

*ANNUAL COMPREHENSIVE FINANCIAL REPORT*

**SEGUIN  
INDEPENDENT SCHOOL DISTRICT**

**For the Year Ended  
June 30, 2022**

Officials Issuing Report:

Dr. Matthew Gutierrez  
Superintendent of Schools

Tony Hillberg  
Chief Financial Officer

Seguin, Texas

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

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## ***INTRODUCTORY SECTION***

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# SEGUIN

Independent School District

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November 14, 2022

Cinde Thomas-Jimenez, President Board of Trustee Members  
Seguin Independent School District  
1221 E. Kingsbury St.  
Seguin, Texas 78155

Dear Ms. Thomas-Jimenez and Members of the Board:

The Annual Comprehensive Financial Report (ACFR) of the Seguin Independent School District (The District) for the year ended June 30, 2022 is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. (In our opinion, the data, as presented, is accurate in all material aspects; is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the Districts financial affairs have been included in this ACFR.

The ACFR is presented in four sections: (1) introductory, (2) financial, (3) statistical, and (4) federal awards. The introductory section includes the transmittal letter, a listing of the District's principal officials and advisors, and an organization chart of the District. The financial section includes Managements Discussion and Analysis (MD&A), basic financial statements, combining and individual fund statements and schedules, and required Texas Education Agency schedules, as well as the independent auditors' report on the financial statements. The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the 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 statistical section consists of unaudited tables which reflect both financial and demographic information. This data is for the purpose of presenting social and economic information, financial trends and fiscal capacity of the District, and is generally presented on a multi-year basis. The federal awards section includes the single audit reports prepared in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

#### THE REPORTING ENTITY AND ITS SERVICES

This report includes all funds of the District and includes all activities considered by the State of Texas to be part of the K-12 public school system. Seguin ISD is an independent school district incorporated as a political subdivision of the State of Texas.

A seven-member board governs the District in accordance with state statutes and regulations. Members of the Board serve staggered four-year terms without compensation and are elected from single-member districts. The Board of Trustees operates as a policy making body, delegates management to the Superintendent, determines District goals, and evaluates policies in terms of effectiveness in attaining those goals. The Superintendent and the administrative staff execute the policies of the Board, assume responsibility for the operation of the District, make recommendations to the Board in matters of policy and professional personnel, prepare the budget, and report to the Board on matters related to the progress of the District in attaining the goals set by the Board.

The District provides a comprehensive range of school programs and services, as contemplated by state statute, and for 2021-2022 had an enrollment of 7,366 students (average daily attendance was 6,585 based on full time enrollments) in grades pre-kindergarten through 12. The District had 13 campuses, including one pre-kindergarten campus, seven elementary schools (grades K-5); two middle schools (grades 6-8); one traditional 5-A high school (grades 9-12); one non-traditional high school learning center (grades 9-12); and one disciplinary alternative campus (grades 2-12).

The ethnicity of the District's student population is 70.11% Hispanic, 23.58% White, 4.5% African-American, .3% Asian, .2% Native American/Pacific Islander and 1.2% two or more. Additionally, 71% of students are Economically Disadvantaged.

In addition to regular classroom instruction, the District offers a wide array of programs to meet the needs of its students, including Bilingual/English as a Second Language (ESL) education, special education and career technical education (CTE). Other special programs for accelerated and enriched education include Title I services and gifted and talented instruction. A wide variety of electives in fine arts, athletics, foreign language, physical education, and technology supplement the basic programs.

Accrual of college credit is available to students at Seguin High School through several avenues. Classes, which prepare students for the College Board Advanced Placement Exams, are taught for many subjects. In partnership with the Alamo Colleges, dual credit courses are taught on the high school campus during the school day. Concurrent enrollment is provided to qualifying students through a partnership with Texas Lutheran University (TLU) where students take classes on the college campus.

The District's Early College High School designation from the Texas Education Agency has been in place for seven years. The comprehensive program allows all qualifying freshmen to enroll in the Seguin Early College High School in partnership with Alamo Colleges - St. Philip's College. The students will continue in the program through graduation and have the opportunity to earn up to an Associate degree in conjunction with a high school diploma at no cost to the students or their families.

Seguin ISD's vision is that technology must be authentically integrated to create a relevant, rigorous and engaging learning culture for students and teachers. Technology is integrated into the curriculum at every grade level (pre K-12). At each campus, students enjoy access to computers in the classroom and various laboratory settings including multimedia carts and mobile labs. Laptops and other mobile devices are a part of the core K-8 classrooms along with library media centers. Students can learn Mac, PC, and Chrome platforms, use numerous software programs, and have access to a variety of other career and skill oriented technologies. Seguin High School offers advanced technology courses such as computer science, multimedia, web mastery, information technology and security assurance, computer maintenance, and principles of information technology. Instruction is also offered in robotics, digital media, programming, computer science, business information systems, web technologies, and construction. All schools have filtered internet access and automated library systems. Technology helps students individualize learning, address deficiencies, and earn credit via special software and lab settings. The integration of technology into the curriculum is a critical component of a 21<sup>st</sup> century education.

Community/school partnerships help to emphasize the importance of high school academic expectations. A variety of civic organizations, including RSVP Volunteers, student groups from TLU, Communities in Schools, and parent volunteers provide mentoring, reading, and tutoring services in the schools. The District partners with the community through the Seguin Education Foundation, a 501(c)(3) not-for-profit foundation, founded for the sole purpose of benefiting students and staff. The foundation is governed by a board of directors composed of volunteers from a cross-section of the community. Since 2004, the Seguin Education Foundation has provided nearly 335 grants totaling more than \$725,000. Approximately \$50,000 was awarded in the 2021-2022 academic year. The Foundation funds creative, teacher-initiated projects that enhance instruction and enrich learning.

Seguin ISD is one of the largest employers in the community. The District reported total staff of 1185 with 482 teachers, 159 professional support, 43 campus administrators and 10 central administration staff members. Support staff includes 130 educational aides, 100 clerical/technical and 261 auxiliary staff.

Facilities and campuses in the Seguin ISD range in age with the oldest being more than 100 years old and the newest being four years old.

In 2019, Seguin ISD voters approved a \$64.7 million bond package with 1,569 (66.23%) votes for and 799 (33.73%) against. The projects, with a maximum tax increase of \$0.05 per \$100 home valuation, include various campus and stadium rebuilds and improvements, playgrounds and land purchase. A community Bond Oversight Committee is in place to oversee these projects.

#### ECONOMIC CONDITION AND OUTLOOK

Seguin Independent School District is located in Guadalupe County and includes the City of Seguin, which is the county seat and principal commercial center. The City of Seguin is experiencing growth in all the business sectors. With a population of 30,000 and strategically located 35 miles east of San Antonio, 50 miles south of Austin, and 160 miles west of Houston, Seguin provides a business climate close to several metropolitan areas without big city challenges. Boasting an abundant and reliable supply of water and electricity, Seguin stands out as an excellent commercial site with a friendly and welcoming residential community as well as one of the highest per-capita concentrations of manufacturing jobs. Toll-road SH-130, which opened in fall 2012, provides an alternate route to the 1-35 gridlock and diverts commuter traffic from 1-35 just north of Austin to 1-10 at Seguin.

Growth in the manufacturing and business sector continues to be robust.

New housing and planned subdivisions are on the rise within Seguin ISD. Included in this unprecedented growth is Greenspoint, a 299-acre master planned community that will add over 400 homes according to estimates from the City of Seguin.

Seguin also is home to Texas Lutheran University, a nationally recognized school, and the nearby Central Texas Technology Center.

#### FINANCIAL INFORMATION

District Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are 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 that:

(1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit- As a recipient of state and federal financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District. As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2022 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

#### ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The School District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board on governmental accounting in its current Codification of Government Accounting and Financial Reporting Standards, and subsequent statements and interpretations. The District's accounting records for general governmental operations are maintained on a modified accrual basis as prescribed by the TEA Financial Accountability System Resource Guide.

In developing and evaluating the District's accounting system, consideration is given to the adequacy of internal accounting structure. The internal accounting structure is designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. All internal control evaluations occur within the above framework. We believe that the District's internal accounting structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

Budgetary control is initiated at the onset when the Board of Trustees adopts the annual appropriated budget. To ensure budgetary compliance, the TEA and the District have established spending regulations and policies. For all administrators with line item or program responsibility, TEA regulations set the level of budgetary control at the major functional expenditure level. Budgetary control is more restrictive at the District level where administrators are held responsible for maintaining and managing their budgets at the detail line item level. All revisions at the function level are approved by the Board of Trustees.

#### CASH MANAGEMENT

The District has a cash management program to maximize the use of the District's cash resources. The cash management policy of the District is to ensure the availability of cash to meet operational needs and to invest surplus cash in a manner to preserve and protect capital but also provide adequate liquidity and earn a market rate of return. Surplus cash on hand was either deposited in the District's depository bank or invested in one of four local government investment pools pursuant to the Inter-local Cooperation Act of 1989. Deposits with the depository bank were in accounts secured at the balance sheet date by FDIC coverage. The deposits were deemed collateralized under Texas Law and the TEA.

