4,907,939, 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.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE Q: NEW ACCOUNTING PRONOUNCEMENTS

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 became effective for the District in fiscal year 2023. 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 became effective for the District in fiscal year 2023. The implementation had no significant effect on the District's financial statements.

GASB Statement No. 96: *Subscription-Based Information Technology Arrangements*. Statement 96 was issued in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This standard became effective for the District in fiscal year 2023. The District implemented GASB 96 in fiscal year 2023, and there was no impact on the amounts previously reported as a result of the implementation of this standard.

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 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 becomes effective for the District in fiscal year 2024. The District has not yet determined the impact of this statement.

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

Statement No. 101: *Compensated Absences*. Statement 101 was issued in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. 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 becomes effective for the District in fiscal year 2025. The District has not yet determined the impact of this statement.

NOTE R: GASB 96 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ASSETS

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this Statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

The District has 62 subscription contracts as of June 30, 2023. The District has implemented a threshold of \$50,000 for GASB 96 per annual subscription cost. Future subscription payments should be discounted using the interest rate the SBITA vendor charges. If the interest rate cannot be readily determined, the District uses the yield rates of bonds issued by the District. For fiscal year 2023, the District used 2.4972% as the interest rate.

Amount of Subscription Assets

Asset Class	Subscription Asset Value	Accumulated Depreciation
Software	\$ 86,780,092	\$ 23,249,835

The subscription liabilities are recorded in the government-wide fund. The principal and interest are liquidated at the fund level through the General Fund, Non-Major Governmental Funds, and the Capital Projects Fund.

Principal and Interest Requirements to Maturity

Fiscal Year	Principal	Interest	Total
2024	\$ 24,570,587	\$ 1,539,070	\$ 26,109,657
2025	17,323,684	921,341	18,245,025
2026	11,533,404	487,802	12,021,206
2027	7,517,151	198,833	7,715,984
2028	660,464	38,406	698,870
2029-30	877,457	33,004	910,461
Total	<u>\$ 62,482,747</u>	<u>\$ 3,218,456</u>	<u>\$ 65,701,203</u>

**Dallas Independent School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

NOTE 9: 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, 2023 through November 1, 2023, 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 August 15, 2023, the District issued \$30 million of commercial paper for 184 days at 370 bps to provide interim financing to pay technology project costs.

In August 2023, Texas Senate Bill 2 (SB2) was signed into law by the Texas governor. SB2 requires Maintenance and Operations (M&O) tax rate compression plus a \$100,000 homestead exemption. To comply with SB2, the District adopted an M&O tax rate of \$0.771800 for 2023-2024. SB2 is expected to reduce the District's local revenue and increase the state's portion of school funding, but it does not increase overall funding to the District. SB2 is also expected to decrease recapture payments because of reduced local revenue.

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, 2023

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(GAAP BASIS)	Final Budget
REVENUES				
5700 Local and Intermediate Sources	\$ 1,453,626,787	\$ 1,574,727,576	\$ 1,579,683,758	\$ 4,956,182
5800 State Program Revenues	171,348,259	178,060,592	176,676,437	(1,384,155)
5900 Federal Program Revenues	75,800,000	111,409,559	124,651,489	13,241,930
5020 Total Revenues	1,700,775,046	1,864,197,727	1,881,011,684	16,813,957
EXPENDITURES				
Current				
11 Instruction	987,131,584	970,277,727	884,671,447	85,606,280
12 Instructional Resources and Media Services	13,836,761	14,066,882	12,853,118	1,213,764
13 Curriculum and Instructional Staff Development	33,091,053	31,448,224	24,975,945	6,472,279
21 Instructional Leadership	68,329,598	63,973,135	54,834,819	9,138,316
23 School Leadership	121,988,403	133,506,054	122,042,552	11,463,502
31 Guidance, Counseling and Evaluation Services	70,440,556	71,725,160	65,848,943	5,876,217
32 Social Work Services	1,208,804	1,317,088	1,239,355	77,733
33 Health Services	24,902,129	25,152,606	21,335,456	3,817,150
34 Student (Pupil) Transportation	62,830,435	68,965,384	66,461,499	2,503,885
35 Food Services	4,400,000	98,615	20,997	77,618
36 Cocurricular/Extracurricular Activities	44,061,473	45,299,055	45,159,102	139,953
41 General Administration	62,952,151	68,179,904	57,399,790	10,780,114
51 Facilities Maintenance and Operations	190,553,061	216,792,126	190,431,612	26,360,514
52 Security and Monitoring Services	29,790,131	35,818,691	28,054,669	7,764,022
53 Data Processing Services	40,584,213	39,631,619	35,645,026	3,986,593
61 Community Services	5,041,565	5,613,210	5,405,404	207,806
Debt Service				
71 Principal on Long Term Debt	4,720,170	9,396,508	9,393,266	3,242
72 Interest on Long Term Debt	7,467,180	7,552,180	7,548,140	4,040
73 Bond Fees and Charges	15,000	15,000	553	14,447
Capital Outlay				
81 Facilities Acquisition and Construction	-	1,636,329	1,278,856	357,473
Intergovernmental				
91 Contracted Instructional Services Between Schools	88,567,031	220,000,000	216,689,569	3,310,431
95 Payments to Juvenile Justice Alternative Ed. Prg.	86,300	49,353	14,058	35,295
99 Other Intergovernmental Charges	6,275,618	6,197,360	6,197,359	1
6030 Total Expenditures	1,868,273,216	2,036,712,210	1,857,501,535	179,210,675
1100 Excess (Deficiency) of Revenues Over Expenditures	(167,498,170)	(172,514,483)	23,510,149	196,024,632
OTHER FINANCING SOURCES (USES)				
7912 Sale of Real and Personal Property	-	-	559,314	559,314
7914 Financed Purchases	-	-	1,693,324	1,693,324
7949 Other Resources	-	8,390,855	8,389,355	(1,500)
8911 Transfers Out (Use)	(7,167,000)	(7,167,000)	(7,936,129)	(769,129)
7080 Total Other Financing Sources (Uses)	(7,167,000)	1,223,855	2,705,864	1,482,009
7919 Extraordinary Item - Resource	-	8,300,000	5,362,281	(2,937,719)
1200 Net Change in Fund Balances	(174,665,170)	(162,990,628)	31,578,294	194,568,922
0100 Fund Balance - Beginning	974,578,813	974,578,813	974,578,813	-
3000 Fund Balance - Ending	\$ 799,913,643	\$ 811,588,185	\$ 1,006,157,107	\$ 194,568,922

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, 2023**

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 the Board. Fund level amendments 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, 2023, 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, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportionate Share of Net Pension Liability (Asset)	\$ 715,831,452	\$ 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	702,388,753	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	\$ 1,418,220,205	\$ 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)	1.2057646%	1.1902517%	1.1205942%	1.1449786%	1.1410412%	1.1610385%	1.2169992%	1.2083891%	0.9316925%
District's Covered Payroll	\$ 1,236,345,322	\$ 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	57.90%	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	75.62%	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, 2022 for year 2023, 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, 2023**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution (Current Fiscal Year)	\$ 60,386,753	\$ 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	(60,386,753)	(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>	<u>\$ -</u>
District's Covered Payroll	\$ 1,307,745,411	\$ 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	4.62%	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, 2023

	FY 2023 Plan Year 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)	\$ 350,550,625	\$ 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	427,616,687	763,129,528	748,970,612	917,008,223	832,185,726	766,999,910
Total	<u>\$ 778,167,312</u>	<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	1.4640434%	1.4766098%	1.4662010%	1.4592872%	1.4343997%	1.4472114%
District's Covered Payroll	\$ 1,236,345,322	\$ 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	28.35%	46.97%	61.70%	64.56%	69.59%	60.84%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.52%	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 2023 are for the measurement date August 31, 2022, 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, 2023

	2023	2022	2021	2020	2019	2018
Contractually Required Contribution (Current Fiscal Year)	\$ 12,500,857	\$ 11,848,562	\$ 11,456,201	\$ 11,081,106	\$ 10,269,166	\$ 9,642,810
Contribution in Relation to the Contractually Required Contribution	(12,500,857)	(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>	<u>\$ -</u>
District's Covered Payroll	\$ 1,307,745,411	\$ 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%	0.96%	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, 2023**

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 was a change in the actuarial assumptions. The primary change was lowering the single discount rate from 7.25% to 7.00%.

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 single discount rate changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change decreased the Total OPEB Liability.
- Lower participation rates and updates to healthcare trend rate assumptions were also factors that 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.

Texas Education for Homeless Children & Youth Continuation (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.).

Title I, Part A – Improving Basic Programs (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, Summer School, Emergency Operational Cost Reimbursement, Fresh Fruit & Vegetable, and Child & Adult Care Food Programs, for the operation and improvement of the National Breakfast and Lunch Programs.

Perkins V: Strengthening CTE for the 21st Century (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.

Title II, Part A – Supporting Effective Instruction (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.

ARP Homeless I – TEHCY Supplemental (Fund 278) – These funds are used to account, on a project basis, for funds allocated to local education agencies to increase the capacity to address the unique needs of homeless children and youth to meet state-mandated standards for graduation and persist to post-secondary.

ARP Homeless II (Fund 280) – These funds are used to account, on a project basis, for funds allocated to local education agencies to increase the capacity to identify, enroll, and provide wraparound services to address the unique needs of homeless children and youth due to the impact of COVID-19 pandemic.

Coronavirus Response and Relief Supplemental Appropriations – CRRSA ESSER II (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.

IDEA-B Formula-ARP (Fund 284) – These funds are to be used to account, on a project basis, for funds granted to operate educational programs to support special education and related services for children ages 3-21.

IDEA-B Preschool-ARP (Fund 285) – These funds are to be used to account, on a project basis, for funds granted to operate educational programs to support special education and related services for children ages 3-5.

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); Title IV, Part A, Subpart I; LEP Summer School; and COVID-19 School Health Support 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. (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 Dyslexia Funding Support, Math and Literacy Achievement Academies, Dual Credit, Read to Succeed, Safety and Security, and TCCP Chapter 5. 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 safe, 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 Dallas Education Foundation; Wallace Foundation; Community Foundation; Dell Foundation; HIPPY; Autism: A+; Head Start; Raising Blended Learners Initiative; CRIS-Bill & Melinda Gates; NextGen-Personalized Learning; Neiman Marcus; Korean Education; 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, 2023**

	206	211	224	225
Data Control Codes	TEHCY Continuation	Title I, Part A Improving Basic Programs	IDEA - Part B Formula	IDEA - Part B Preschool
ASSETS				
1110 Cash and Cash Equivalents	\$ -	\$ 15,979	\$ 2,896	\$ -
1240 Receivables from Other Governments	42,393	17,135,611	8,494,714	89,844
1290 Other Receivables, Net	11,125	-	-	-
1300 Inventories	-	-	-	-
1000 Total Assets	53,518	17,151,590	8,497,610	89,844
LIABILITIES				
2110 Accounts Payable	-	535,018	1,777	-
2120 Short Term Debt Payable - Current	-	-	-	-
2150 Payroll Deductions and Withholdings Payable	-	1,031,512	592,624	4,970
2160 Accrued Wages and Benefits Payable	-	6,085,839	3,575,018	33,539
2170 Due to Other Funds	53,213	9,331,273	4,328,191	51,335
2200 Accrued Expenditures	305	167,948	-	-
2300 Unearned Revenues	-	-	-	-
2000 Total Liabilities	53,518	17,151,590	8,497,610	89,844
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	-	-	-	-
4000 Total Liabilities and Fund Balances	\$ 53,518	\$ 17,151,590	\$ 8,497,610	\$ 89,844

226	240	244	255	263	266
IDEA - Part B High Cost EDI & Evaluation Capacity Award	Food Service Programs	Perkins V: Strengthening CTE for the 21st Century	Title II, Part A Supporting Effective Instruction	Title III, Part A English Lang. Acquisition	ESSER I Emergency & Secondary School Emergency Relief
\$ -	\$ 13,739,568	\$ -	\$ -	\$ -	\$ -
252,352	1,861,585	210,430	1,784,919	2,684,572	-
-	9,274	58	-	-	-
-	8,445,224	-	-	-	-
252,352	24,055,651	210,488	1,784,919	2,684,572	-
-	682,597	5,422	149,630	60,673	-
-	-	-	-	-	-
-	380,948	-	11,174	71,268	-
-	2,266,922	-	62,923	470,656	-
252,352	25,997	205,066	1,482,098	2,081,964	-
-	-	-	79,094	11	-
-	76,189	-	-	-	-
252,352	3,432,653	210,488	1,784,919	2,684,572	-
-	8,445,224	-	-	-	-
-	12,177,774	-	-	-	-
-	-	-	-	-	-
-	20,622,998	-	-	-	-
\$ 252,352	\$ 24,055,651	\$ 210,488	\$ 1,784,919	\$ 2,684,572	\$ -

**Dallas Independent School District
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2023**

Data Control Codes	272 Medicaid Admin. Claim MAC	278 ARP Homeless I TEHCY Supplemental	280 ARP Homeless II	281 ESSER II CRRSA Act Supplemental
ASSETS				
1110 Cash and Cash Equivalents	\$ 5,336,637	\$ -	\$ -	\$ -
1240 Receivables from Other Governments	-	177,536	60,952	31,294,575
1290 Other Receivables, Net	-	-	-	-
1300 Inventories	-	-	-	-
1000 Total Assets	5,336,637	177,536	60,952	31,294,575
LIABILITIES				
2110 Accounts Payable	-	-	97	2,872,801
2120 Short Term Debt Payable - Current	-	-	-	-
2150 Payroll Deductions and Withholdings Payable	-	498	6,149	185,973
2160 Accrued Wages and Benefits Payable	-	5,094	31,961	1,266,421
2170 Due to Other Funds	-	171,944	22,745	23,703,942
2200 Accrued Expenditures	-	-	-	3,265,438
2300 Unearned Revenues	-	-	-	-
2000 Total Liabilities	-	177,536	60,952	31,294,575
FUND BALANCES				
Nonspendable Fund Balance				
3410 Inventories	-	-	-	-
Restricted Fund Balance				
3450 Federal or State Funds Grant Restriction	5,336,637	-	-	-
3490 Other Restricted Fund Balance	-	-	-	-
Assigned Fund Balance				
3590 Other Assigned Fund Balance	-	-	-	-
3000 Total Fund Balances	5,336,637	-	-	-
4000 Total Liabilities and Fund Balances	\$ 5,336,637	\$ 177,536	\$ 60,952	\$ 31,294,575

284	285	289	315	340
IDEA B Formula ARP Act	IDEA B Preschool ARP Act	Other Federal Special Revenue Funds	SSA IDEA, Part B Discretionary Deaf	SSA - IDEA Part C Deaf - Early Intervention
\$ -	\$ -	\$ 211,288	\$ -	\$ -
3,784,048	316,769	1,144,796	95,342	667
-	-	1,097	-	-
-	-	-	-	-
3,784,048	316,769	1,357,181	95,342	667
42,235	7,836	152,190	-	-
-	-	-	-	-
-	-	-	7,113	-
-	-	-	40,207	-
3,738,937	308,933	980,353	48,022	667
2,876	-	13,350	-	-
-	-	211,288	-	-
3,784,048	316,769	1,357,181	95,342	667
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 3,784,048	\$ 316,769	\$ 1,357,181	\$ 95,342	\$ 667

**Dallas Independent School District
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2023**

Data Control Codes	393	397	404	410
	Texas Successful Schools Prog.	Advanced Placement Incentives	Student Success Initiative	State Instructional Materials
ASSETS				
1110 Cash and Cash Equivalents	\$ 6,210	\$ 282,328	\$ -	\$ 599,540
1240 Receivables from Other Governments	-	-	54,748	-
1290 Other Receivables, Net	-	-	-	-
1300 Inventories	-	-	-	-
1000 Total Assets	<u>6,210</u>	<u>282,328</u>	<u>54,748</u>	<u>599,540</u>
LIABILITIES				
2110 Accounts Payable	-	-	25,306	-
2120 Short Term Debt Payable - Current	-	-	-	-
2150 Payroll Deductions and Withholdings Payable	-	-	1,169	-
2160 Accrued Wages and Benefits Payable	-	-	8,823	-
2170 Due to Other Funds	-	-	11,934	-
2200 Accrued Expenditures	1,021	-	7,516	-
2300 Unearned Revenues	-	-	-	599,540
2000 Total Liabilities	<u>1,021</u>	<u>-</u>	<u>54,748</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>\$ 6,210</u>	<u>\$ 282,328</u>	<u>\$ 54,748</u>	<u>\$ 599,540</u>

429	435	459	461	499	
Other State Special Revenue Funds	SSA Regional Day School - Deaf	Special Revenue: SSA	Campus Activity Funds	Other Local Special Revenue Funds	Total Non-Major Governmental Funds
\$ 54,625	\$ -	\$ -	\$ 6,188,050	\$ 6,947,699	\$ 33,384,820
62,376	1,534,382	-	-	-	71,082,611
-	-	-	201,468	82,297	305,319
-	-	-	-	-	8,445,224
117,001	1,534,382	-	6,389,518	7,029,996	113,217,974
-	645	-	84,055	98,322	4,718,604
-	-	-	-	145	145
-	68,836	-	-	-	2,362,234
-	408,154	-	-	-	14,255,557
62,376	488,115	-	-	107,399	47,456,856
-	-	-	173,490	109,717	3,820,766
-	-	-	-	2,178,647	3,065,664
62,376	965,750	-	257,545	2,494,230	75,679,826
-	-	-	-	-	8,445,224
3,408	-	-	-	-	17,805,336
-	-	-	-	3,567,593	3,567,593
51,217	568,632	-	6,131,973	968,173	7,719,995
54,625	568,632	-	6,131,973	4,535,766	37,538,148
\$ 117,001	\$ 1,534,382	\$ -	\$ 6,389,518	\$ 7,029,996	\$ 113,217,974

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, 2023

Data Control Codes	206	211	224	225
	TEHCY Continuation	Title I, Part A Improving Basic Programs	IDEA - Part B Formula	IDEA - Part B Preschool
REVENUES				
5700 Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	382,071	61,857,430	27,313,436	331,097
5020 Total Revenues	382,071	61,857,430	27,313,436	331,097
EXPENDITURES				
Current				
11 Instruction	131,691	27,504,419	12,202,582	105,163
12 Instructional Resources and Media Services	-	384,659	-	-
13 Curriculum and Instructional Staff Development	-	20,560,633	294,870	3,809
21 Instructional Leadership	-	1,431,914	1,088,454	178,188
23 School Leadership	-	105,825	-	-
31 Guidance, Counseling and Evaluation Services	-	1,939,491	13,382,166	43,937
32 Social Work Services	-	116,632	139,572	-
33 Health Services	-	-	-	-
34 Student (Pupil) Transportation	-	-	-	-
35 Food Services	-	-	-	-
36 Cocurricular/Extracurricular Activities	-	-	-	-
41 General Administration	-	2,509,293	83,683	-
51 Facilities Maintenance and Operations	-	3,546	-	-
52 Security and Monitoring Services	-	157,923	-	-
53 Data Processing Services	-	-	122,109	-
61 Community Services	250,380	7,117,141	-	-
Debt Service				
71 Principal on Long Term Debt	-	567,570	-	-
72 Interest on Long Term Debt	-	6,030	-	-
Capital Outlay				
81 Facilities Acquisition and Construction	-	-	-	-
Intergovernmental				
99 Other Intergovernmental Charges	-	-	-	-
6030 Total Expenditures	382,071	62,405,076	27,313,436	331,097
1100 Excess (Deficiency) of Revenues Over Expenditures	-	(547,646)	-	-
OTHER FINANCING SOURCES (USES)				
7915 Transfers In	-	-	-	-
7949 Other Resources	-	547,646	-	-
7080 Total Other Financing Sources (Uses)	-	547,646	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - Beginning	-	-	-	-
3000 Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

226	240	244	255	263
IDEA - Part B High Cost EDI & Evaluation Capacity Award	Food Service Programs	Perkins V: Strengthening CTE for the 21st Century	Title II, Part A Supporting Effective Instruction	Title III, Part A English Lang. Acquisition
\$ -	\$ 1,711,947	\$ -	\$ -	\$ -
-	364,659	-	-	-
252,352	99,912,067	1,296,420	7,066,218	9,214,601
252,352	101,988,673	1,296,420	7,066,218	9,214,601
252,352	-	314,725	-	3,884,145
-	-	-	-	-
-	-	212,618	3,353,141	2,856,689
-	-	769,077	983,418	-
-	-	-	17,250	4,631
-	-	-	6,650	-
-	-	-	-	-
-	-	-	-	-
-	108,422,333	-	-	-
-	-	-	-	-
-	-	-	2,674,750	16,634
-	1,707,032	-	26,329	2,145
-	-	-	4,680	1,406
-	-	-	-	-
-	-	-	-	1,164,630
-	10,167	-	-	1,284,321
-	300	-	-	-
-	-	-	-	-
-	-	-	-	-
252,352	110,139,832	1,296,420	7,066,218	9,214,601
-	(8,151,159)	-	-	-
-	-	-	-	-
-	-	-	-	-
-	(8,151,159)	-	-	-
-	28,774,157	-	-	-
\$ -	\$ 20,622,998	\$ -	\$ -	\$ -

Dallas Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2023

Data Control Codes		266	272	278	280
		ESSER I Emergency & Secondary School Emergency Relief	Medicaid Admin. Claim MAC	ARP Homeless I TEHCY Supplemental	ARP Homeless II
REVENUES					
5700	Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	164,609	1,229,707	315,816	93,743
5020	Total Revenues	164,609	1,229,707	315,816	93,743
EXPENDITURES					
	Current				
11	Instruction	67,341	-	301,282	19,985
12	Instructional Resources and Media Services	-	-	-	-
13	Curriculum and Instructional Staff Development	-	-	-	-
21	Instructional Leadership	-	-	-	-
23	School Leadership	-	-	-	-
31	Guidance, Counseling and Evaluation Services	-	-	-	-
32	Social Work Services	-	-	-	-
33	Health Services	-	364,966	-	-
34	Student (Pupil) Transportation	-	-	-	-
35	Food Services	-	-	-	-
36	Cocurricular/Extracurricular Activities	-	-	-	-
41	General Administration	97,268	-	-	-
51	Facilities Maintenance and Operations	-	-	-	-
52	Security and Monitoring Services	-	-	-	-
53	Data Processing Services	-	-	-	-
61	Community Services	-	-	92,585	73,758
	Debt Service				
71	Principal on Long Term Debt	-	253,500	80,000	-
72	Interest on Long Term Debt	-	-	-	-
	Capital Outlay				
81	Facilities Acquisition and Construction	-	-	-	-
	Intergovernmental				
99	Other Intergovernmental Charges	-	-	-	-
6030	Total Expenditures	164,609	618,466	473,867	93,743
1100	Excess (Deficiency) of Revenues Over Expenditures	-	611,241	(158,051)	-
OTHER FINANCING SOURCES (USES)					
7913	Right-to-Use Leases	-	-	-	-
8949	Other Uses	-	-	158,051	-
7080	Total Other Financing Sources (Uses)	-	-	158,051	-
1200	Net Change in Fund Balance	-	611,241	-	-
0100	Fund Balance - Beginning	-	4,725,396	-	-
3000	Fund Balance - Ending	\$ -	\$ 5,336,637	\$ -	\$ -

281	284	285	289	315	340
ESSER II CRRSA Act Supplemental	IDEA B Formula ARP Act	IDEA B Preschool ARP Act	Other Federal Special Revenue Funds	SSA IDEA, Part B Discretionary Deaf	SSA - IDEA Part C Deaf - Early Intervention
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
113,333,511	4,685,673	362,500	9,325,391	316,455	6,903
113,333,511	4,685,673	362,500	9,325,391	316,455	6,903
75,890,432	2,380,821	362,500	504,419	316,455	6,903
311,581	-	-	-	-	-
2,236,051	24,335	-	435,084	-	-
3,542,788	250	-	1,265,238	-	-
4,021,257	-	-	175	-	-
3,592,682	1,694,652	-	850,320	-	-
48,503	-	-	-	-	-
1,240,061	-	-	5,302,244	-	-
2,668,097	-	-	-	-	-
2,974,776	-	-	-	-	-
169,554	-	-	-	-	-
990,694	-	-	680,080	-	-
10,646,649	-	-	818	-	-
1,185,346	-	-	1,448	-	-
676,000	-	-	-	-	-
581,388	-	-	285,565	-	-
774,988	585,615	-	-	-	-
10,399	-	-	-	-	-
2,785,953	-	-	-	-	-
-	-	-	-	-	-
114,347,199	4,685,673	362,500	9,325,391	316,455	6,903
(1,013,688)	-	-	-	-	-
-	-	-	-	-	-
1,013,688	-	-	-	-	-
1,013,688	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Dallas Independent School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2023

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	-	-	137,156	1,144,516
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	-	-	137,156	1,144,516
EXPENDITURES				
Current				
11 Instruction	-	-	125,181	1,144,516
12 Instructional Resources and Media Services	-	-	-	-
13 Curriculum and Instructional Staff Development	-	-	11,226	-
21 Instructional Leadership	-	-	-	-
23 School Leadership	-	-	749	-
31 Guidance, Counseling and Evaluation Services	-	-	-	-
32 Social Work Services	-	-	-	-
33 Health Services	-	-	-	-
34 Student (Pupil) Transportation	-	-	-	-
35 Food Services	-	-	-	-
36 Cocurricular/Extracurricular Activities	-	-	-	-
41 General Administration	-	-	-	-
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	-	-	-	-
Intergovernmental				
99 Other Intergovernmental Charges	-	-	-	-
6030 Total Expenditures	-	-	137,156	1,144,516
1100 Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
7913 Right-to-Use Leases	-	-	-	-
8949 Other Uses	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - Beginning	5,189	282,328	-	-
3000 Fund Balance - Ending	<u>\$ 5,189</u>	<u>\$ 282,328</u>	<u>\$ -</u>	<u>\$ -</u>