The District complies with the School Depository Act by executing a depository agreement with a banking institution for a period of two fiscal years plus two optional two-year extensions. Local banks in the immediate surrounding area are given preference. Competitive proposals are taken with state law setting the general terms of the request for proposal.

#### ACKNOWLEDGEMENTS

We respectfully acknowledge the responsible and sincere involvement of the school board, administrators, principals, program directors and coordinators in the financial affairs of the District.

Special appreciation is also expressed to members of the business office staff for their assistance and effort in maintaining the financial records of the District. Individual recognition is directed to Sally Eckhart, Christina Garcia, Jennifer Raske Martinez, Maureen Ivey, Marie Rodriguez, Abby Catoe, Marsha Long, Teri Salinas, and Perla Romero for their combined efforts in maintaining the accounting records and assisting in preparing the various financial reports at year-end. Additional recognition is directed to

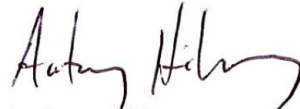
Superintendent Dr. Matthew Gutierrez, Deputy Superintendent/Chief Innovation Officer Mark Cantu, Chief Communications Officer Sean Hoffmann, Chief Student Services Officer Nikki Bittings, Chief Human Resources Officer Cindy Moreno, Chief Technology Officer Stephen Gonzalez, and Deputy Chief of Innovation and Learning Andrea Jaramillo for assistance in completing the year-end reports.

Seguin Independent School District publicly solicits the active involvement of all citizens and school district personnel in its financial affairs. Our financial records are available for public inspection and discussion at any reasonable time.

Respectfully submitted,



Dr. Matthew Gutierrez  
Superintendent of Schools



Anthony Hillberg  
Chief Financial Officer

CERTIFICATE OF BOARD

Seguin Independent School District  
Name of School District

Guadalupe  
County

094-901  
Co. Dist. Number

We, the undersigned, clarify that the attached annual financial reports of the above named school district were reviewed and (check one)  approved  disapproved for the year ended June 30, 2022, at a meeting of the Board of Trustees of such school district on the 15<sup>th</sup> day of November, 2023.

Glenda B Moreno  
Signature of Board Secretary

C. Thomas Jureny  
Signature of Board President

If the Board of Trustees disapproved of the auditors' report, the reason(s) for disapproving it is (are):

(attach list as necessary)

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## *Principal Officials and Advisors*

### Board of Trustees

Trustee	Office	Completed Years of Service	Term Expires November	Occupation
Cinde Thomas-Jimenez	President	6	2024	Environmental Education Administrator
Carl Jenkins	Vice President	6	2024	Registered Nurse
Glenda Moreno	Secretary	4	2022	Retired Director of Religious Education
Alejandro Guerra	Trustee	4	2022	Senior Chemist
Linda Duncan	Trustee	4	2022	Radio Personality
Denise Crettenden	Trustee	4	2022	Parent Teacher Connection President
Benito Amador	Trustee	6	2024	USAF Veteran/Property Manager

### Administrative Officials

Official	Position	Years of Service	
		Total	District
Dr. Matthew Gutierrez	Superintendent	20	5
Mark Cantu	Deputy Superintendent/Chief Innovation Officer	16	4
Anthony Hillberg	Chief Financial Officer	24	24
Nikki Elaine Bittings	Chief Student Services Officer	25	25
Cindy Moreno	Chief Human Resources Officer	20	20
Sean Hoffmann	Chief Communications Officer	23	11
Steve Gonzalez	Chief Technology Officer	10	3
Andrea Jaramillo	Deputy Chief of Innovation and Learning	17	5

### Consultants and Advisors

#### Belt Harris Pechacek, LLLP

Independent Auditors

3210 Bingle Rd, Suite 300 • Houston, Texas 77055

#### McCall, Parkhurst & Horton LLP

Bond Counsel

600 Travis, Suite 4200 • San Antonio, Texas 78205

#### Specialized Public Finance Inc.

Financial Advisor

10010 San Pedro Ave., Suite 301 • San Antonio, Texas 78216

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## Organizational Chart

**Vision**  
Exceptional students to exceptional citizens.

**Mission**  
To cultivate, inspire and empower students to grow and learn.

# SEGUIN

## INDEPENDENT SCHOOL DISTRICT

### ORGANIZATIONAL CHART

### BOARD OF TRUSTEES



**ATHLETIC DIRECTOR**

**TONY HILLERS**  
CHIEF FINANCIAL OFFICER

**FINANCES AND BUDGET**

**INTERNAL REVIEW**

**PURCHASING/ EXPENDITURES**

**DIRECTOR CHILD NUTRITION**

**EMPLOYEE PAYROLL & BENEFITS**

**BILL LEWIS**  
CHIEF OPERATING OFFICER / ASSOCIATE SUPERINTENDENT

**NIKKI E. MITTENS**  
DEPUTY CHIEF OF SCHOOL CLIMATE & TRANSPORTATION

**TRANSPORTATION**

**HEALTH SERVICES**

**HEALTHY MOBILE POPULATION**

**TRANSPORTATION**

**MARK CARTU**  
CHIEF INNOVATION OFFICER

**DIRECTOR FINE ARTS**

**DIRECTOR INTEGRATED SYSTEMS**

**DIRECTOR FACILITIES & MAINTENANCE**

**PAUL BRUNTON**  
MANAGEMENT MANAGER (SCHOOL CLIMATE)

**ADULT ED. CAMPUS SUPPORT**

**PRINCIPALS**

**DIRECTOR DIGITAL LEARNING**

**ANDEA JARA-MILLO**  
DEPUTY CHIEF OF INNOVATION AND LEARNING

**DIRECTOR SPECIAL ED**

**DIRECTOR ACCOUNTABILITY**

**DIRECTOR OF TEXAS A&E**

**DIANE ASHMOLE**  
DEPUTY CHIEF OF COMMUNICATIONS OFFICER

**DEPARTMENT OF COMMUNICATIONS SPECIALIST**

**DEPARTMENT OF HUMAN RESOURCES**

**DEPARTMENT OF COMMUNITY PLACEMENT**

**DEPARTMENT OF CTE**

**DEPARTMENT OF ECHA**

**DEPARTMENT OF TEXAS A&E**





# SEGUIN INDEPENDENT SCHOOL DISTRICT

*GFOA Award*



Government Finance Officers Association

## Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Seguin Independent School District  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

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## ***INDEPENDENT AUDITORS' REPORT***

To the Board of Trustees of  
Seguin Independent School District:

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Seguin Independent School District (the "District"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditors' 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.

### **Change in Accounting Principle**

As described in the notes the financial statements, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*, in fiscal year 2022. Our opinion is not modified with respect to this matter.

### **Responsibility of Management for the Financial Statements**

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.

### **Auditors' Responsibility 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards 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, schedules of the District's proportionate share of the net pension and other postemployment liability, and schedules of contributions, identified as Required Supplementary Information on the table of contents, 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 accompanying combining statements and schedules 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*, are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, and the schedule of required response to selected school first indicators, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 14, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
November 14, 2022

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***MANAGEMENT'S DISCUSSION  
AND ANALYSIS***

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### For the Year Ended June 30, 2022

As the management of Seguin Independent School District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the notes to the basic financial statements and the financial statements themselves to enhance their understanding of the District's financial condition.

#### FINANCIAL HIGHLIGHTS

- The District's total combined net position at June 30, 2022 was a deficit of \$2,535,928.
- For the fiscal year ended June 30, 2022, the District's general fund reported a total fund balance of \$36,570,830, of which \$262,840 is nonspendable for inventories and prepaid items, and \$35,839,125 is unassigned.
- At the end of the fiscal year, the District's governmental funds (the general fund plus all state and federal grant funds, the debt service fund, and the capital projects fund) reported combined ending fund balances of \$70,249,018.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

The annual report consists of three parts – *Management's Discussion and Analysis* (this section), the *Basic Financial Statements*, and *Required Supplementary Information*. The basic statements include two kinds of statements that present different views of the District.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in more detail than the government-wide statements.
- The *governmental funds* statements tell how *general government* services were financed in the *short-term*, as well as what remains for future spending.
- The *proprietary fund* statements provide information related to the District's business-type activities and internal service funds.
- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the fiduciary resources belong. This fund is related to student activity.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The notes to the financial statements are followed by a section entitled *Required Supplementary Information* that further explains and supports the information in the financial statements.

# **SEGUIN INDEPENDENT SCHOOL DISTRICT**

## ***MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued***

**For the Year Ended June 30, 2022**

### **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide statements report information about the District as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the District as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the District's financial statements, report information on the District's activities that enable the reader to understand the financial condition of the District. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of the District's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Other nonfinancial factors, such as changes in the District's tax base, staffing patterns, enrollment, and attendance, need to be considered in order to assess the overall health of the District.