429	435	459	461	499	Total Non-Major Governmental Funds
Other State Special Revenue Funds	SSA Regional Day School - Deaf	Special Revenue: SSA	Campus Activity Funds	Other Local Special Revenue Funds	
\$ -	\$ -	\$ -	\$ 3,387,908	\$ 6,174,333	\$ 11,274,188
546,712	4,055,204	90,725	-	-	6,338,972
-	-	-	-	-	337,460,000
546,712	4,055,204	90,725	3,387,908	6,174,333	355,073,160
15,797	3,898,823	-	1,244,068	1,398,961	132,072,561
-	-	-	182,212	418,466	1,296,918
26,681	5,312	89,550	83,852	233,134	30,426,985
-	2,918	-	13,776	152,546	9,428,567
-	-	-	1,107,548	40,495	5,297,930
-	-	-	672	6,560	21,517,130
-	-	-	-	-	304,707
-	-	-	798	-	6,908,069
-	-	-	3,816	-	2,671,913
-	-	-	-	-	111,397,109
-	-	-	1,054,759	310,432	1,534,745
-	-	-	389	196,203	7,248,994
-	-	-	11,357	80,757	12,478,633
497,480	-	-	21,915	4,474	1,874,672
-	-	-	-	1,576,455	2,374,564
-	-	1,175	23,047	64,133	9,653,802
-	-	-	-	-	3,556,161
-	-	-	-	-	16,729
-	-	-	-	1,680,111	4,466,064
-	-	-	3,659	-	3,659
539,958	3,907,053	90,725	3,751,868	6,162,727	364,529,912
6,754	148,151	-	(363,960)	11,606	(9,456,752)
-	-	-	190,944	-	190,944
-	-	-	-	-	1,719,385
-	-	-	190,944	-	1,910,329
6,754	148,151	-	(173,016)	11,606	(7,546,423)
47,871	420,481	-	6,304,989	4,524,160	45,084,571
\$ 54,625	\$ 568,632	\$ -	\$ 6,131,973	\$ 4,535,766	\$ 37,538,148

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, 2023

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	\$ 310,974	\$ 23,012,243	\$ 2,048,387	\$ 25,371,604
1260 Due from Other Funds	-	1,326,220	-	1,326,220
1290 Other Receivables, Net	-	30,000	-	30,000
Total Current Assets	310,974	24,368,463	2,048,387	26,727,824
Noncurrent Assets				
Capital Assets				
1530 Furniture and Equipment, Net	40,615	-	-	40,615
1540 Financed Purchases, Net	191,955	-	-	191,955
Total Noncurrent Assets	232,570	-	-	232,570
Total Assets	543,544	24,368,463	2,048,387	26,960,394
LIABILITIES				
Current Liabilities				
2110 Accounts Payable	109,487	234,436	48,721	392,644
2120 Accrued Liabilities - Short Term	-	4,025,145	956,313	4,981,458
2150 Payroll Deductions and Withholdings Payable	1,014	-	-	1,014
2160 Accrued Wages and Benefits Payable	39,292	606	-	39,898
2170 Due to Other Funds	190	-	-	190
2200 Accrued Expenses	48,735	56,895	13,492	119,122
Total Current Liabilities	198,718	4,317,082	1,018,526	5,534,326
Noncurrent Liabilities				
2502 Due in More Than One Year	195,738	6,459,543	1,029,147	7,684,428
Total Noncurrent Liabilities	195,738	6,459,543	1,029,147	7,684,428
Total Liabilities	394,456	10,776,625	2,047,673	13,218,754
NET POSITION				
3200 Net Investment in Capital Assets	36,832	-	-	36,832
3900 Unrestricted Net Position	112,256	13,591,838	714	13,704,808
Total Net Position	\$ 149,088	\$ 13,591,838	\$ 714	\$ 13,741,640

**Dallas Independent School District
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2023**

	752 Graphics Shop	753 Risk Management	771 Auto Liability Insurance	Total Internal Service Funds
OPERATING REVENUES				
Charges for Services	\$ 2,350,129	\$ 10,686,122	\$ 1,171,753	\$ 14,208,004
Total Operating Revenues	<u>2,350,129</u>	<u>10,686,122</u>	<u>1,171,753</u>	<u>14,208,004</u>
OPERATING EXPENSES				
Personnel Services	1,147,279	5,818,031	-	6,965,310
Contractual Services	989,135	1,357,425	503,431	2,849,991
Supplies	275,388	333,020	-	608,408
Other Operating Expenses	2,205	37,181	1,729,137	1,768,523
Depreciation/Amortization Expense	206,588	-	-	206,588
Debt Service	4,330	-	-	4,330
Total Operating Expenses	<u>2,624,925</u>	<u>7,545,657</u>	<u>2,232,568</u>	<u>12,403,150</u>
Operating Income (Loss)	<u>(274,796)</u>	<u>3,140,465</u>	<u>(1,060,815)</u>	<u>1,804,854</u>
NON-OPERATING REVENUES (EXPENSES)				
(Loss) on Sale of Real and Personal Property	(65,646)	-	-	(65,646)
Total Non-Operating Revenues(Expenses)	<u>(65,646)</u>	<u>-</u>	<u>-</u>	<u>(65,646)</u>
Income (Loss) Before Transfers	<u>(340,442)</u>	<u>3,140,465</u>	<u>(1,060,815)</u>	<u>1,739,208</u>
Transfers In	328,185	-	250,000	578,185
Change in Net Position	<u>(12,257)</u>	<u>3,140,465</u>	<u>(810,815)</u>	<u>2,317,393</u>
Total Net Position - Beginning	161,345	10,451,373	811,529	11,424,247
Total Net Position - Ending	<u>\$ 149,088</u>	<u>\$ 13,591,838</u>	<u>\$ 714</u>	<u>\$ 13,741,640</u>

**Dallas Independent School District
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2023**

	752	753	771	Total
	Graphics Shop	Risk Management	Auto Liability Insurance	Internal Service Funds
Cash Flows from Operating Activities				
Cash Received from User Charges	\$ 2,350,129	\$ 10,574,950	\$ 1,220,088	\$ 14,145,167
Cash Payments to Employees for Services	(1,146,842)	(2,077,232)	-	(3,224,074)
Cash Payments for Insurance Claims	-	(2,870,982)	-	(2,870,982)
Cash Payments for Suppliers	(1,291,750)	(1,795,109)	(1,768,116)	(4,854,975)
Cash Payments for Accrued Expenses	-	51,136	-	51,136
Net Cash Provided by (Used for) Operating Activities	(88,463)	3,882,763	(548,028)	3,246,272
Cash Flows from Capital and Related Financing Activities				
Cash Payments for Interest on Leases and Financed Purchases	(4,330)	-	-	(4,330)
Cash Payments for Principal of Leases	(168,704)	-	-	(168,704)
Net Cash Provided by (Used for) Capital and Related Activities	(173,034)	-	-	(173,034)
Cash Flows from Non-Capital Financing Activities				
Transfers In	328,185	-	250,000	578,185
Net Cash Provided by (Used for) Non-Capital Activities	328,185	-	250,000	578,185
Net Increase (Decrease) in Cash and Cash Equivalents	66,688	3,882,763	(298,028)	3,651,423
Cash and Cash Equivalents at Beginning of Year	244,286	19,129,480	2,346,415	21,720,181
Cash and Cash Equivalents at End of Year	<u>\$ 310,974</u>	<u>\$ 23,012,243</u>	<u>\$ 2,048,387</u>	<u>\$ 25,371,604</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	(274,796)	3,140,465	(1,060,815)	1,804,854
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Depreciation/Amortization	206,588	-	-	206,588
Effect of Increases and Decreases in Current Assets and Liabilities				
Decrease (increase) in Receivables	-	-	48,335	48,335
Decrease (increase) in Due from Other Funds	-	(111,172)	-	(111,172)
Increase (decrease) in Accounts Payable	(60,693)	(67,481)	(7,888)	(136,062)
Increase (decrease) in Payroll Deductions	406	(14)	-	392
Increase (decrease) in Accrued Wages Payable	185	(525)	-	(340)
Increase (decrease) in Due to Other Funds	(154)	-	-	(154)
Increase (decrease) in Accrued Expenses	35,671	-	2,428	38,099
Increase (decrease) in Lease Liability	(168,704)	-	-	(168,704)
Increase (decrease) in Accrued Liabilities Short Term	-	778,959	(68,883)	710,076
Increase (decrease) in Accrued Liabilities Long Term	-	142,533	538,795	681,328
Net Cash Provided by (Used for) Operating Activities	\$ (261,497)	\$ 3,882,765	\$ (548,028)	\$ 3,073,240

**TEXAS EDUCATION AGENCY
REQUIRED SCHEDULES**

**Dallas Independent School District
Schedule of Delinquent Taxes Receivable
For the Fiscal Year Ended June 30, 2023**

	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
2014	(2) 1.04000-1.50000	0.143352-0.250297	792,711,091,074	\$ 10,363,270	-	\$ 952,220	\$ 157,535	\$ (709,986)	\$ 8,543,529
2015	1.040050	0.242035	85,633,556,319	2,573,871	-	142,292	33,113	(95,810)	2,302,656
2016	1.040050	0.242035	91,173,609,390	3,152,142	-	176,571	41,090	(129,764)	2,804,717
2017	1.040050	0.242035	100,935,505,829	3,571,702	-	289,847	67,451	(116,589)	3,097,815
2018	1.040050	0.242035	108,482,803,909	4,470,124	-	443,285	103,159	(165,046)	3,758,634
2019	1.170000	0.242035	119,329,737,566	6,511,749	-	805,411	166,613	(31,279)	5,508,446
2020	1.068350	0.242035	128,350,910,821	8,944,014	-	1,778,264	402,866	(34,356)	6,728,528
2021	1.054700	0.242035	128,056,436,790	12,349,484	-	1,076,274	246,986	(2,619,072)	8,407,152
2022	1.006200	0.242035	141,905,281,463	27,649,629	-	(1,952,271)	(469,606)	(17,602,404)	12,469,102
2023	0.942900	0.242035	162,911,964,185	-	1,882,651,230	1,495,298,832	383,831,435	34,440,452	37,961,415
Wilmer Hutchins (1)				222,318	-	29,887	-	(500)	191,931
1000 Totals				<u>\$ 79,808,303</u>	<u>\$ 1,882,651,230</u>	<u>\$ 1,499,040,612</u>	<u>\$ 384,580,642</u>	<u>\$ 12,935,646</u>	<u>\$ 91,773,925</u>
8000 Totals	Taxes Refunded					\$ 240,308			
9000 - Portion of Row 1000 for taxes paid into Tax Increment Zone Under Chapter 311, Tax Code						\$ -			

(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, 2023

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance with Final Budget
		Original	Final		
REVENUES					
5700	Local and Intermediate Sources	\$ 3,387,159	\$ 3,387,159	\$ 1,711,947	\$ (1,675,212)
5800	State Program Revenues	750,000	750,000	364,659	(385,341)
5900	Federal Program Revenues	112,961,682	112,961,682	99,912,067	(13,049,615)
5020	Total Revenues	117,098,841	117,098,841	101,988,673	(15,110,168)
EXPENDITURES					
Current					
6035	Food Services	115,251,834	115,251,834	108,422,333	6,829,501
6051	Facilities Maintenance and Operations	1,847,007	1,847,007	1,707,032	139,975
6071	Principal on Long Term Debt	-	10,500	10,167	333
6072	Interest on Long Term Debt	-	500	300	200
6030	Total Expenditures	117,098,841	117,109,841	110,139,832	6,970,009
1200	Net Change in Fund Balances	-	(11,000)	(8,151,159)	(8,140,159)
0100	Fund Balance - Beginning	28,774,157	28,774,157	28,774,157	-
3000	Fund Balance - Ending	\$ 28,774,157	\$ 28,763,157	\$ 20,622,998	\$ (8,140,159)