The Statement of Activities presents information showing how the District's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows – the accrual method rather than modified accrual that is used in the fund level statements.

The government-wide financial statements include governmental activities and business-type activities. Governmental activities distinguish functions of the District that are principally supported by taxes, intergovernmental revenues, and user fees and charges. The governmental activities of the District include the education of District students and the programs necessary to support such education. Business-type activities include the rental of a portion of the central administration building and the related costs of maintaining the building.

The government-wide financial statements can be found after the MD&A.

### **FUND FINANCIAL STATEMENTS**

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

- Some funds are required by State law and other funds are mandated by bond agreements or bond covenants.
- The Board of Trustees (the "Board") establishes other funds to control and manage money set aside for particular purposes or to show that the District is properly using certain taxes and grants.
- Other funds are used to account for assets held by the District in a custodial capacity – these assets do not belong to the District, but the District is responsible to properly account for them.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

For the Year Ended June 30, 2022

The District has the following kinds of funds:

- *Governmental Funds* – Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Proprietary funds* – The District maintains two proprietary fund types: Enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for workers' compensation self-insurance claims and fees, and the District's parenting center. The internal service funds are included within *governmental activities* in the government-wide financial statements.
- *Fiduciary funds* – The District serves as the trustee, or fiduciary, for certain funds such as student activity funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its governmental operations.

### FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's combined net position was a deficit of \$2,535,928 at June 30, 2022. Table 1 focuses on net position while Table 2 shows the revenues and expenses that changed the net position balance during the fiscal year ended June 30, 2022. Current assets and liabilities both experienced decreases in the current year. The decrease in current assets was primarily attributed to the use of funds for District capital projects. The decrease in current liabilities was primarily related to decreases in unearned revenues due to timing of various items. The decrease in long-term liabilities was primarily related to the District paying down debt, as well as decreases in the net pension and OPEB liabilities. The District reported an increase of \$9,647,480 in net position from the prior year. This increase is primarily related to increases in state aid that is not restricted for specific programs, as well as an increase in property tax revenue due to increases in property valuations across the District.

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For the Year Ended June 30, 2022**

**Table 1**

Description	Governmental Activities		Business-Type Activities		Total Activities		Total Change
	2022	2021	2022	2021	2022	2021	2022-2021
Current assets	\$ 87,938,648	\$ 102,339,623	\$ 1,475,226	\$ 307,231	\$ 89,413,874	\$ 102,646,854	\$ (13,232,980)
Capital assets	156,601,179	146,571,671	-	-	156,601,179	146,571,671	10,029,508
<b>Total Assets</b>	<b>244,539,827</b>	<b>248,911,294</b>	<b>1,475,226</b>	<b>307,231</b>	<b>246,015,053</b>	<b>249,218,525</b>	<b>(3,203,472)</b>
Deferred charge on refunding	7,846,662	8,415,732	-	-	7,846,662	8,415,732	(569,070)
Deferred outflows - pensions	5,397,607	7,111,195	-	-	5,397,607	7,111,195	(1,713,588)
Deferred outflows - OPEB	4,762,917	3,968,939	-	-	4,762,917	3,968,939	793,978
<b>Total Deferred Outflows of Resources</b>	<b>18,007,186</b>	<b>19,495,866</b>	<b>-</b>	<b>-</b>	<b>18,007,186</b>	<b>19,495,866</b>	<b>(1,488,680)</b>
Current liabilities	14,519,649	24,326,023	237	200	14,519,886	24,326,223	(9,806,337)
Long-term liabilities	221,661,850	234,252,860	-	-	221,661,850	234,252,860	(12,591,010)
<b>Total Liabilities</b>	<b>236,181,499</b>	<b>258,578,883</b>	<b>237</b>	<b>200</b>	<b>236,181,736</b>	<b>258,579,083</b>	<b>(22,397,347)</b>
Deferred inflows - pensions	12,573,770	5,700,101	-	-	12,573,770	5,700,101	6,873,669
Deferred inflows - OPEB	16,606,691	16,618,615	-	-	16,606,691	16,618,615	(11,924)
Deferred inflows - leases	-	-	1,195,970	-	1,195,970	-	1,195,970
<b>Total Deferred Inflows of Resources</b>	<b>29,180,461</b>	<b>22,318,716</b>	<b>1,195,970</b>	<b>-</b>	<b>30,376,431</b>	<b>22,318,716</b>	<b>8,057,715</b>
<b>Net Position:</b>							
Net investment in capital assets	(7,358,260)	(14,219)	-	-	(7,358,260)	(14,219)	(7,344,041)
Restricted	13,744,332	12,251,287	-	-	13,744,332	12,251,287	1,493,045
Unrestricted	(9,201,019)	(24,727,507)	279,019	307,031	(8,922,000)	(24,420,476)	15,498,476
<b>Total Net Position</b>	<b>\$ (2,814,947)</b>	<b>\$ (12,490,439)</b>	<b>\$ 279,019</b>	<b>\$ 307,031</b>	<b>\$ (2,535,928)</b>	<b>\$ (12,183,408)</b>	<b>\$ 9,647,480</b>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

### For the Year Ended June 30, 2022

**Table 2**  
**Changes in Net Position**

	Governmental		Business-Type		Total		Total
	Activities		Activities		Total		Change
	2022	2021	2022	2021	2014	2013	2022-2021
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 765,626	\$ 593,216	\$ 111,261	\$ 81,900	\$ 876,887	\$ 675,116	\$ 172,410
Operating grants and contributions	19,151,180	19,754,988	-	-	19,151,180	19,754,988	(603,808)
General revenues:							
Property taxes	52,850,735	49,915,055	-	-	52,850,735	49,915,055	2,935,680
Grants and contributions not restricted for specific programs	28,992,532	24,312,952	-	-	28,992,532	24,312,952	4,679,580
Investment earnings	207,840	113,934	626	333	208,466	114,267	93,906
Other revenue	1,120,045	346,147	-	-	1,120,045	346,147	773,898
Gain on sale of capital asset	395,722	-	-	-	395,722	-	395,722
<b>Total Revenue</b>	<b>103,483,680</b>	<b>95,036,292</b>	<b>111,887</b>	<b>82,233</b>	<b>103,595,567</b>	<b>95,118,525</b>	<b>8,447,388</b>
<b>Expenses:</b>							
Instruction	44,425,652	48,542,174	-	-	44,425,652	48,542,174	(4,116,522)
Instructional resources and media services	1,089,460	1,293,176	-	-	1,089,460	1,293,176	(203,716)
Curriculum/instructional staff development	1,375,359	1,459,999	-	-	1,375,359	1,459,999	(84,640)
Instructional leadership	3,012,039	2,125,871	-	-	3,012,039	2,125,871	886,168
School leadership	5,753,037	5,619,070	-	-	5,753,037	5,619,070	133,967
Guidance, counseling, and evaluation services	3,361,732	3,622,541	-	-	3,361,732	3,622,541	(260,809)
Social work services	1,561,147	1,411,331	-	-	1,561,147	1,411,331	149,816
Health services	764,480	849,189	-	-	764,480	849,189	(84,709)
Student (pupil) transportation	3,869,195	3,206,406	-	-	3,869,195	3,206,406	662,789
Food services	5,083,061	4,340,584	-	-	5,083,061	4,340,584	742,477
Extracurricular activities	2,620,049	2,291,447	-	-	2,620,049	2,291,447	328,602
General administration	2,706,062	2,198,534	-	-	2,706,062	2,198,534	507,528
Plant maintenance and operations	8,167,918	8,400,481	-	-	8,167,918	8,400,481	(232,563)
Security and monitoring services	664,403	1,327,427	-	-	664,403	1,327,427	(663,024)
Data processing services	2,564,948	1,843,929	-	-	2,564,948	1,843,929	721,019
Community services	142,938	100,672	-	-	142,938	100,672	42,266
Debt service - interest	5,769,693	3,429,283	-	-	5,769,693	3,429,283	2,340,410
Bond issuance costs and fees	11,500	827,528	-	-	11,500	827,528	(816,028)
Payments to fiscal agent/member districts of SSA	231,277	248,054	-	-	231,277	248,054	(16,777)
Other intergovernmental charges	634,239	610,683	139,899	168,164	774,138	778,847	23,556
<b>Total Expenses</b>	<b>93,808,188</b>	<b>93,748,379</b>	<b>139,899</b>	<b>168,164</b>	<b>93,948,087</b>	<b>93,916,543</b>	<b>59,809</b>
<b>Change in Net Position</b>	<b>9,675,492</b>	<b>1,287,913</b>	<b>(28,012)</b>	<b>(85,931)</b>	<b>9,647,480</b>	<b>1,201,982</b>	<b>8,387,579</b>
Beginning net position	(12,490,439)	(13,778,352)	307,031	392,962	(12,183,408)	(13,385,390)	1,287,913
<b>Ending Net Position</b>	<b>\$ (2,814,947)</b>	<b>\$ (12,490,439)</b>	<b>\$ 279,019</b>	<b>\$ 307,031</b>	<b>\$ (2,535,928)</b>	<b>\$ (12,183,408)</b>	<b>\$ 9,675,492</b>

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At the close of the fiscal year ending June 30, 2022, the District's governmental funds reported a combined fund balance of \$70,249,018. This compares to a combined fund balance of \$83,599,321 at June 30, 2021.

The general fund fund balance at the end of the fiscal year was \$36,570,830, which represented an increase of \$4,880,884 from the prior year. This increase was primarily due to an increase in property tax revenue received by the District due to higher property valuations in the current year.

The debt service fund fund balance at the end of the fiscal year was \$12,761,789, which represented an increase of \$771,807 from the prior year. This increase was primarily due to property tax revenue exceeding the required debt service payments for the current year.

The capital projects fund fund balance at the end of the fiscal year was \$18,265,183, which represented a decrease of \$20,230,432 from the prior year. This decrease was primarily due to the continuing use of bond proceeds for ongoing projects throughout the District.

# **SEGUIN INDEPENDENT SCHOOL DISTRICT**

## ***MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued***

### **For the Year Ended June 30, 2022**

The Educational Stabilization Fund – ESSER II and III funds ended the year with no fund balance. These funds are used to account for the District's grant activity related to these federal programs, which function on a reimbursement basis. The total revenue and corresponding expenditures in fiscal year 2022 was \$11,127,899.

#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

In accordance with State law and generally accepted accounting standards, the District prepares an annual budget for the general fund, the food service special revenue fund, and the debt service fund. Special revenue funds have budgets approved by the funding agency and are amended throughout the year as required.

During the period ended June 30, 2022, the District amended its budget as required by State law and to reflect current levels of revenue and anticipated expenses. The general fund's budgeted revenues exceeded actual revenues by \$822,638 primarily due to less property tax revenue and less state aid revenue received than anticipated. Budgeted expenditures exceeded actual expenditures by \$7,198,484 primarily due to positive variances in function 11 as a result of less personnel expenses than anticipated.

#### **CAPITAL ASSETS**

Capital assets are generally defined as those items that have useful lives of two years or more and have an initial cost or value (if donated) of an amount determined by the Board. During the fiscal year ended June 30, 2022, the District used a capitalization threshold of \$5,000, which means that all capital type assets, including library books, with a cost or initial value of less than \$5,000 were not included in the capital assets inventory.

At June 30, 2022, the District had a total of \$156,601,179 invested in capital assets (net of accumulated depreciation) such as land, land improvements, buildings and building improvements, furniture and equipment, and construction in progress. This total includes \$19,457,441 invested during the fiscal year ended June 30, 2022. The majority of additions in the current year were related to continuing construction in progress on Briesemeister Middle School.

More detailed information about the District's capital assets can be found in the notes to the financial statements.

#### **LONG-TERM DEBT**

At year end, the District had \$170,964,809 in general obligation bonds outstanding versus \$181,034,809 last year. There was a net reduction in general obligation bonds for the year as the District paid \$1,445,000 to fully defease the Series 2013 bonds.

More detailed information about the District's long-term liabilities is presented in the notes to the financial statements.

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The District's budgeted expenditures for the 2022-2023 school year total \$87,928,559 and the District's Board of Trustees adopted an M & O tax rate of \$.8646 and an I & S rate of \$.3850 for a combined rate of \$1.2496.

#### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's business office at 1221 E. Kingsbury Street, Seguin, Texas 78155.

***BASIC FINANCIAL STATEMENTS***

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF NET POSITION - EXHIBIT A-1

June 30, 2022

<u>Data Control Codes</u>	<u>1 Governmental Activities</u>	<u>2 Business-Type Activities</u>	<u>3 Total</u>
<b><u>Assets</u></b>			
1110	\$ 71,412,539	\$ 279,256	\$ 71,691,795
1220	2,349,678	-	2,349,678
1240	13,788,541	-	13,788,541
1267	132	-	132
1290	63,779	1,195,970	1,259,749
1300	315,105	-	315,105
1410	8,874	-	8,874
	87,938,648	1,475,226	89,413,874
Capital assets:			
1510	3,713,413	-	3,713,413
1520	124,041,822	-	124,041,822
1530	4,325,164	-	4,325,164
1580	24,520,780	-	24,520,780
	156,601,179	-	156,601,179
1000	<b>Total Assets</b>	1,475,226	246,015,053
<b><u>Deferred Outflows of Resources</u></b>			
1700	7,846,662	-	7,846,662
1705	5,397,607	-	5,397,607
1710	4,762,917	-	4,762,917
1700	<b>Total Deferred Outflows of Resources</b>	-	18,007,186
<b><u>Liabilities</u></b>			
2110	3,768,887	237	3,769,124
2140	2,137,538	-	2,137,538
2165	7,801,975	-	7,801,975
2177	13,906	-	13,906
2180	13,771	-	13,771
2190	412,817	-	412,817
2300	370,755	-	370,755
	14,519,649	237	14,519,886
Noncurrent liabilities:			
2501	8,050,000	-	8,050,000
2502	213,611,850	-	213,611,850
2000	<b>Total Liabilities</b>	237	236,181,736
<b><u>Deferred Inflows of Resources</u></b>			
2605	12,573,770	-	12,573,770
2610	16,606,691	-	16,606,691
2615	-	1,195,970	1,195,970
2600	<b>Total Deferred Inflows of Resources</b>	1,195,970	30,376,431
<b><u>Net Position</u></b>			
3200	(7,358,260)	-	(7,358,260)
Restricted for:			
3850	10,624,251	-	10,624,251
3890	3,120,081	-	3,120,081
3900	(9,201,019)	279,019	(8,922,000)
3000	<b>Total Net Position</b>	\$ 279,019	\$ (2,535,928)

See Notes to Financial Statements.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF ACTIVITIES - EXHIBIT B-1

For the Year Ended June 30, 2022

Data Control Codes	Functions/Programs	1 Expenses	Program Revenues		Net (Expense)
			3 Charges for Services	4 Operating Grants and Contributions	6 Primary Gov. Governmental Activities
<b>Governmental Activities</b>					
11	Instruction	\$ 44,425,652	\$ 285	\$ 6,548,810	\$ (37,876,557)
12	Instructional resources and media services	1,089,460	62,707	7,200	(1,019,553)
13	Curriculum/instructional staff development	1,375,359	-	860,723	(514,636)
21	Instructional leadership	3,012,039	-	646,304	(2,365,735)
23	School leadership	5,753,037	-	1,632,236	(4,120,801)
31	Guidance, counseling, and evaluation services	3,361,732	-	1,261,691	(2,100,041)
32	Social work services	1,561,147	3,071	858,965	(699,111)
33	Health services	764,480	350	29,817	(734,313)
34	Student (pupil) transportation	3,869,195	-	(23,613)	(3,892,808)
35	Food services	5,083,061	309,299	4,674,918	(98,844)
36	Extracurricular activities	2,620,049	389,914	(302)	(2,230,437)
41	General administration	2,706,062	-	(20,446)	(2,726,508)
51	Plant maintenance and operations	8,167,918	-	1,732,279	(6,435,639)
52	Security and monitoring services	664,403	-	202,302	(462,101)
53	Data processing services	2,564,948	-	152,004	(2,412,944)
61	Community services	142,938	-	104,317	(38,621)
72	Debt service - interest	5,769,693	-	252,698	(5,516,995)
73	Bond issuance costs and fees	11,500	-	-	(11,500)
93	Payments to fiscal agent/member districts of SSA	231,277	-	231,277	-
99	Other intergovernmental charges	634,239	-	-	(634,239)
	<b>Total Governmental Activities</b>	<u>\$ 93,808,188</u>	<u>\$ 765,626</u>	<u>\$ 19,151,180</u>	<u>(73,891,382)</u>
<b>Business-type Activities</b>					
	Oak Park Mall	\$ 139,899	111,261	-	-
	<b>Total Business-Type Activities</b>	<u>\$ 139,899</u>	<u>\$ 111,261</u>	<u>\$ -</u>	<u>-</u>
<b>General Revenues</b>					
MT	Property taxes, levied for general purposes				37,052,374
DT	Property taxes, levied for debt service				15,798,361
GC	Grants and contributions not restricted for specific programs				28,992,532
IE	Investment earnings				207,840
MI	Miscellaneous local and intermediate revenue				1,120,045
GA	Gain on sale of capital asset				395,722
TR	<b>Total General Revenues</b>				<u>83,566,874</u>
CN	<b>Change in Net Position</b>				9,675,492
NB	Beginning net position				<u>(12,490,439)</u>
NE	<b>Ending Net Position</b>				<u>\$ (2,814,947)</u>

See Notes to Financial Statements.