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, 2023

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance with Final Budget
		Original	Final		
REVENUES					
5700	Local and Intermediate Sources	\$ 370,077,973	\$ 370,077,973	\$ 394,015,163	\$ 23,937,190
5800	State Program Revenues	-	-	4,578,880	4,578,880
5900	Federal Program Revenues	7,167,000	-	-	-
5020	Total Revenues	377,244,973	370,077,973	398,594,043	28,516,070
EXPENDITURES					
	Debt Service				
71	Principal on Long Term Debt	210,975,000	210,975,000	210,975,000	-
72	Interest on Long Term Debt	144,797,564	144,786,683	144,298,596	488,087
73	Bond Fees and Charges	175,000	185,881	80,161	105,720
6030	Total Expenditures	355,947,564	355,947,564	355,353,757	593,807
1100	Excess (Deficiency) of Revenues Over Expenditures	21,297,409	14,130,409	43,240,286	29,109,877
OTHER FINANCING SOURCES (USES)					
7915	Transfers In	-	7,167,000	7,167,000	-
7080	Total Other Financing Sources (Uses)	-	7,167,000	7,167,000	-
1200	Net Change in Fund Balances	21,297,409	21,297,409	50,407,286	29,109,877
0100	Fund Balance - Beginning	252,883,776	252,883,776	252,883,776	-
3000	Fund Balance - Ending	\$ 274,181,185	\$ 274,181,185	\$ 303,291,062	\$ 29,109,877

**Dallas Independent School District
Use of Funds Report - Select State Allotment Programs
For the Fiscal Year Ended June 30, 2023**

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.	\$193,428,331
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)	\$114,558,765

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.	\$43,689,941
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$21,462,677

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:	2023	2022	2021	2020
Expenses				
Governmental Activities:				
Instruction	\$ 1,173,638,465	\$ 1,004,236,979	\$ 1,078,164,284	\$ 1,095,737,419
Instructional Resources and Media Services	16,021,342	14,585,509	18,401,935	21,402,181
Curriculum and Staff Development	59,095,929	59,799,697	64,995,553	70,424,170
Instructional Leadership	78,525,664	57,458,311	55,389,836	52,236,843
School Leadership	131,484,080	114,857,081	123,102,392	123,359,013
Guidance, Counseling and Evaluation Services	101,004,233	79,002,173	84,734,280	81,244,094
Social Work Services	1,762,529	1,704,888	1,925,327	3,349,661
Health Services	28,806,645	26,203,296	24,595,412	26,438,683
Student (Pupil) Transportation	72,310,672	62,721,267	58,353,284	70,395,894
Food Services	115,960,364	100,553,734	97,710,527	127,056,390
Cocurricular/Extracurricular Activities	50,234,747	43,306,251	42,795,172	37,457,609
General Administration	61,736,428	54,554,227	53,824,592	53,816,493
Facilities Maintenance and Operation	211,041,315	171,641,924	205,824,400	174,138,069
Security and Monitoring Services	32,950,334	25,695,932	23,674,507	24,592,052
Data Processing Services	46,857,085	51,927,176	45,694,626	44,976,107
Community Services	15,430,692	12,526,284	12,011,566	12,978,647
Debt Service - Interest and Fees on Long-Term Debt	115,546,646	123,440,648	134,313,447	122,613,896
Debt Service - Bond Issuance Cost and Fees	3,886,021	4,581,836	182,736	107,552
Facilities Acquisition and Construction	34,149,909	14,455,158	8,339,925	18,944,454
Contracted Instructional Services Between Schools	216,689,569	97,987,095	85,377,533	18,509,704
Payments to Juvenile Justice Alternative Ed. Prg.	14,058	9,726	14,628	10,296
Payments to Tax Increment Fund	-	-	-	-
Other Intergovernmental Charges	6,201,018	5,930,560	5,928,126	5,893,777
Total Primary Government Program Expenses	2,573,347,745	2,127,179,752	2,225,354,088	2,185,683,004
Program Revenues				
Governmental Activities:				
Charges for Service:				
Instruction	833,295	577,952	488,693	437,708
Curriculum and Staff Development	-	-	-	-
Instructional Leadership	-	-	-	-
Food Services	968,444	1,015,882	365,675	1,615,674
Cocurricular/Extracurricular Activities	1,371,170	1,061,389	625,955	963,354
Facilities Maintenance and Operations	3,470,825	1,497,141	1,630,144	2,131,009
Operating Grants and Contributions	515,141,790	443,338,242	348,776,116	460,333,166
Total Primary Government Program Revenues	521,785,524	447,490,606	351,886,583	465,480,911
Net (Expense)/Revenue				
Total Primary Government Expenses	(2,051,562,221)	(1,679,689,146)	(1,873,467,505)	(1,720,202,093)
General Revenues				
Governmental Activities				
Taxes				
Property Taxes Levied for General Purposes	1,502,004,221	1,403,521,481	1,396,475,465	1,319,796,489
Property Taxes Levied for Debt Services	385,587,848	337,628,973	320,496,981	299,013,041
State Aid not Restricted to Specific Purpose	16,868,519	42,919,472	41,246,541	47,717,109
Grants, Contributions and Other Revenue not Restricted	193,261,011	91,164,628	188,987,283	130,924,356
Investment Earnings	75,437,598	(5,377,815)	6,291,780	29,195,172
Miscellaneous	41,005,343	28,659,058	30,332,983	21,773,101
Extraordinary Items	5,362,281	32,023,575	7,353,108	9,218,116
Total Primary Government	2,219,526,821	1,930,539,372	1,991,184,141	1,857,637,384
Change in Net Position				
Total primary government	\$ 167,964,600	\$ 250,850,226	\$ 117,716,636	\$ 137,435,291

Source: Statement of Activities for the Dallas Independent School District

Dallas Independent School District

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2019	2018	2017	2016	2015	2014
\$ 972,334,416	\$ 650,662,754	\$ 956,576,387	\$ 998,278,934	\$ 918,378,917	\$ 838,734,964
21,169,253	14,203,567	24,430,222	25,176,186	24,268,027	23,293,647
63,888,041	35,993,922	51,704,106	58,250,759	50,396,457	48,023,182
42,121,680	26,067,193	37,602,700	36,526,926	31,039,518	26,485,116
110,067,219	64,548,864	106,125,020	107,487,393	94,868,296	86,999,537
74,521,153	45,798,249	72,535,828	73,248,880	66,733,501	58,852,078
2,931,749	1,609,764	2,997,092	3,313,751	2,965,574	2,775,531
21,876,353	12,806,971	21,451,753	21,511,094	20,099,689	17,948,403
66,868,011	49,670,287	55,779,292	53,830,113	46,322,785	35,812,881
124,943,934	103,681,948	123,592,132	118,626,758	107,517,917	101,484,589
37,551,758	29,291,340	38,266,030	36,421,282	30,184,490	28,452,778
48,798,452	34,962,724	51,693,840	53,243,020	48,175,732	39,655,687
141,865,719	119,466,649	157,815,314	166,498,335	145,367,996	142,000,753
21,494,308	13,495,855	23,036,834	21,386,056	23,283,265	19,989,832
48,959,455	38,018,316	45,348,246	46,293,855	44,278,942	38,590,780
12,029,540	8,209,966	12,992,401	13,166,512	12,067,736	9,614,304
121,968,174	124,140,537	126,555,232	199,431,914	27,515,111	124,428,173
1,944,555	49,021	85,007	4,410,076	4,427,183	1,259,936
1,613,647	2,831,109	1,078,436	1,336,580	33,668	2,145,951
67,373,116	-	-	-	-	-
3,000	7,332	8,814	5,622	6,762	2,736
64,955	65,673	7,476	-	-	69,898
5,445,908	5,069,208	4,919,416	4,791,696	4,578,190	4,410,880
<u>2,009,834,396</u>	<u>1,380,651,249</u>	<u>1,914,601,578</u>	<u>2,043,235,742</u>	<u>1,702,509,756</u>	<u>1,651,031,636</u>
541,675	2,592	-	309,722	172,766	233,006
-	382,990	446,980	629,792	1,611,367	1,817,454
-	42,554	49,664	69,977	179,041	201,939
1,646,080	1,587,248	1,464,642	1,600,005	2,821,535	3,801,181
973,006	1,135,602	909,673	946,391	1,152,755	1,160,349
2,555,272	3,748,263	4,672,484	2,026,208	1,917,887	1,413,139
345,125,422	49,994,516	334,916,110	361,222,410	356,499,886	293,878,890
<u>350,841,455</u>	<u>56,893,765</u>	<u>342,459,553</u>	<u>366,804,505</u>	<u>364,355,237</u>	<u>302,505,958</u>
<u>(1,658,992,941)</u>	<u>(1,323,757,484)</u>	<u>(1,572,142,025)</u>	<u>(1,676,431,237)</u>	<u>(1,338,154,519)</u>	<u>(1,348,525,678)</u>
1,330,674,650	1,086,494,144	1,003,755,255	910,501,189	854,963,342	801,098,678
275,270,197	253,771,120	233,607,228	211,887,005	198,979,050	186,427,489
82,073,509	150,206,649	257,588,928	345,639,301	346,230,033	334,227,912
151,059,331	109,392,657	70,160,602	81,703,893	87,298,011	53,752,263
33,470,753	20,599,310	10,901,449	8,457,518	3,084,819	2,478,190
9,079,224	49,183,203	34,387,827	36,477,865	25,615,604	19,352,649
-	41,512,474	-	-	-	-
<u>1,881,627,664</u>	<u>1,711,159,557</u>	<u>1,610,401,289</u>	<u>1,594,666,771</u>	<u>1,516,170,859</u>	<u>1,397,337,181</u>
<u>\$ 222,634,723</u>	<u>\$ 387,402,073</u>	<u>\$ 38,259,264</u>	<u>\$ (81,764,466)</u>	<u>\$ 178,016,340</u>	<u>\$ 48,811,503</u>

Dallas Independent School District

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

Fiscal Year Ended June 30:	2023	2022	2021	2020
Governmental Activities:				
Net Investment in Capital Assets	\$ 839,399,474	\$ 630,748,328	\$ 454,034,389	\$ 396,154,426
Restricted	208,269,527	169,744,823	121,618,627	114,584,087
Unrestricted	(354,819,077)	(275,607,827)	(301,617,918)	(354,442,214)
Total Governmental Activities Net Position	<u><u>\$ 692,849,924</u></u>	<u><u>\$ 524,885,324</u></u>	<u><u>\$ 274,035,098</u></u>	<u><u>\$ 156,296,299</u></u>

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

Dallas Independent School District

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2019	2018	2017	2016	2015	2014
\$ 353,356,942	\$ 322,930,292	\$ 268,379,771	\$ 19,321,452	\$ 222,450,356	\$ 169,438,211
110,047,571	102,613,514	79,484,886	254,277,208	154,385,740	76,265,991
(444,543,505)	(629,317,521)	165,806,871	201,813,604	180,340,634	419,545,825
<u>\$ 18,861,008</u>	<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>

Dallas Independent School District

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

Fiscal Year Ended June 30:	2023	2022	2021	2020
Revenues				
Local Sources:				
Property Taxes	\$ 1,896,143,625	\$ 1,756,640,362	\$ 1,734,078,779	\$ 1,625,503,526
Interest	75,437,598	(5,628,253)	6,291,779	29,195,172
Other	39,453,953	16,485,082	13,701,470	16,613,086
State Sources	187,594,289	202,452,112	220,726,617	227,916,217
Federal Sources	621,796,886	463,523,342	349,326,130	349,753,100
Total Revenue	<u>2,820,426,351</u>	<u>2,433,472,645</u>	<u>2,324,124,775</u>	<u>2,248,981,101</u>
Expenditures				
Instruction	1,162,993,347	1,013,149,493	982,139,769	949,551,494
Instructional Resources and Media Services	14,224,556	13,675,145	16,241,537	18,345,682
Curriculum and Staff Development	62,661,694	64,801,818	62,627,736	61,708,030
Instructional Leadership	83,739,083	62,741,018	53,848,780	47,312,204
School Leadership	128,610,001	117,803,993	113,041,101	107,685,615
Guidance, Counseling, and Evaluation Services	103,754,650	83,901,067	80,323,040	71,969,377
Social Work Services	1,828,757	1,840,318	1,833,721	2,959,931
Health Services	28,755,359	27,228,917	22,842,430	23,293,963
Student Transportation	69,950,772	69,197,703	51,833,954	59,412,970
Food Services	111,418,106	96,310,633	87,926,338	110,649,572
Co-Curricular/Extra-Curricular Activities	46,693,847	40,866,438	37,855,275	31,739,179
General Administration	65,764,506	56,533,251	55,096,524	51,982,725
Plant Maintenance and Operations	217,820,121	179,246,313	202,596,612	167,180,260
Security and Monitoring Services	31,771,850	26,915,657	24,506,628	23,107,695
Data Processing Services	39,401,708	52,360,715	40,192,846	35,750,152
Community Services	15,597,690	12,922,455	10,852,711	10,860,805
Debt Service				
Principal	240,222,282	216,937,653	164,285,000	155,595,000
Interest	152,068,236	150,404,687	164,071,511	141,343,679
Bond Fees and Charges	3,886,021	-	-	-
Facilities Acquisition & Construction	461,658,635	459,642,209	353,950,932	331,562,770
Intergovernmental Charges	222,904,645	103,927,381	91,320,287	24,413,777
Total Expenditures	<u>3,265,725,866</u>	<u>2,850,406,864</u>	<u>2,617,386,732</u>	<u>2,426,424,880</u>
Other Financing Sources (uses)				
Proceeds from Bonds and Notes	601,460,000	526,945,000	553,555,000	341,975,000
Proceeds from Refunding Bonds	-	264,805,000	568,255,000	-
Financed Purchases	1,693,324	14,225,484	-	-
Transfers In /Out	(578,185)	(306,039)	2,349,358	10,771,873
Premium on Bonds	53,484,841	51,282,709	113,492,024	39,127,754
Sale of Real & Personal Property	559,314	520,404	384,463	599,782
Payments to Refunded Bond Escrow Agent	(101,121,096)	(286,781,453)	(629,027,028)	-
Other Resources	49,867,092	-	-	-
Total Other Financing Sources (uses)	<u>605,365,290</u>	<u>570,691,105</u>	<u>609,008,817</u>	<u>392,474,409</u>
Extraordinary Items				
Extraordinary Items	5,362,281	29,827,831	6,128,507	25,601,329
Net Changes in Fund Balances	<u>\$ 165,428,056</u>	<u>\$ 183,584,717</u>	<u>\$ 321,875,367</u>	<u>\$ 240,631,959</u>
Debt service as a percentage of noncapital expenditures (1)	13.99%	15.10%	14.51%	13.98%