**Revenue and  
Changes in Net  
Position**

<u>7</u>	<u>8</u>
<u>Primary Gov. Business-Type Activities</u>	<u>Primary Gov. Total</u>
\$ -	\$ (37,876,557)
-	(1,019,553)
-	(514,636)
-	(2,365,735)
-	(4,120,801)
-	(2,100,041)
-	(699,111)
-	(734,313)
-	(3,892,808)
-	(98,844)
-	(2,230,437)
-	(2,726,508)
-	(6,435,639)
-	(462,101)
-	(2,412,944)
-	(38,621)
-	(5,516,995)
-	(11,500)
-	-
-	(634,239)
-	(73,891,382)
<u>(28,638)</u>	<u>(28,638)</u>
<u>(28,638)</u>	<u>(28,638)</u>
-	37,052,374
-	15,798,361
-	28,992,532
626	208,466
-	1,120,045
-	395,722
<u>626</u>	<u>83,567,500</u>
<u>(28,012)</u>	<u>9,647,480</u>
<u>307,031</u>	<u>(12,183,408)</u>
<u>\$ 279,019</u>	<u>\$ (2,535,928)</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## BALANCE SHEET

### GOVERNMENTAL FUNDS - EXHIBIT C-1

June 30, 2022

<u>Data Control Codes</u>	<u>199</u>	<u>599</u>	<u>699</u>	<u>281</u>
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Education Stabilization Fund ESSER II</u>
<b>Assets:</b>				
1110	\$ 31,091,158	\$ 12,747,542	\$ 21,282,661	-
1220	1,750,378	599,300	-	-
1240	5,608,927	14,247	-	2,566,062
1260	7,613,741	-	-	-
1290	63,779	-	-	-
1300	253,966	-	-	-
1410	8,874	-	-	-
1000	<b>Total Assets</b>	<b>Total Assets</b>	<b>Total Assets</b>	<b>Total Assets</b>
	<u>\$ 46,390,823</u>	<u>\$ 13,361,089</u>	<u>\$ 21,282,661</u>	<u>2,566,062</u>
<b>Liabilities:</b>				
2110	\$ 461,182	\$ -	\$ 2,970,525	32,814
2150	912,874	-	-	-
2160	5,583,824	-	-	-
2170	899,755	-	46,953	2,533,248
2180	13,771	-	-	-
2190	-	-	-	-
2300	198,208	-	-	-
2000	<b>Total Liabilities</b>	<b>Total Liabilities</b>	<b>Total Liabilities</b>	<b>Total Liabilities</b>
	<u>8,069,614</u>	<u>-</u>	<u>3,017,478</u>	<u>2,566,062</u>
<b>Deferred Inflows of Resources:</b>				
2600	1,750,379	599,300	-	-
2600	<b>Total Deferred Inflows of Resources</b>	<b>Total Deferred Inflows of Resources</b>	<b>Total Deferred Inflows of Resources</b>	<b>Total Deferred Inflows of Resources</b>
	<u>1,750,379</u>	<u>599,300</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
3410	253,966	-	-	-
3430	8,874	-	-	-
3450	468,865	-	-	-
3470	-	-	18,265,183	-
3470	-	-	-	-
3480	-	12,761,789	-	-
3600	35,839,125	-	-	-
3000	<b>Total Fund Balances</b>	<b>Total Fund Balances</b>	<b>Total Fund Balances</b>	<b>Total Fund Balances</b>
	<u>36,570,830</u>	<u>12,761,789</u>	<u>18,265,183</u>	<u>-</u>
4000	<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>
	<u>\$ 46,390,823</u>	<u>\$ 13,361,089</u>	<u>\$ 21,282,661</u>	<u>2,566,062</u>

See Notes to Financial Statements.

<b>282</b>		<b>98</b>
<b>Education</b>		<b>Total</b>
<b>Stabilization Fund</b>	<b>Nonmajor</b>	<b>Governmental</b>
<b>ESSER III</b>	<b>Funds</b>	<b>Funds</b>
\$ -	\$ 2,780,208	\$ 67,901,569
-	-	2,349,678
3,972,438	1,626,867	13,788,541
-	885,848	8,499,589
-	-	63,779
-	61,139	315,105
-	-	8,874
<u>\$ 3,972,438</u>	<u>\$ 5,354,062</u>	<u>\$ 92,927,135</u>
\$ 223,219	\$ 81,147	\$ 3,768,887
-	-	912,874
-	765,136	6,348,960
3,749,219	1,271,199	8,500,374
-	-	13,771
-	412,817	412,817
-	172,547	370,755
<u>3,972,438</u>	<u>2,702,846</u>	<u>20,328,438</u>
-	-	2,349,679
-	-	2,349,679
-	-	253,966
-	-	8,874
-	2,651,216	3,120,081
-	-	18,265,183
-	-	12,761,789
-	-	35,839,125
<u>-</u>	<u>2,651,216</u>	<u>70,249,018</u>
<u>\$ 3,972,438</u>	<u>\$ 5,354,062</u>	<u>\$ 92,927,135</u>

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION - EXHIBIT C-1R**  
**June 30, 2022**

Total fund balances for governmental funds \$ 70,249,018

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.

Capital assets - nondepreciable	28,234,193	
Capital assets - depreciable, net	128,366,986	156,601,179

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	2,349,678
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The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position	2,957,841
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Some liabilities, including bonds payable and the net pension and net other postemployment liability (OPEB) are not reported as liabilities in the governmental funds.

Accrued interest	(2,137,538)	
Deferred outflows - pensions	5,397,607	
Deferred inflows - pensions	(12,573,770)	
Deferred outflows - OPEB	4,762,917	
Deferred inflows - OPEB	(16,606,691)	
Deferred charges on refunding	7,846,662	
Noncurrent liabilities due in one year	(8,050,000)	
Noncurrent liabilities due in more than one year	(213,611,850)	(234,972,663)

<b>Net Position of Governmental Activities</b>	<b>\$ (2,814,947)</b>
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See Notes to Financial Statements.

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS - EXHIBIT C-2**

For the Year Ended June 30, 2022

Data Control Codes	199 General	599 Debt Service	699 Capital Projects	281 Education Stabilization Fund ESSER II
<b>Revenues</b>				
5700 Local and intermediate sources	\$ 37,426,707	\$ 15,832,660	\$ 75,463	\$ -
5800 State program revenues	26,697,899	252,698	-	-
5900 Federal program revenues	2,294,633	-	-	3,939,973
5020 <b>Total Revenues</b>	<u>66,419,239</u>	<u>16,085,358</u>	<u>75,463</u>	<u>3,939,973</u>
<b>Expenditures</b>				
0011 Instruction	35,016,590	-	140,060	3,466,316
0012 Instructional resources & media services	931,209	-	-	4,925
0013 Curriculum and instructional staff development	403,302	-	-	104,243
0021 Instructional leadership	2,112,130	-	-	43,676
0023 School leadership	3,688,494	-	-	58,440
0031 Guidance, counseling, and evaluation services	1,926,584	-	-	18,900
0032 Social work services	547,838	-	-	7,920
0033 Health services	751,780	-	-	6,627
0034 Student transportation	3,145,094	-	-	32,370
0035 Food service	-	-	-	28,631
0036 Extracurricular activities	2,010,176	-	-	2,355
0041 General administration	2,497,416	-	-	91,232
0051 Plant maintenance and operations	5,470,177	-	110,810	40,141
0052 Security and monitoring services	411,962	-	-	4,418
0053 Data processing services	2,043,129	-	136,056	29,448
0061 Community services	24,634	-	-	331
Debt service:				
0071 Principal on long-term debt	665,000	9,405,000	-	-
0072 Interest on long-term debt	-	5,897,051	-	-
0073 Issuance costs and fees	-	11,500	-	-
Capital outlay:				
0081 Facilities acquisition and construction	158,840	-	19,918,969	-
Intergovernmental:				
0093 Payment related to shared service arrangements	-	-	-	-
0099 Other intergovernmental charges	634,239	-	-	-
6030 <b>Total Expenditures</b>	<u>62,438,594</u>	<u>15,313,551</u>	<u>20,305,895</u>	<u>3,939,973</u>
1100 <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>3,980,645</u>	<u>771,807</u>	<u>(20,230,432)</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
7912 Sale of capital assets	900,239	-	-	-
7080 <b>Total Other Financing Sources</b>	<u>900,239</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 <b>Net Change in Fund Balances</b>	4,880,884	771,807	(20,230,432)	-
0100 Beginning fund balances	31,689,946	11,989,982	38,495,615	-
3000 <b>Ending Fund Balances</b>	<u>\$ 36,570,830</u>	<u>\$ 12,761,789</u>	<u>\$ 18,265,183</u>	<u>\$ -</u>



<b>282</b>		<b>98</b>
<b>Education</b>		<b>Total</b>
<b>Stabilization Fund</b>	<b>Nonmajor</b>	<b>Governmental</b>
<b>ESSER III</b>	<b>Funds</b>	<b>Funds</b>
\$ -	\$ 850,965	\$ 54,185,795
-	825,520	27,776,117
7,187,926	12,428,446	25,850,978
<u>7,187,926</u>	<u>14,104,931</u>	<u>107,812,890</u>
2,266,801	3,860,946	44,750,713
2,245	62,737	1,001,116
141,008	669,042	1,317,595
311,634	385,850	2,853,290
1,195,511	679,022	5,621,467
858,351	741,880	3,545,715
106,509	751,251	1,413,518
21,165	2,375	781,947
10,890	29,103	3,217,457
-	4,851,897	4,880,528
87,633	394,365	2,494,529
-	4,000	2,592,648
1,859,063	20,951	7,501,142
143,331	88,793	648,504
183,785	-	2,392,418
-	104,004	128,969
-	-	10,070,000
-	-	5,897,051
-	-	11,500
-	-	20,077,809
-	231,277	231,277
-	-	634,239
<u>7,187,926</u>	<u>12,877,493</u>	<u>122,063,432</u>
<u>-</u>	<u>1,227,438</u>	<u>(14,250,542)</u>
-	-	900,239
-	-	900,239
-	1,227,438	(13,350,303)
-	1,423,778	83,599,321
<u>\$ -</u>	<u>\$ 2,651,216</u>	<u>\$ 70,249,018</u>

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES - EXHIBIT C-3**

**For the Year Ended June 30, 2022**

Net change in fund balances - total governmental funds \$ (13,350,303)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Depreciation	(9,241,640)
Capital outlay	19,457,441
Disposal of assets, net	(186,293)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (2,761)

The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when it is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities.

Principal repayments	10,070,000
Accrued interest	127,976
Accreted interest	(101,835)
Amortization of loss on refunding	(569,070)
Amortization of premiums	670,287

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in net pension liability	10,100,048
Deferred outflows - pensions	(1,319,373)
Deferred inflows - pensions	(7,267,884)
Change in net OPEB liability	477,510
Deferred outflows - OPEB	793,978
Deferred inflows - OPEB	11,924
Net on-behalf contributions adjustment - revenues	1,628,212
Net on-behalf contributions adjustment - expenses	(1,628,212)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. 5,487

Some revenues/expenditures reported in the governmental funds are not recognized as revenues/expenditures in the Statement of Activities

Fund level on-behalf adjustment - revenues	(4,727,658)
Fund level on-behalf adjustment - expenditures	4,727,658

<b>Change in Net Position of Governmental Activities</b>	<b>\$ 9,675,492</b>
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See Notes to Financial Statements.

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF NET POSITION PROPRIETARY FUNDS - EXHIBIT D-1

June 30, 2022

<b>Data Control Codes</b>		<b>Business-Type Activities</b>	<b>Governmental Activities</b>		<b>Total Internal Service Funds</b>
			<b>Internal Service Funds</b>		
			<b>Enterprise</b>	<b>Workers' Compensation</b>	
	<b><u>Assets</u></b>				
	Current assets:				
1110	Cash and cash equivalents	\$ 279,256	\$ 3,510,970	\$ -	\$ 3,510,970
1290	Other receivable	1,195,970	-	-	-
	<b>Total Current Assets</b>	<u>1,475,226</u>	<u>3,510,970</u>	<u>-</u>	<u>3,510,970</u>
	Noncurrent assets:				
	Capital assets:				
1520	Buildings and equipment, net	-	-	25,549	25,549
	<b>Total Noncurrent Assets</b>	<u>-</u>	<u>-</u>	<u>25,549</u>	<u>25,549</u>
1000	<b>Total Assets</b>	<u>1,475,226</u>	<u>3,510,970</u>	<u>25,549</u>	<u>3,536,519</u>
	<b><u>Liabilities</u></b>				
	Current liabilities:				
2110	Accounts payable	237	-	-	-
2170	Due to other funds	-	50	12,938	12,988
2200	Accrued expenses	-	540,141	-	540,141
2000	<b>Total Liabilities</b>	<u>237</u>	<u>540,191</u>	<u>12,938</u>	<u>553,129</u>
	<b><u>Deferred Inflows of Resources</u></b>				
2615	Deferred Inflows - Leases	1,195,970	-	-	-
	<b>Total Deferred Inflows of Resources</b>	<u>1,195,970</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b><u>Net Position</u></b>				
3200	Net investment in capital assets	-	-	25,549	25,549
3900	Unrestricted	279,019	2,970,779	(12,938)	2,957,841
3000	<b>Total Net Position</b>	<u>\$ 279,019</u>	<u>\$ 2,970,779</u>	<u>\$ 12,611</u>	<u>\$ 2,983,390</u>

See Notes to Financial Statements.

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS - EXHIBIT D-2**  
For the Year Ended June 30, 2022

<u>Data Control Codes</u>		<u>Business-Type Activities</u>	<u>Governmental Activities</u>		<u>Total Internal Service Funds</u>
			<u>Internal Service Funds</u>		
			<u>Enterprise</u>	<u>Workers' Compensation</u>	
	<b><u>Operating Revenues</u></b>				
5700	Charges for services	\$ 111,261	\$ 554,558	\$ 164	554,722
5020	<b>Total Operating Revenues</b>	<u>111,261</u>	<u>554,558</u>	<u>164</u>	<u>554,722</u>
	<b><u>Operating Expenses</u></b>				
6100	Payroll costs	55,051	357,336	-	357,336
6200	Professional and contracted services	76,610	130,199	-	130,199
6300	Supplies and materials	5,673	-	-	-
6400	Other operating costs	2,565	71,385	-	71,385
6440	Depreciation	-	-	2,850	2,850
6030	<b>Total Operating Expenses</b>	<u>139,899</u>	<u>558,920</u>	<u>2,850</u>	<u>561,770</u>
	<b>Operating (Loss)</b>	<u>(28,638)</u>	<u>(4,362)</u>	<u>(2,686)</u>	<u>(7,048)</u>
	<b><u>Nonoperating Revenues</u></b>				
7020	Earnings on investments	626	9,685	-	9,685
8030	<b>Total Nonoperating Revenues</b>	<u>626</u>	<u>9,685</u>	<u>-</u>	<u>9,685</u>
1300	<b>Change in Net Position</b>	(28,012)	5,323	(2,686)	2,637
0100	Beginning net position	307,031	2,965,456	15,297	2,980,753
3300	<b>Ending Net Position</b>	<u>\$ 279,019</u>	<u>\$ 2,970,779</u>	<u>12,611</u>	<u>2,983,390</u>

See Notes to Financial Statements.

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF CASH FLOWS

### PROPRIETARY FUNDS - EXHIBIT D-3

For the Year Ended June 30, 2022

	Business-Type Activities	Governmental Activities		Total Internal Service Funds
		Internal Service Funds		
		Enterprise	Workers' Compensation	
<b><u>Cash Flows from Operating Activities</u></b>				
Cash received from user charges	\$ 111,261	\$ 554,558	\$ -	554,558
Cash payments for insurance claims	-	(558,915)	-	(558,915)
Cash payments for other operating expenses	(139,899)	-	-	-
<b>Net Cash (Used) by Operating Activities</b>	<b>(28,638)</b>	<b>(4,357)</b>	<b>-</b>	<b>(4,357)</b>
<b><u>Cash Flows from Investing Activities</u></b>				
Proceeds from earnings on investments	626	9,685	-	9,685
<b>Net Cash Provided by Investing Activities</b>	<b>626</b>	<b>9,685</b>	<b>-</b>	<b>9,685</b>
<b>(Decrease)Increase in Cash &amp; Cash Equivalents</b>	(28,012)	5,328	-	5,328
Beginning cash and cash equivalents	307,268	3,505,642	-	3,505,642
<b>Ending Cash and Cash Equivalents</b>	<b>\$ 279,256</b>	<b>\$ 3,510,970</b>	<b>\$ -</b>	<b>3,510,970</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating loss	\$ (28,638)	\$ (4,362)	\$ (2,686)	(7,048)
<b>Effect of increases and (decreases) in current assets and liabilities:</b>				
Depreciation	-	-	2,850	2,850
(Decrease) in accounts payable	-	-	(164)	(164)
Increase in due to other funds	-	5	-	5
<b>Net Cash (Used) by Operating Activities</b>	<b>\$ (28,638)</b>	<b>\$ (4,357)</b>	<b>\$ -</b>	<b>(4,357)</b>

See Notes to Financial Statements.

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF FIDUCIARY NET POSITION

### FIDUCIARY FUND - EXHIBIT E-1

June 30, 2022

	<u>Custodial Fund</u>
<b><u>Assets</u></b>	
Cash and cash equivalents	\$ 183,426
Due from other funds	13,906
<b>Total Assets</b>	<u>197,332</u>
<b><u>Liabilities</u></b>	
Account payable	14,026
Due to other funds	132
Due to student groups	183,174
<b>Total Liabilities</b>	<u>197,332</u>

See Notes to Financial Statements.