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

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2019	2018	2017	2016	2015	2014
\$ 1,613,635,986	\$ 1,350,404,734	\$ 1,250,216,214	\$ 1,131,070,782	\$ 1,063,513,416	\$ 993,116,637
33,470,753	20,588,573	10,901,450	8,457,520	3,084,819	2,490,870
18,710,996	38,782,856	26,561,577	35,340,417	27,919,560	23,424,643
234,689,340	271,922,516	349,845,527	442,535,971	451,066,685	393,745,055
341,258,766	305,326,146	288,871,749	295,517,788	314,513,874	287,146,679
<u>2,241,765,841</u>	<u>1,987,024,825</u>	<u>1,926,396,517</u>	<u>1,912,922,478</u>	<u>1,860,098,354</u>	<u>1,699,923,884</u>
855,476,205	881,359,309	865,829,893	893,271,045	853,166,619	767,476,755
18,647,553	19,599,778	22,121,284	22,795,374	22,882,147	21,771,417
57,630,975	51,168,167	50,470,310	55,812,949	50,784,870	47,505,300
38,923,482	38,663,853	36,084,991	34,576,624	30,866,857	26,110,168
97,849,280	94,023,624	96,313,120	96,774,330	88,767,725	80,506,607
67,602,079	67,279,886	67,754,706	67,753,209	64,816,543	56,672,484
2,678,416	2,689,889	2,936,775	3,263,195	2,924,614	2,731,254
19,581,946	18,841,269	19,656,153	19,639,366	19,164,696	16,943,543
50,587,137	39,054,459	55,743,237	53,924,053	46,315,857	35,805,953
111,700,306	111,415,975	113,862,535	111,672,916	101,308,709	95,659,982
32,910,709	33,982,948	34,406,552	32,731,001	27,157,237	25,677,557
46,894,385	47,070,338	51,678,899	52,691,371	50,648,623	40,191,375
134,010,205	142,814,234	151,122,084	161,679,314	143,121,525	136,554,325
20,042,705	20,161,322	21,502,684	22,256,194	23,542,452	19,823,365
32,629,639	30,131,468	34,409,262	33,838,248	36,450,445	31,179,276
10,474,922	11,087,568	12,274,936	12,364,415	11,643,071	9,135,120
133,245,000	108,605,000	122,795,000	103,990,000	50,515,000	62,595,000
145,421,341	145,742,468	148,002,335	133,348,140	142,354,189	133,689,215
-	-	-	-	-	-
312,342,228	230,582,630	174,827,546	153,844,110	95,996,507	80,870,347
72,886,979	5,142,213	4,935,706	4,797,318	4,584,952	4,483,514
<u>2,261,535,492</u>	<u>2,099,416,398</u>	<u>2,086,728,008</u>	<u>2,071,023,172</u>	<u>1,867,012,638</u>	<u>1,695,382,557</u>
800,000	-	4,405,000	647,230,000	590,875,000	143,340,000
68,025,000	-	-	-	-	-
-	-	-	-	-	-
-	29,824,208	(822,930)	(926,624)	(351,439)	(25,719,847)
8,135,755	-	-	76,488,994	85,253,985	-
325,751	21,084,897	5,843,740	484,990	1,402,794	413,206
(75,000,000)	-	-	-	(671,684,268)	-
-	-	-	-	-	-
<u>2,286,506</u>	<u>50,909,105</u>	<u>9,425,810</u>	<u>723,277,360</u>	<u>5,496,072</u>	<u>118,033,359</u>
-	-	-	-	-	-
<u>\$ (17,483,145)</u>	<u>\$ (61,482,468)</u>	<u>\$ (150,905,681)</u>	<u>\$ 565,176,666</u>	<u>\$ (1,418,212)</u>	<u>\$ 122,574,686</u>
14.31%	13.36%	14.18%	11.46%	10.33%	12.22%

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:	2023	2022	2021	2020
Revenues				
Local Sources:				
Property Taxes	67.2%	72.2%	74.6%	72.3%
Interest	2.7%	-0.2%	0.3%	1.3%
Other	1.4%	0.7%	0.6%	0.7%
State Sources	6.7%	8.3%	9.5%	10.1%
Federal Sources	22.0%	19.0%	15.0%	15.6%
Total Revenue	100%	100%	100%	100%
Expenditures				
Instruction	35.6%	35.5%	37.5%	39.1%
Instructional Resources and Media Services	0.4%	0.5%	0.6%	0.8%
Curriculum and Staff Development	1.9%	2.3%	2.4%	2.5%
Instructional Leadership	2.6%	2.2%	2.1%	1.9%
School leadership	3.9%	4.1%	4.3%	4.4%
Guidance, Counseling, and Evaluation Services	3.2%	2.9%	3.1%	3.0%
Social Work Services	0.1%	0.1%	0.1%	0.1%
Health Services	0.9%	1.0%	0.9%	1.0%
Student Transportation	2.1%	2.4%	2.0%	2.4%
Food Services	3.4%	3.4%	3.4%	4.6%
Co-Curricular/Extra-Curricular Activities	1.4%	1.4%	1.4%	1.3%
General Administration	2.0%	2.0%	2.1%	2.1%
Plant Maintenance and Operations	6.7%	6.3%	7.7%	6.9%
Security and Monitoring Services	1.0%	0.9%	0.9%	1.1%
Data Processing Services	1.2%	1.8%	1.5%	1.5%
Community Services	0.5%	0.5%	0.4%	0.4%
Debt Service				
Principal	7.4%	7.6%	6.3%	6.4%
Interest	4.7%	5.3%	6.3%	5.8%
Bond Fees and Charges	0.1%	-	-	-
Facilities Acquisition & Construction	14.1%	16.1%	13.5%	13.7%
Intergovernmental Charges	6.8%	3.6%	3.5%	1.0%
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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2019	2018	2017	2016	2015	2014
72.0%	68.0%	64.9%	59.1%	57.2%	58.4%
1.5%	1.0%	0.6%	0.5%	0.2%	0.1%
0.8%	2.0%	1.4%	1.9%	1.5%	1.4%
10.5%	13.7%	18.1%	23.1%	24.2%	23.2%
15.2%	15.3%	15.0%	15.4%	16.9%	16.9%
100%	100%	100%	100%	100%	100%
37.8%	42.0%	41.5%	43.1%	45.7%	45.3%
0.8%	0.9%	1.1%	1.1%	1.2%	1.3%
2.5%	2.4%	2.4%	2.7%	2.7%	2.8%
1.8%	1.9%	1.8%	1.8%	1.7%	1.5%
4.3%	4.5%	4.6%	4.7%	4.8%	4.7%
3.1%	3.2%	3.2%	3.3%	3.5%	3.3%
0.1%	0.1%	0.1%	0.2%	0.2%	0.2%
0.9%	0.9%	0.9%	0.9%	1.0%	1.0%
2.2%	1.9%	2.7%	2.6%	2.5%	2.1%
4.9%	5.3%	5.5%	5.4%	5.4%	5.6%
1.5%	1.6%	1.6%	1.6%	1.5%	1.5%
2.1%	2.3%	2.5%	2.5%	2.7%	2.4%
5.9%	6.8%	7.2%	7.8%	7.7%	8.1%
0.9%	1.0%	1.1%	1.1%	1.2%	1.2%
1.4%	1.4%	1.6%	1.6%	2.0%	1.8%
0.5%	0.5%	0.6%	0.6%	0.6%	0.5%
5.9%	5.2%	5.9%	5.0%	2.7%	3.7%
6.4%	6.9%	7.1%	6.4%	7.6%	7.9%
-	-	-	-	-	-
13.8%	11.0%	8.4%	7.4%	5.1%	4.8%
3.2%	0.2%	0.2%	0.2%	0.2%	0.3%
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:	2023	2022	2021	2020	2019	2018	2017
General Fund:							
Non-Spendable	\$ 25,036,648	\$ 22,014,696	\$ 14,117,543	\$ 17,650,395	\$ 14,330,669	\$ 8,905,030	\$ 8,797,676
Assigned	321,120,459	292,525,314	246,710,899	189,990,513	107,882,093	112,386,017	117,970,598
Unassigned	660,000,000	660,038,803	662,450,197	661,759,126	590,780,454	251,241,835	133,385,186
Total General Fund	1,006,157,107	974,578,813	923,278,639	869,400,034	712,993,216	372,532,882	260,153,460
Non-spendable:							
Non-major	8,445,224	9,324,957	7,205,070	7,596,821	4,293,710	5,398,933	6,803,027
Capital Projects	-	-	319,416	718,264	-	-	-
Restricted:							
Debt Service	231,621,091	188,380,805	165,106,095	154,294,866	138,763,223	124,926,486	112,323,141
Capital Projects	684,587,816	593,598,917	515,385,878	265,124,250	197,362,742	497,016,453	693,887,626
Federal or State Funds (1)	17,805,336	24,465,192	4,353,391	4,207,768	15,147,086	18,177,820	15,511,302
Local Special Revenue Funds	3,567,593	3,771,256	3,201,215	3,135,974	3,003,934	3,340,021	2,815,603
Assigned - Debt Service	71,669,971	64,502,971	57,335,971	50,168,971	42,999,353	110,832,353	103,668,000
Assigned - Other	7,719,995	7,523,166	6,375,684	6,012,219	5,461,326	5,282,788	3,828,045
Total All Governmental Funds	\$ 2,031,574,133	\$ 1,866,146,077	\$ 1,682,561,359	\$ 1,360,659,167	\$ 1,120,024,590	\$ 1,137,507,736	\$ 1,198,990,204

Fiscal Year Ended June 30:	2016	2015	2014
General Fund:			
Non-Spendable	\$ 8,394,857	\$ 7,699,359	\$ 8,230,314
Assigned	275,845,332	186,647,485	175,667,574
Unassigned	98,359,896	163,184,173	158,942,100
Total General Fund	382,600,085	357,531,017	342,839,988
Non-spendable:			
Capital Projects	-	-	4,970,382
Non-major	6,770,618	4,061,426	-
Restricted:			
Debt Service	134,439,298	135,296,606	112,388,437
Capital Projects	803,033,746	258,889,822	305,824,929
Federal or State Funds (1)	16,703,404	21,809,316	-
Food Service	-	-	13,329,755
Grants and Donations	2,254,115	2,635,520	2,843,937
Assigned - Debt Service	-	-	-
Assigned - Other	4,094,620	4,495,513	3,940,004
Total All Governmental Funds	\$ 1,349,895,886	\$ 784,719,220	\$ 786,137,432

(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
2022	1,882,651,230	34,440,452	1,917,091,682	1,879,130,267	99.8%	-	1,879,130,267	98.0%
2021	1,717,724,797	46,133,907	1,763,858,704	1,736,209,075	101.1%	15,180,528	1,751,389,603	99.3%
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%

(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
2023	0.942900	0.242035	1.184935	1,498,100,609	384,550,621	1,882,651,230
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

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		
2023	70,390,104,047	74,882,177,208	17,639,682,930	162,911,964,185	1.184935
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

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
2023	0.60982	0.79463	0.56250	0.75778	0.74580	0.69155	0.65046	0.58900	0.71669
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

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
0.63221	0.65590	0.69182	0.65814	0.75269	0.22795	0.23580	0.11590	1.18494
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