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

### FIDUCIARY FUND - EXHIBIT E-2

For the Year Ended June 30, 2022

	<u>Custodial Fund</u>
<b><u>Additions</u></b>	
Contributions	\$ 323,623
<b>Total Additions</b>	<u>323,623</u>
<b><u>Deductions</u></b>	
Professional and contracted services	43,634
Supplies and materials	191,553
Other expenses	88,436
<b>Total Deductions</b>	<u>323,623</u>
<b>Change in Net Position</b>	-
Beginning net position	<u>-</u>
<b>Ending Net Position</b>	<u><u>\$ -</u></u>

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2022

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

Seguin Independent School District (the “District”) is a public educational agency operating under the applicable laws and regulations of the State of Texas (the “State”). It is governed by a seven-member Board of Trustees (the “Board”) elected by registered voters of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and it complies with the requirements of the appropriate version of Texas Education Agency’s (TEA) *Financial Accountability System Resource Guide* (the “Resource Guide”) and the requirements of contracts and grants of agencies from which it receives funds.

The District is an independent political subdivision of the State governed by a board elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations, and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the District’s financial reporting entity. No other entities have been included in the District’s reporting entity. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

#### B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately.

#### C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonable equivalent in value to the interfund services provided.

#### D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the District’s funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

The District reports the following governmental funds:

### **General Fund**

The general fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The general fund is always considered a major fund for reporting purposes.

### **Debt Service Fund**

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest on all long-term debt of the District. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

### **Capital Projects Fund**

The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets. The capital projects fund is considered a major fund for reporting purposes.

### **Special Revenue Funds**

The special revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes other than debt service or capital projects. The restricted proceeds of specific revenue sources comprise a substantial portion of the inflows of these special revenue funds. Most federal and some state financial assistance is accounted for in a special revenue fund. The Education Stabilization Funds, ESSER II and ESSER III are considered major funds for reporting purposes.

### **Proprietary Funds**

Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues include charges for services. Operating expenses include administrative, facilities maintenance and operations, and community service expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The proprietary fund types used by the District includes the following:

### **Internal Service Funds**

These funds are used to account for and report revenue and expenses related to services provided to parties inside the District on a cost-reimbursement basis. These funds account for the District's parenting center and workers' compensation risk management. Because the principal users of the internal service funds are the District's governmental activities, this fund type is included in the governmental activities column of the governmental-wide financial statements.



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

### Enterprise Funds

This fund type is used to account for the operations of the District's Oak Park Mall property. The principal operating revenues of the District's enterprise fund are charges for use of the Oak Park Mall.

### **Fiduciary Funds**

The fiduciary funds account for assets held by the District in a trustee capacity or resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

The District has the following type of fiduciary funds:

### Custodial Fund

The custodial fund reports resources, not in a trust, that are held by the District for other parties outside of the District. Custodial funds are accounted for using the accrual basis of accounting. This fund is used to account for activities of students groups.

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

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

### **E. Measurement Focus and Basis of Accounting**

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

The government-wide, proprietary fund, and fiduciary fund 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 imposed by the provider have been met.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

The 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, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

State and federal program revenues and interest income are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. No accrual for property taxes collected within 60 days of year end has been made as such amounts are deemed immaterial. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for the revenue source (within 60 days of year end). All other revenue items are considered measurable and available only when cash is received by the District.

### **F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

#### **1. Cash and Cash Equivalents**

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

#### **2. Investments**

Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Money market funds, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations and commercial paper that have a remaining maturity of one year or less upon acquisition, are reported at amortized cost. Investments in nonparticipating interest earning contracts, such as certificates of deposit, are reported at cost.

The District has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Governmental Code. In summary, the District is authorized to invest in the following:

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit and money market accounts
- Government investment pools and commercial paper

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

### 3. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred (i.e., the purchase method). Certain payments to vendors reflect costs applicable to the future accounting period (prepaid expenditures) are recognized as expenditures when utilized. Federal food commodities inventory is stated at fair value and at year end is recorded as unearned revenue. Revenue is recognized at fair value when commodities are distributed to the schools.

### 4. Capital Assets

Capital assets, which include land and land improvements, buildings and improvements, furniture and equipment, and construction in progress are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the government 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 or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings and improvements	30 years
Furniture and equipment	3-10 years

### 5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the District's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

At the fund level, the District has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

### 6. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payment of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable, available financial resources.

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with the interest earned in the debt service fund.

### 7. Compensated Absences

Twelve-month employees with less than ten years of service accrue 0.834 days of vacation each month between July 1 and June 30. Twelve-month employees with great than 10 years of service accrue 1.25 vacation days each month between July 1 and June 30. Employees may accrue up to a maximum of 35 vacation days. Earned vacation time shall be paid to an employee who voluntarily separates from employment.

A permanent employee who was employed by the District prior to September 1, 1994, who contributes to the Teacher Retirement System (TRS) through payroll deductions, who was employed by the District for the past ten consecutive years, and who retires from the District under the provisions of TRS shall be paid for all unused state and local sick leave accrued while employed by the District. The total paid days cannot exceed 90 and will be based on the employee; then current rate during the 2003-2004 year.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## *NOTES TO FINANCIAL STATEMENTS, Continued*

For the Year Ended June 30, 2022

In lieu of benefits provided in the preceding paragraph, an employee eligible for such benefits may opt to receive a lump sum equivalent to 70 percent of the eligible benefits made available by this policy in exchange for waiving all other benefits owed under this policy. The accrual for accumulated unpaid sick leave and vacation leave benefits has been recorded in the government-wide financial statements.

### **8. Leases**

The District is a lessor for several noncancellable leases of building and land space. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide 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 include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

The District uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

### **9. Net Position Flow Assumption**

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

### **10. Fund Balance Flow Assumptions**

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

# **SEGUIN INDEPENDENT SCHOOL DISTRICT**

## ***NOTES TO FINANCIAL STATEMENTS, Continued***

**For the Year Ended June 30, 2022**

### **11. Fund Balance Policies**

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted fund balance.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The District's Board is the highest level of decision-making authority for the District that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The District's Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

### **12. Estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### **13. Data Control Codes**

The data control codes refer to the account code structure prescribed by TEA in the Resource Guide. The TEA requires school districts to display these codes in the financial statements filed with the TEA in order to insure accuracy in building a statewide database for policy development and funding plans.

### **14. Pensions**

The fiduciary net position of 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

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### 15. Other Postemployment Benefits

The fiduciary net position of the TRS Texas Public School Retired Employees Group Insurance Program (“TRS-Care”) 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 OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and information about assets, liabilities, and additions to/deductions from TRS-Care’s fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

## G. Revenues and Expenditures/Expenses

### 1. Program Revenues

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

### 2. Property Taxes

All taxes due to the District on real or personal property are payable at the Office of the Tax Assessor-Collector and may be paid at any time after the tax rolls for the year have been completed and approved, which is no later than October 1. Taxes are due by January 31, and all taxes not paid prior to this date are deemed delinquent and are subject to such penalty and interest.

Property taxes attach as an enforceable lien on property as of January 1 each year. Taxes are levied on October 1 and are payable prior to the next February 1. District property tax revenues are recognized when collected.

## II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The District adopts annual appropriations type budgets for the general fund, national school breakfast and lunch program special revenue fund, and the debt service fund using the same method of accounting as for financial reporting, as required by law. The special revenue funds (primarily federal grant programs) utilize a managerial type budget. These grants are subject to Federal, State, and locally imposed project length budgets and monitoring through submission of reimbursement reports.

Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests which require an increase in total budgeted appropriations must be approved by the Board through a formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2022

The administrative level at which responsibility for control of budgeted appropriations begins at the organization level within each function of operations. The finance department reviews closely the expenditures requests submitted by the various organizational heads (principal and department heads) throughout the year to ensure proper spending compliance. No public funds of the District shall be expended in any manner other than as provided for in the budget adopted by the Board.

The official school budget was prepared for adoption for budgeted governmental fund types by July 1, 2021. The budget was formally adopted by the Board at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the TEA through inclusion in the annual financial and compliance report.

### III. DETAILED NOTES ON ALL FUNDS

#### A. Deposits and Investments

As of June 30, 2022, the District had the following investments:

<u>Investments</u>	<u>Amount</u>	<u>Weighted Average Maturity (Years)</u>	<u>Rating</u>
Texpool Investment Pool	\$ 3,192,343	0.24	AAAm
Lone Star Investment Pool	58,797,023	0.22	AAA
Texas CLASS Investment Pool	8,921,785	0.19	AAAm
LOGIC Investment Pool	424,779	0.09	AAAm
<b>Total Investments</b>	<u>\$ 71,335,930</u>	<u>0.19</u>	

*Interest rate risk.* In accordance with its investment policy, the District manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

*Credit risk.* The District's policy requires that investment pools must be rated no lower than 'AAA' or 'AAA-m'. Bankers' acceptances must be issued in the United States and carry a rating of 'A1'/'P1' as provided by two of the top nationally recognized rating agencies. As of June 30, 2022, the District's investments in investment pools were rated 'AAAm' or 'AAA' by Standard & Poor's.

*Custodial credit risk – deposits.* In the case of deposits, this is the risk that the District's deposits may not be returned in the event of a bank failure. The District's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of June 30, 2022, fair market values of pledged securities and FDIC coverage exceeded bank balances.