Dallas Independent School District

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

Principal Taxpayers	2023			2014		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Oncor Electric Delivery	\$ 1,022,667,620	1	0.63%	\$ 682,312,200	2	0.85%
Northpark Land Partners	725,977,580	2	0.45%	624,382,460	3	0.78%
FM Village Fixed Rate LLC	682,128,840	3	0.42%			
AT&T Mobility LLC	638,825,720	4	0.39%	608,437,640	4	0.76%
Southwest Airlines Co	607,813,003	5	0.37%	577,374,250	5	0.72%
Post Apartment Homes LP	606,655,000	6	0.37%	496,307,760	6	0.62%
Amazon.Com KYDC LLC	552,636,421	7	0.34%			
Crescent Real Estate Group	529,160,650	8	0.32%	745,928,310	1	0.93%
Equinix LLC	462,034,640	9	0.28%			
Atmos Energy	449,628,540	10	0.28%			
PC Village Apts Dallas LP				422,520,490	7	0.53%
Galleria Mall Investors LP				365,891,210	8	0.46%
Walmart Stores Inc				329,762,260	9	0.41%
Teachers Insurance Fund				211,385,120	10	0.26%
Total Ten Principal Taxpayers	\$ 6,277,528,014		3.85%	\$ 5,064,301,700		6.33%
Total Taxable Assessed Value	\$ 162,911,964,185			\$ 80,040,860,095		

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	89.40%	\$ 85,223,558
Balch Springs, City of	11,600,000	28.39%	3,293,240
Carrollton, City of	184,710,000	8.51%	15,718,821
Cockrell Hill, City of	3,530,000	98.49%	3,476,697
Combine, City of	1,187,000	11.47%	136,149
Dallas County	236,605,000	49.00%	115,936,450
Dallas County CCD	556,450,741	49.00%	272,660,863
Dallas Co Hosp Dist	436,680,000	49.00%	213,973,200
Dallas, City of	2,023,770,416	78.98%	1,598,373,875
DeSoto, City of	61,435,928	22.19%	13,632,632
Duncanville, City of	20,460,000	0.18%	36,828
Farmers Branch, City of	44,408,168	33.38%	14,823,446
Garland, City of	221,878,725	1.29%	2,862,236
Grand Prairie, City of	457,467,000	**	-
Hutchins, City of	19,978,000	85.97%	17,175,087
Lancaster, City of	50,966,980	3.82%	1,946,939
Mesquite, City of	203,173,601	2.22%	4,510,454
Seagoville, City of	15,415,000	78.94%	12,168,601
Univ Pk, City of	13,520,000	0.16%	21,632
Wilmer, City of	35,238,000	96.14%	33,877,813
Total Estimated Overlapping Debt			<u>2,409,848,521</u>
Dallas ISD Direct Debt			<u>4,047,159,497</u>
Total Direct and Overlapping Bonded Debt			<u><u>\$ 6,457,008,018</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
2023	1,299,544	162,911,964,185	4,047,159,497	206,374,497	231,621,091	143,340,000
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

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
3,815,538,406	2.34%	0.09%	2,936	125,361	37,719	4,695	7.78%
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%

Dallas Independent School District

Legal Debt Margin Information Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30:	2023	2022	2021	2020
Debt Limit - 10% of Assessed Valuation	\$ 16,291,196,419	\$ 14,190,528,146	\$ 12,805,643,679	\$ 12,835,091,082
Amount of Debt Applicable to Debt Limit:				
Gross Bonded Debt	4,047,159,497	3,744,547,244	3,437,008,853	2,697,449,417
Less - Fund Balance of Debt Service Fund	231,621,091	188,380,805	165,106,095	154,294,866
Total Net Debt Applicable to Debt Limit	<u>3,815,538,406</u>	<u>3,556,166,439</u>	<u>3,271,902,758</u>	<u>2,543,154,551</u>
Legal Debt Margin:	<u>\$ 12,475,658,013</u>	<u>\$ 10,634,361,707</u>	<u>\$ 9,533,740,921</u>	<u>\$ 10,291,936,531</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	23.42%	25.06%	25.55%	19.81%

Source: Dallas ISD Records

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2019	2018	2017	2016	2015	2014
\$ 11,932,973,757	\$ 10,848,280,391	\$ 10,093,550,583	\$ 9,243,983,970	\$ 8,563,355,632	\$ 8,004,086,010
2,690,275,000	2,830,495,000	2,939,100,000	3,057,490,000	2,604,313,196	2,573,747,354
138,763,223	124,926,486	112,323,141	134,439,298	135,296,606	115,233,953
<u>2,551,511,777</u>	<u>2,705,568,514</u>	<u>2,826,776,859</u>	<u>2,923,050,702</u>	<u>2,469,016,590</u>	<u>2,458,513,401</u>
<u>\$ 9,381,461,980</u>	<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>
21.38%	24.94%	28.01%	31.62%	28.83%	30.72%

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
2023	210,975,000	144,378,757	355,353,757	3,265,725,866	10.88%
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	2,617,382,070	12.15%
2020	155,595,000	133,001,487	288,596,487	2,426,424,880	11.89%
2019	133,245,000	135,045,444	268,290,444	2,261,535,492	11.86%
2018	108,605,000	137,374,241	245,979,241	2,099,416,398	11.72%
2017	121,675,000	139,573,729	261,248,729	2,086,728,008	12.52%
2016	97,110,000	121,108,202	218,218,202	2,071,023,172	10.54%
2015	48,430,000	129,690,635	178,120,635	1,867,012,638	9.54%
2014	60,610,000	132,223,879	192,833,879	1,695,382,557	11.37%

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
2023	\$ 3,903,819	\$ 143,340	\$ 4,047,159
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

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)

	Fiscal Year Ended June 30				
	2023	2022	2021	2020	2019
Beginning Fund Equity	\$ 974,578,812	\$ 923,278,638	\$ 869,400,034	\$ 712,993,216	\$ 372,532,882
Revenues:					
From Ad Valorem Taxes	1,509,220,873	1,416,247,959	1,410,744,361	1,325,416,228	1,337,246,266
% of Total Revenue	80.23%	82.86%	82.59%	82.78%	78.76%
From State and Federal Funds	301,327,926	292,202,883	289,433,957	247,234,679	331,551,280
% of Total Revenue	16.02%	17.10%	16.94%	15.44%	19.53%
From Other Local Sources	70,462,885	732,018	8,025,672	28,409,394	29,004,569
% of Total Revenue	3.75%	0.04%	0.47%	1.77%	1.71%
Total Revenues	<u>1,881,011,684</u>	<u>1,709,182,860</u>	<u>1,708,203,990</u>	<u>1,601,060,301</u>	<u>1,697,802,115</u>
Total Expenditures	1,857,501,535	1,661,190,188	1,631,113,745	1,444,603,443	1,426,000,782
Total Other Financing Sources	2,705,864	7,227,285	(20,183,478)	2,923,617	68,659,001
Total Extraordinary Items	<u>5,362,281</u>	<u>(3,919,782)</u>	<u>(8,768,757)</u>	<u>(2,973,657)</u>	<u>-</u>
Ending Fund Equity	<u><u>\$ 1,006,157,106</u></u>	<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>

Per Student Calculations:

Assessed Value Per Student	\$ 1,329,894	\$ 1,139,454	\$ 991,067	\$ 924,166	\$ 850,557
Ad Valorem Tax Revenue Per Student	\$ 12,320	\$ 11,372	\$ 10,918	\$ 9,543	\$ 9,532
State and Federal Funds Per Student	2,460	2,346	2,240	1,780	2,363
Other Local Sources Per Student	<u>575</u>	<u>6</u>	<u>62</u>	<u>205</u>	<u>207</u>
Total Revenue Per Student	<u>\$ 15,355</u>	<u>\$ 13,724</u>	<u>\$ 13,220</u>	<u>\$ 11,528</u>	<u>\$ 12,102</u>
Total Expenditures Per Student	\$ 15,163	\$ 13,339	\$ 12,624	\$ 10,402	\$ 10,164
Average Daily Attendance	122,500	124,538	129,211	138,883	140,296

Source: Dallas ISD Records

Dallas Independent School District

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

Fiscal Year Ended			
June 30:	Estimated		Average
Year	Population (1)	Enrollment (2)	Daily Attendance (2)
2023	1,299,544	141,169	122,500
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

(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)
23,984	58,231	37,719	4.3%
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%

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

Principal Employers	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Texas Health Resources	28,000	1	0.66%	21,100	1	0.85%
Wal-mart Stores, Inc.	25,600	2	0.60%			
Dallas Independent School District	24,000	3	0.56%	19,800	3	0.80%
Baylor Scott & White Health	23,900	4	0.56%	16,850	5	0.68%
Lockheed Martin Aeronautics Co.	23,000	5	0.54%			
University of Texas Southwestern Medical Center	18,800	6	0.44%	12,100	9	0.52%
Medical City Healthcare	15,000	7	0.35%			
City of Dallas	14,000	8	0.33%	13,000	8	0.56%
Bank of America	13,900	9	0.33%	20,000	2	0.81%
University of North Texas System	13,000	10	0.31%			
Texas Instruments Incorporated				14,000	7	0.58%
American Airlines Group, Inc.				19,219	4	0.77%
JP Morgan Chase				14,500	6	0.58%
Parkland Health & Hospital				9,442	10	0.49%
Total	199,200		4.67%	160,011		6.64%

Estimated Total Employed Workforce in 2023 4.3 million

Presbyterian Hospital of Dallas

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

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
2023	\$ 2,222,031,447	141,169	15,740	\$ 1,857,501,535	13,158	13.08	87%
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%

(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
2023	61,000	68,454	10,300
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
2014	46,002	52,254	10,372

Source: Dallas ISD Records

Dallas Independent School District

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

Fiscal Year Ended June 30:	2023	2022	2021	2020
FTE				
Instruction	13,604.8	13,209.7	12,959.9	12,787.2
Instructional Resources and Media Services	152.5	147.0	173.5	216.0
Curriculum and Staff Development	521.2	513.5	592.4	615.3
Instructional Leadership	832.2	659.0	490.5	477.7
School leadership	1,555.0	1,541.0	1,535.0	1,457.0
Guidance, Counseling, and Evaluation Services	911.7	861.6	862.6	776.8
Social Work Services	24.0	23.0	24.0	41.5
Health Services	348.1	333.1	316.1	311.1
Student Transportation	1,237.5	1,238.5	1,238.5	1,243.0
Food Services	1,641.0	1,699.0	1,763.0	1,801.0
Co-Curricular/Extra-Curricular Activities	82.7	71.7	71.1	68.0
General Administration	475.3	463.3	439.7	435.5
Plant Maintenance and Operations	1,595.5	1,577.5	1,561.5	1,559.5
Security and Monitoring Services	496.0	438.5	413.0	392.0
Data Processing Services	227.5	227.6	228.6	220.5
Community Services	210.9	193.7	191.3	191.5
Facilities Acquisition & Construction	68.2	51.7	52.0	50.5
Total FTE	23,984.1	23,249.4	22,912.6	22,644.1

Source: Dallas ISD Records as of June 30, 2023

Dallas Independent School District

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2019	2018	2017	2016	2015	2014
12,598.0	12,771.3	12,976.1	13,129.0	13,168.7	12,688.1
251.5	263.0	322.0	320.0	320.5	316.0
586.6	569.2	543.0	608.4	624.2	567.8
419.2	407.6	369.5	339.2	321.3	291.7
1,419.5	1,417.5	1,436.0	1,460.0	1,428.0	1,368.0
479.1	741.3	752.3	774.1	757.0	666.6
4.1	39.0	43.0	45.0	48.0	43.0
308.1	306.1	328.3	315.6	314.0	304.0
1,225.5	17.0	3.0	3.0	3.0	3.0
1,843.0	1,790.0	1,785.0	1,783.0	1,771.0	1,770.0
70.1	71.1	72.1	72.0	73.0	71.4
424.2	414.9	447.4	457.9	457.2	373.6
1,526.5	1,577.3	1,538.1	1,541.7	1,545.5	1,547.1
390.0	422.2	408.0	407.0	400.0	391.0
212.0	217.5	237.6	226.5	210.5	223.6
174.8	190.9	184.6	186.8	189.1	147.6
48.5	43.5	41.5	26.0	21.0	20.5
21,980.7	21,259.4	21,487.5	21,695.2	21,652.0	20,793.0

Dallas Independent School District

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

Fiscal Year Ended June 30:	2023	2022	2021	2020
PIC				
11 Basic Education Services	\$ 598,620,540	\$ 548,608,472	\$ 542,191,139	\$ 493,700,230
21 Gifted and Talented	11,588,672	11,914,830	11,422,185	10,043,338
22 Career and Technology	34,759,641	32,576,673	34,384,515	31,235,789
23 Special Education	124,765,523	128,007,337	127,831,972	121,435,208
24 Accelerated Education	17,127,716	19,211,180	14,170,030	18,132,649
25 Bilingual Education	21,462,677	9,928,699	13,631,105	11,031,052
26 AEP Services	526,794	691,782	634,185	719,604
28 DAEP Basic	3,540,623	3,279,548	3,171,872	3,004,607
29 DAEP Supplemental	-	-	-	3,649
30 Title I Part A	95,306,146	63,949,353	63,321,224	53,956,832
31 High School Allotment	-	-	1,150	12,633,153
32 Pre-Kindergarten Regular Education	-	6,273,355	6,653,472	6,246,893
33 PK Special Education	8,667,026	7,732,120	9,339,684	794
34 PK Comp Education	-	15,068,213	21,596,606	23,529,382
35 PK Bilingual Education	-	15,174,372	15,775,866	13,964,229
36 Early Education Allotment	34,326,006	44,475,058	39,377,004	34,510,070
37 Dyslexia	8,613,287	8,961,267	9,478,862	10,647,003
38 College, Career, and Military Readiness	5,042,410	4,730,301	4,773,372	3,931,360
43 Dyslexia - Special Education	-	320	-	-
91 Athletics and Related	25,982,083	23,406,856	21,999,051	18,180,634
99 Undistributed	867,172,392	717,200,451	691,360,456	577,696,967
Total	\$ 1,857,501,536	\$ 1,661,190,188	\$ 1,631,113,746	\$ 1,444,603,443

Source: Dallas ISD Records

Dallas Independent School District

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2019	2018	2017	2016	2015	2014
\$ 548,113,538	\$ 557,820,129	\$ 558,146,624	\$ 552,343,411	\$ 507,152,802	\$ 474,927,651
9,249,264	6,620,726	7,245,967	10,503,846	9,668,344	8,940,356
25,248,122	27,073,688	29,909,327	28,955,755	25,098,566	24,693,065
109,861,721	108,453,937	116,644,342	115,118,770	100,677,065	89,554,017
11,668,228	11,708,860	10,318,273	10,145,059	5,275,144	4,044,321
18,880,836	19,996,800	19,762,792	30,904,073	28,095,535	23,388,823
1,585,799	1,955,490	3,364,526	3,374,453	2,674,268	2,488,846
2,799,797	3,571,120	3,688,059	3,428,375	3,395,527	3,249,212
17,465	13,141	80	13,095	1,059	9,247
35,649,092	40,263,182	40,906,044	49,123,522	53,237,260	49,324,415
13,791,872	14,361,020	13,620,305	18,347,667	18,076,718	14,770,151
9,398,130	7,781,747	6,716,867	6,446,065	5,130,282	7,369,459
-	-	-	-	-	2
34,552,720	32,521,092	29,162,908	27,750,176	25,638,961	21,236,766
13,242,772	12,440,902	10,637,638	9,590,777	8,223,025	6,301,771
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18,699,047	18,971,028	20,276,170	17,322,180	15,625,414	14,768,601
573,242,379	516,936,476	573,158,136	559,995,982	492,146,690	425,396,766
<u>\$ 1,426,000,782</u>	<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>

Dallas Independent School District

Student/Teacher Ratio Ten Year Comparison (Unaudited)

Campus Level	2022-2023			2021-2022			2020-2021			2019-2020			2018-2019		
	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio
High	41,919	2,536.9	16.5	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
Middle	30,730	2,129.7	14.4	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
Elementary	68,520	4,460.5	15.4	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
District	141,169	9,127.1	15.5	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

Notes:

1. FTEs include teacher positions at campuses.
2. FTEs do not include Special Education teachers.
3. Data includes all funds.
4. High School FTEs include Career Institute teachers.

Source: Dallas ISD Records

Dallas Independent School District

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2017-2018			2016-2017			2015-2016			2014-2015			2013-2014		
Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio	Enrollment	FTE's	Ratio
40,132	2,354.5	17.0	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
31,681	2,018.1	15.7	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
85,019	5,084.3	16.7	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
156,832	9,456.9	16.6	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

Dallas Independent School District

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Enrollment Trend Last Ten Fiscal Years (Unaudited)

	Total Enrollment	Change	% Change	FTE's	Change	% Change
2022-2023	141,169	(2,389)	-1.66%	9,127	(32)	-0.35%
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%

Notes:

1. FTEs include teacher positions at campuses.
2. FTEs do 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	7,429,479	612.93
Middle Schools	37	5,415,799	654.74
Elementary Schools	158	11,631,802	1,393.11
Administration Facilities	22	2,380,494	178.74
Athletics & Pool Facilities	12	573,989	233.41
Totals	<u>273</u>	<u>27,431,563</u>	<u>3,072.93</u>

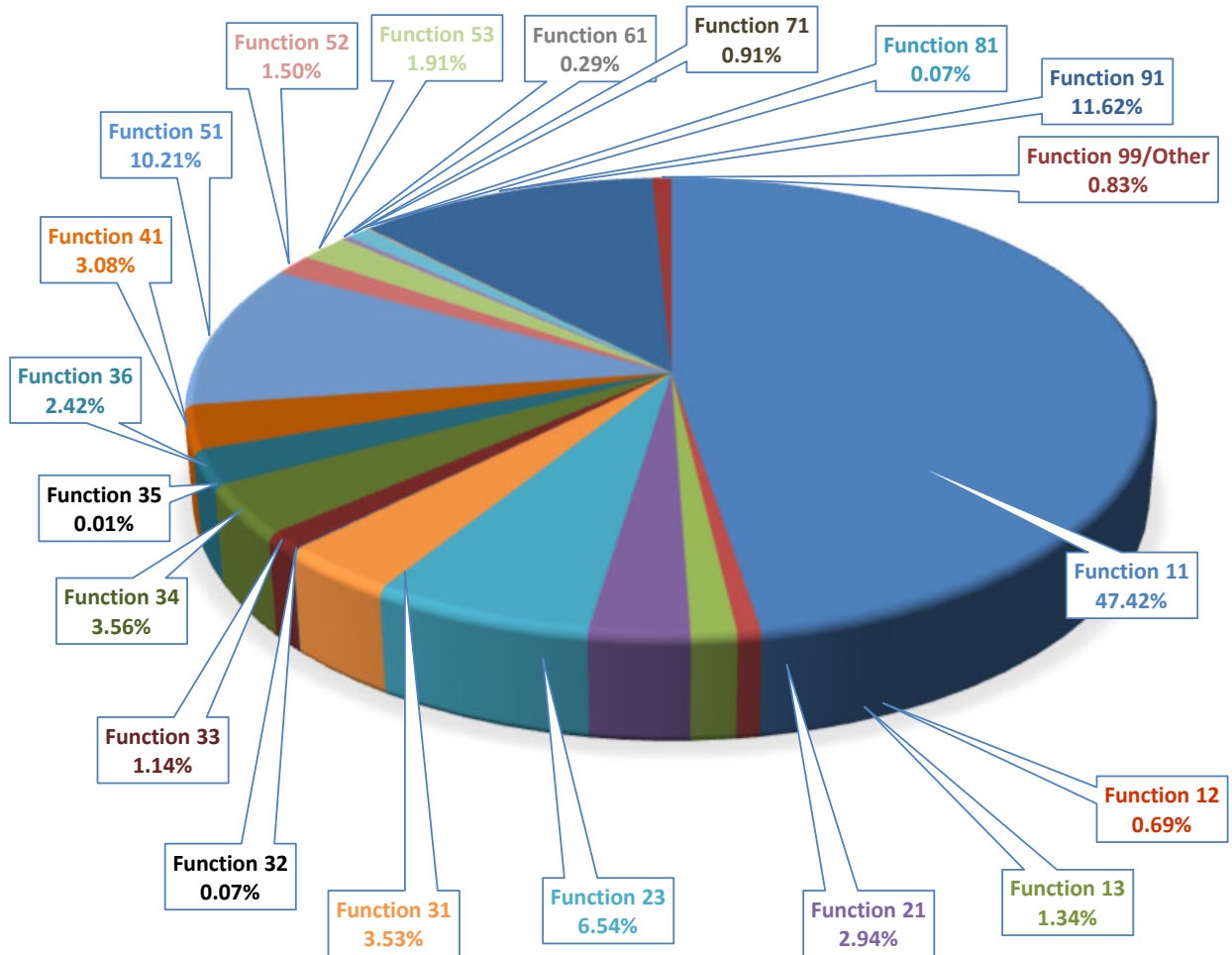
Source: Dallas ISD Records

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	\$ 884,671,447		47.42%	
12	Instructional Resources and Media Services	12,853,118		0.69%	
13	Curriculum and Instructional Staff Development	24,975,945		1.34%	
	Instruction and Instructional Related		\$ 922,500,510		49.45%
21	Instructional Leadership	54,834,819		2.94%	
23	School Leadership	122,042,552		6.54%	
	Instructional and School Leadership		176,877,371		9.48%
31	Guidance, Counseling and Evaluation Services	65,848,943		3.53%	
32	Social Work Services	1,239,355		0.07%	
33	Health Services	21,335,456		1.14%	
34	Student (Pupil) Transportation	66,461,499		3.56%	
35	Food Services	20,997		0.01%	
36	Cocurricular/Extracurricular Activities	45,159,102		2.42%	
	Student Support Services		200,065,352		10.73%
41	General Administration	57,399,790		3.08%	
	Administrative Support Services		57,399,790		3.08%
51	Facilities Maintenance and Operations	190,431,612		10.21%	
52	Security and Monitoring Services	28,054,669		1.50%	
53	Data Processing Services	35,645,026		1.91%	
	Support Services		254,131,307		13.62%
61	Community Services	5,405,404		0.29%	
	Ancillary Services		5,405,404		0.29%
71	Principal on Long Term Debt	16,941,959		0.91%	
	Debt		16,941,959		0.91%
81	Facilities Acquisition and Construction	1,278,856		0.07%	
	Capital Outlay		1,278,856		0.07%
91	WADA Purchase	216,689,569		11.62%	
95	Payments to Juvenile Justice Alternative Ed. Prg.	14,058		0.01%	
99	Other Governmental Charges	6,197,359		0.33%	
00	Non-Operating Expense	7,936,129		0.41%	
	Intergovernmental Charges		230,837,115		12.37%
		<u>\$ 1,865,437,664</u>	<u>\$ 1,865,437,664</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

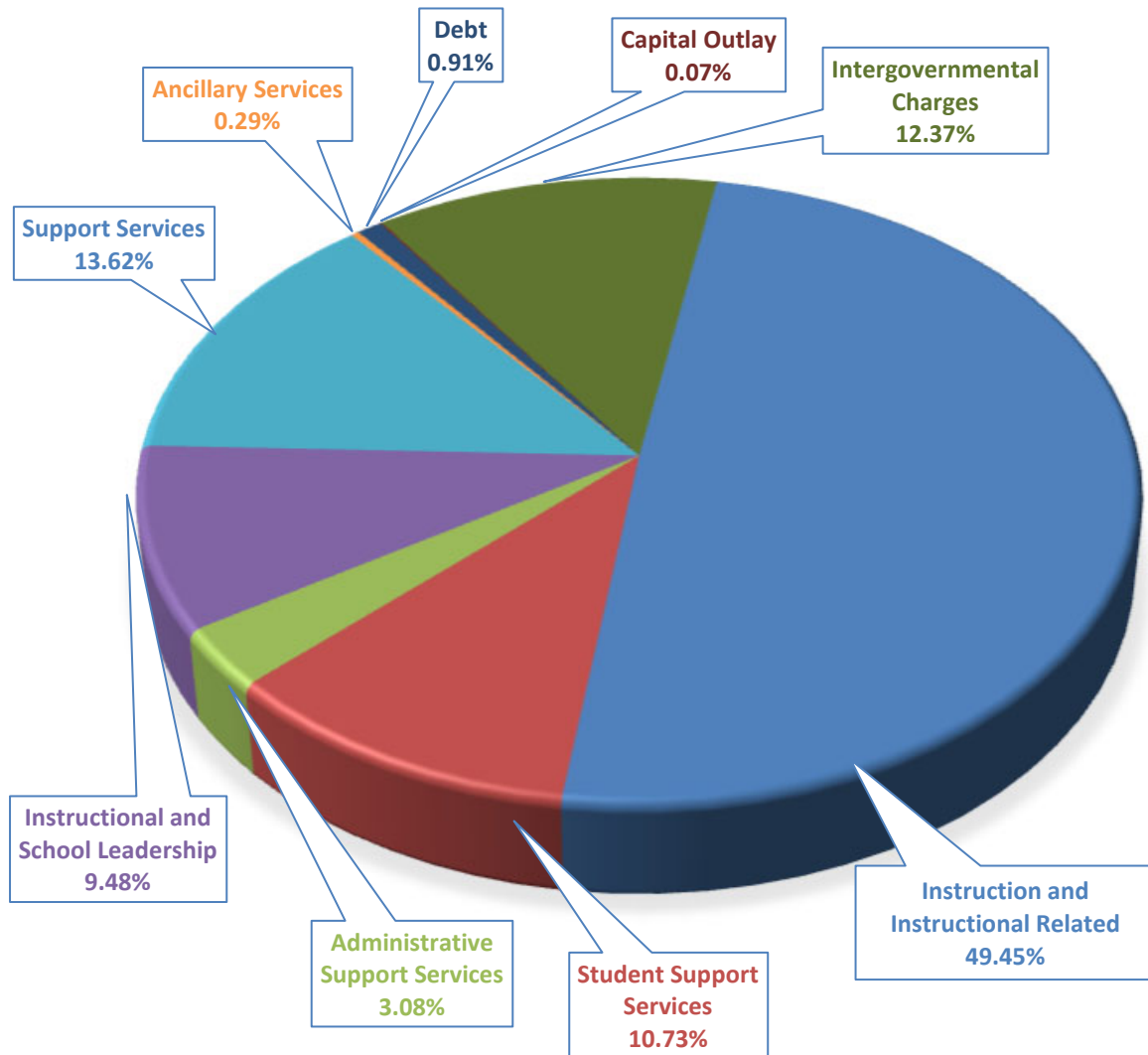
Dallas Independent School District

S-26 (cont'd)

General Operating Expenditures by Group (Unaudited)

Functional Analysis

Instruction and Instructional Related	49.45%
Student Support Services	10.73%
Administrative Support Services	3.08%
Instructional and School Leadership	9.48%
Support Services	13.62%
Ancillary Services	0.29%
Debt	0.91%
Capital Outlay	0.07%
Intergovernmental Charges	12.37%
	<u>100.00%</u>



Dallas Independent School District

S-26 (cont'd)

General Operating Expenditures Campus and Non-Campus (Unaudited)

Function 11	47.42%
Function 12	0.69%
Function 23	6.54%
Function 31	3.53%
Function 32	0.07%
Function 33	1.14%
Function 34	3.56%
Function 35	0.01%
Function 36	2.42%
	<u>65.38%</u>

Function 13	1.34%
Function 21	2.94%
Function 41	3.08%
Function 51	10.21%
Function 52	1.50%
Function 53	1.91%
Function 61	0.29%
Function 71	0.91%
Function 81	0.07%
Function 99/Other	12.37%
	<u>34.62%</u>

Campus	65.38%
Campus Support	34.62%
	<u>100.00%</u>

Curriculum & Staff
Development - 13

School Leadership - 21

Gen. Admin.- 41

Maint. & Operations - 51

Security & Monitoring - 52

Data Processing - 53

Community Srv.- 61

Debt Principal - 71

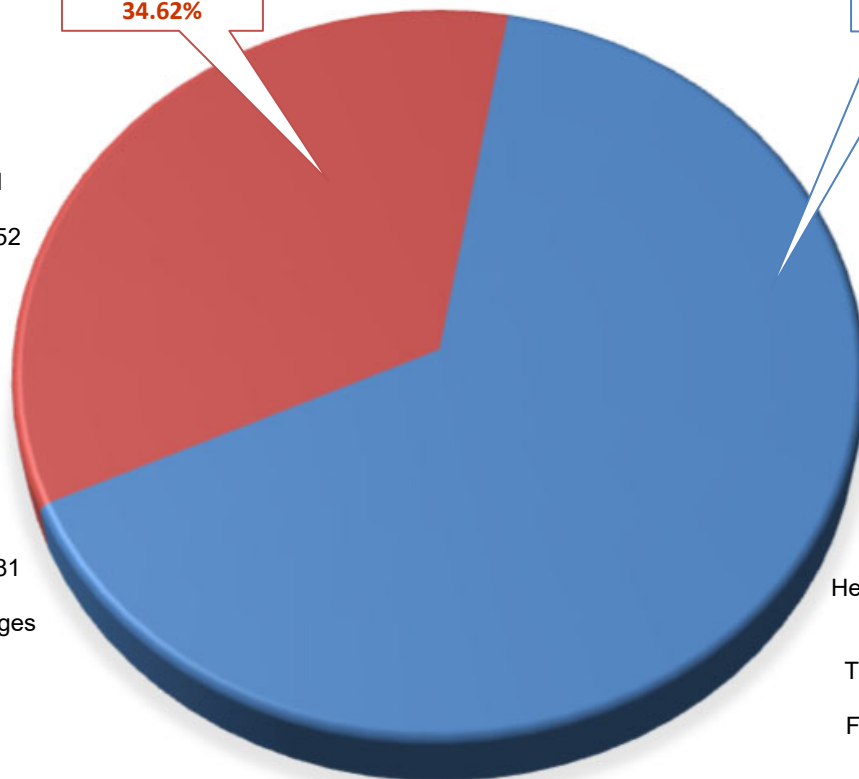
Debt Interest - 72

Bond Fees - 73

Facility Acqui.& Const. - 81

Intergovernmental Charges
- 91, 95, 97, 99, 00

**Campus Support
34.62%**



**Campus
65.38%**

Instruction--11

Instructional
Resources
& Media--12

School
Leadership--23

Counseling &
Evaluation--31

Social Work--32

Health Services--33

Student
Transportation--34

Food Services--35

Cocurricular &
Extracurricular--36

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, 2023, 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, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing 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, 2023

**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, 2023. 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, 2023.

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, 2023

**Dallas Independent School District
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2023**

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			
U.S. DEPARTMENT OF DEFENSE			
Direct Program			
JROTC	12.357	N/A	2,545,741
TOTAL U.S. DEPARTMENT OF DEFENSE			2,545,741
U.S. DEPARTMENT OF EDUCATION			
Direct Programs			
Title VII - Indian Educational Formula Grant	84.060A	S060A210194	12
Title VII - Indian Educational Formula Grant	84.060A	S060A220194	129,344
Total Direct Programs			129,356
Passed Through Texas Education Agency			
ESSA, Title I, Part A, and Focused Support Cluster	84.010A	22610101057905	999,405
ESSA, Title I, Part A, and Focused Support Cluster	84.010A	23610101057905	63,402,483
School Action Fund	84.010A	21610152711005	1,496
Total Title I, Part A, Focus Support Cluster			64,403,384
IDEA - Part B Formula	84.027A	226600010579056600	18,413
IDEA - Part B Formula	84.027A	236600010579056600	27,295,024
IDEA - Part B Formula-ARP	84.027A	225350010579055350	901,625
IDEA - Part B Formula-ARP	84.027A	225350020579055350	3,784,048
SSA - IDEA - Part B Discretionary - Deaf	84.027A	236600110579056673	316,455
IDEA - Part B High Cost	84.027A	66002106	252,352
Total Assistance Listing Number 84.027A			32,567,917
IDEA - Part B Preschool	84.173A	226610010579056610	4,972
IDEA - Part B Preschool	84.173A	236610010579056610	326,125
IDEA-B Preschool-ARP	84.173A	225360010579055360	45,731
IDEA-B Preschool-ARP	84.173A	225360020579055360	316,769
Total Assistance Listing Number 84.173A			693,597
Total Special Education Cluster (IDEA)			33,261,514
IDEA-C Early Intervention (Deaf)	84.181A	233911010579053911	6,903
Total Assistance Listing Number 84.181A			6,903
Strengthening Career and Technical Education for the 21st Century (Perkins V)	84.048A	22420006057905	(88,352)
Strengthening Career and Technical Education for the 21st Century (Perkins V)	84.048A	23420006057905	1,402,216
Total Assistance Listing Number 84.048A			1,313,864
Title III, Part A - English Language Acquisition	84.365A	22671001057905	147,464
Title III, Part A - English Language Acquisition	84.365A	23671001057905	8,162,557
Title III, Part A - Immigrant	84.365A	22671003057905	10,939
Title III, Part A - Immigrant	84.365A	23671003057905	1,364,394
Total Assistance Listing Number 84.365A			9,685,354
ESSA, Title II, Part A, Supporting Effective Instruction	84.367A	22694501057905	454,380
ESSA, Title II, Part A, Supporting Effective Instruction	84.367A	23694501057905	6,620,536
Principal Residency Grant	84.367A	216945677110004	(12,583)
Principal Residency Grant	84.367A	226945677110001	338,699
Title II, Educator Assessments	84.367A	69451971	2,124
Total Assistance Listing Number 84.367A			7,403,156
Title IV, Part A, Subpart 1	84.424A	22680101057905	498,898
Title IV, Part A, Subpart 1	84.424A	23680101057905	3,029,977
Total Assistance Listing Number 84.424A			3,528,875
Covid-19 School Health Support Grant, Cycle 3	93.323	22393503057905	5,578,120
Total Assistance Listing Number 93.323			5,578,120
Texas Education for Homeless Children and Youth	84.196A	224600057110036	89,691
Texas Education for Homeless Children and Youth	84.196A	234600057110019	297,719
Total Assistance Listing Number 84.196A			387,410

COVID-19 ESSER Grant	84.425D	20521001057905	164,609
COVID-19 CRRSA ESSER II	84.425D	21521001057905	124,592,278
Total Assistance Listing Number 84.425D			<u>124,756,887</u>
ARP ESSER III	84.425U	21528001057905	169,515,679
Total Assistance Listing Number 84.425U			<u>169,515,679</u>
ARP Homeless I-TEHCY Supplemental	84.425W	215330017110019	315,816
ARP Homeless II	84.425W	21533002057905	93,743
Total Assistance Listing Number 84.425W			<u>409,559</u>
Total Passed through Texas Education Agency			<u>420,250,704</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>420,380,060</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Health and Human Services Commissior			
Medicaid Administrative Claiming Program - MAC Cluster	93.778	529-07-0157-00269	1,402,370
HIPPY - Texas Home Visiting	93.870	24486013	53,719
HIPPY - Texas Home Visiting	93.870	24486013	230,540
Total Assistance Listing Number 93.870			<u>284,259</u>
Total Passed through Health and Human Services Commission			<u>1,686,629</u>
Passed Through United States Conference of Catholic Bishops/Migration and Refugee Services			
Refugee School Impact Program	93.566	2202TXRSSS	239,753
Total Passed through United States Conference of Catholic Bishops/Migration and Refugee Services			<u>239,753</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>1,926,382</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Texas Department of Agriculture			
National School Lunch Program - Non-Cash Commodities	10.555	NT4XL1YGLGC5	19,567,233
National School Lunch Program - Non-Cash Commodities	10.555	NT4XL1YGLGC5	58,309,767
National School Lunch Program - Non-Cash Commodities	10.555	NT4XL1YGLGC5	9,085,596
Summer Food Program - SSO	10.555	NT4XL1YGLGC5	922,478
Emergency Operational Cost Reimbursement Program	10.555	NT4XL1YGLGC5	5,370,188
Total Assistance Listing Number 10.555			<u>93,255,262</u>
Fresh Fruit and Vegetable Program	10.582	NT4XL1YGLGC5	1,038,642
Total Assistance Listing Number 10.582			<u>1,038,642</u>
Total Child Nutrition Cluster			<u>94,293,904</u>
Child and Adult Care Food Program	10.558	NT4XL1YGLGC5	5,618,164
Total CFDA Number 10.558			<u>5,618,164</u>
Total Passed through Texas Department of Agriculture			<u>99,912,068</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>99,912,068</u>
FEDERAL COMMUNICATION COMMISSION			
Direct Program			
Emergency Connectivity Fund	32.009	N/A	17,707,198
TOTAL FEDERAL COMMUNICATION COMMISSION			<u>17,707,198</u>
FEDERAL EMERGENCY MANAGEMENT AGENCY			
Passed Through Texas Division of Emergency Management			
Texas Winter Storm - Districtwide Category B	97.036	F#504 / 181429	900,000
Texas Winter Storm - Districtwide Category Z - State Management Costs	97.036	F#598 / 672150	50,000
Total Passed through Texas Division of Emergency Management			<u>950,000</u>
TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY			<u>950,000</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 543,421,448</u>

All amounts include indirect cost allocation.

DALLAS INDEPENDENT SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED June 30, 2023

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 Performance 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, 2023, 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 also includes indirect costs in the amount of \$24,900,448.

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	\$ 497,145,397
Indirect cost reimbursement	24,900,448
JROTC (Fund 199)	2,545,741
Medicaid (Fund 180)	172,664
FEMA (Fund 199)	950,000
ECF (Fund 199)	17,707,198
Total expenditures of federal awards	<u>\$ 543,421,448</u>

Dallas Independent School District

Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

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 ARP ESSER III	84.425U
COVID-19 ARP HOMELESS I-TEHCY SUPPLEMENTAL	84.425W
COVID-19 ARP HOMELESS II	84.425W
Title IV, Part A	
Special Education Cluster	84.027A/84.173A
COVID-19 School Health Support Grant	93.323
Child Nutrition Cluster	10.555/10.582

- 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, 2023

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, 2023

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

None