*Custodial credit risk – investments.* For an investment, this is the risk that the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party in the event of the failure of the counterparty. The District's investment policy requires that it will seek to safekeep securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, shall be conducted on a delivery versus payment basis or commercial book entry system as utilized by the Federal Reserve and shall be protected through the use of a third-party custody/safekeeping agent.



# **SEGUIN INDEPENDENT SCHOOL DISTRICT**

## ***NOTES TO FINANCIAL STATEMENTS, Continued***

**For the Year Ended June 30, 2022**

### **TexPool**

TexPool was established as a trust company with the Treasurer of the State as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rates TexPool 'AAAm'. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review.

TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, TexPool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool. TexPool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium, or national state of emergency that affects TexPool's liquidity.

### **Texas CLASS**

The Texas Cooperative Liquid Assets Securities System Trust – Texas (CLASS) is a public funds investment pool under Section 2256.016 of the Public Funds Investment Act, Texas Government Code, as amended. CLASS is created under an amended and restated trust agreement, dated as of December 14, 2011 (the "Agreement"), among certain Texas governmental entities investing in CLASS (the "Participants"), with Cutwater Investor Services Corporation as program administrator and Wells Fargo Bank Texas, NA as custodian. CLASS is not SEC registered and is not subject to regulation by the State. Under the Agreement, however, CLASS is administered and supervised by a seven-member board of trustees (the "Board"), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, CLASS has contracted with Cutwater Investors Service Corporation to provide for the investment and management of the public funds of CLASS. Separate financial statements for CLASS may be obtained from CLASS' website at [www.texasclass.com](http://www.texasclass.com).

### **Lone Star**

The Lone Star Investment Pool ("Lone Star") is a public funds investment pool created pursuant to the Interlocal Cooperation Act, Texas Government Code Chapter 791, and the Public Funds Investment Act, Texas Government Code, Chapter 2256. Lone Star is administered by First Public, a subsidiary of the Texas Association of School Boards, with Standish and American Beacon Advisors managing the investment and reinvestment of Lone Star's assets. State Street Bank provides custody and valuation services to Lone Star. All of the Board's eleven members are Lone Star participants by either being employees or elected officials of a participant. Lone Star has established an advisory board composed of both pool members and nonmembers. Lone Star is rated 'AAA' by Standard and

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

Poor's and operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The District is invested in the Government Overnight Fund of Lone Star which seeks to maintain a net asset value of one dollar. Lone Star has 3 different funds: Government Overnight, Corporate Overnight, and Corporate Overnight Plus. Government Overnight, Corporate Overnight, and Corporate Overnight Plus maintain a net asset value of one dollar.

### LOGIC

The Local Government Investments Cooperative (LOGIC) is an investment program for local governments within the State. LOGIC is governed by a board of trustees consisting of individuals from participating government entities. JP Morgan Investment Management, Inc. and First Southwest provide investment management services. Investments are subject to the strict requirements of the Public Funds Investment Act and LOGIC may invest in any of the securities authorized by statute. LOGIC must demonstrate compliance with Chapter 2256, Sections .016, .017, .018, and .019.

In accordance with Governmental Accounting Standards Board Statement No. 79, the external local government investment pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

### **B. Capital Assets**

A summary of changes in capital assets for governmental activities at year end is as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land and land improvements	\$ 4,023,768	\$ -	\$ (310,355)	\$ 3,713,413
Construction in progress	8,939,244	18,993,089	(3,411,553)	24,520,780
Total capital assets not being depreciated	<u>12,963,012</u>	<u>18,993,089</u>	<u>(3,721,908)</u>	<u>28,234,193</u>
Capital assets being depreciated:				
Buildings and improvements	215,006,335	3,540,273	(2,260,104)	216,286,504
Furniture and equipment	16,976,624	645,987	(445,775)	17,176,836
Total other capital assets	<u>231,982,959</u>	<u>4,186,260</u>	<u>(2,705,879)</u>	<u>233,463,340</u>
Less accumulated depreciation for:				
Buildings and improvements	(85,884,795)	(8,433,698)	2,073,811	(92,244,682)
Furniture and equipment	(12,489,505)	(807,942)	445,775	(12,851,672)
Total accumulated depreciation	<u>(98,374,300)</u>	<u>(9,241,640)</u>	<u>2,519,586</u>	<u>(105,096,354)</u>
Other capital assets, net	<u>133,608,659</u>	<u>(5,055,380)</u>	<u>(186,293)</u>	<u>128,366,986</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 146,571,671</u>	<u>\$ 13,937,709</u>	<u>\$ (3,908,201)</u>	<u>156,601,179</u>
			Less associated debt	(190,071,284)
			Plus unspent bond proceeds	18,265,183
			Plus deferred charge on refunding	<u>7,846,662</u>
			<b>Net Investment in Capital Assets</b>	<u>\$ (7,358,260)</u>

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended June 30, 2022**

Depreciation was charged to governmental functions as follows:

	<b>Governmental Activities</b>
11 Instruction	\$ 4,858,430
12 Instructional resources/media services	108,688
13 Curriculum and staff development	143,047
21 Instructional leadership	309,772
23 School leadership	610,303
31 Guidance, counseling, and evaluation services	384,946
32 Social work services	153,461
33 Health services	84,893
34 Student (pupil) transportation	349,308
35 Food services	529,862
36 Extracurricular activities	270,822
41 General administration	281,475
51 Facilities maintenance and operations	814,373
52 Security and monitoring services	68,523
53 Data processing services	259,737
61 Community services	14,002
<b>Total Depreciation Expense</b>	<b>\$ 9,241,640</b>

**C. Lease Receivable**

During the current fiscal year, the District implemented GASB Statement No. 87, – *Leases* (GASB 87), and captured the lease receivable and deferred inflow related to the lease of certain areas of the Oak Park Mall property for private use. The leases span from 20 to 30 years, and the District will receive monthly payments of \$5,328 for the leases. The District recognized \$63,000 in lease revenue during the current fiscal year related to these leases. As of June 30, 2022, the District’s receivable for lease payments was \$1,195,970. Also, the District has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$1,195,970.

**D. Long-Term Debt**

The following is a summary of changes in the District’s total governmental long-term liabilities for the year. In general, the District uses the debt service fund to liquidate governmental long-term liabilities. The liability the net pension and the net OPEB liability are liquidated by the general fund.

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental Activities:</b>					
Bonds payable:					
General obligation bonds	\$ 181,034,809	\$ -	\$ (10,070,000)	\$ 170,964,809	\$ 8,050,000
Bond premiums	12,462,428	-	(670,287)	11,792,141	-
	193,497,237	-	(10,740,287)	182,756,950 *	8,050,000
Other liabilities:					
Net pension liability	19,473,044	-	(10,100,048)	9,372,996	-
Net OPEB liability	22,695,080	-	(477,510)	22,217,570	-
Accreted interest	7,212,499	101,835	-	7,314,334 *	-
<b>Total Governmental Activities</b>	<b>\$ 242,877,860</b>	<b>\$ 101,835</b>	<b>\$ (21,317,845)</b>	<b>\$ 221,661,850</b>	<b>\$ 8,050,000</b>

**Long-term liabilities due in more than one year** \$ 213,611,850

**\*Debt associated with capital assets** \$ 190,071,284

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

Bonded debt payable as of June 30, 2022 is as follows:

Date of Issue	Description	Interest Rate Payable	Original Amounts Issued	Amounts Outstanding 06/30/21	Retired Current Year	Amounts Outstanding 06/30/22
2/10/2021	Unlimited Tax School Building Bonds Series 2021	2.00-5.00%	\$ 27,665,000	\$ 27,665,000	-	\$ 27,665,000
10/28/2020	Unlimited Tax Refunding Bonds Taxable Series 2020	1.40-4.00%	\$ 44,769,951	44,029,951	640,000	43,389,951
8/14/2019	Unlimited Tax School Building Bonds Series 2019	2.00-5.00%	\$ 31,656,000	29,790,000	470,000	29,320,000
6/8/2016	Unlimited Tax Refunding Bonds Series 2016A	2.00-5.00%	\$ 7,045,000	6,960,000	-	6,960,000
3/30/2016	Unlimited Tax Refunding Bonds Series 2016	2.00-5.00%	\$ 33,375,000	27,030,000	3,320,000	23,710,000
9/29/2015	Unlimited Tax School Building Bonds Series 2015	2.00-5.00%	\$ 37,065,000	33,310,000	800,000	32,510,000
4/9/2013	Unlimited Tax Refunding Bonds Taxable Series 2013	0.35-2.55%	\$ 10,135,000	2,855,000	2,855,000	-
7/22/2010	Unlimited Tax Refunding Bonds Series 2010	2.00-4.00%	\$ 9,725,000	2,045,000	1,320,000	725,000
10/12/2006	Unlimited Tax Refunding Bonds Series 2006	4.00%	\$ 8,894,858	9,858	-	9,858
<u>Maintenance Tax Notes</u>						
10/18/2016	Maintenance Tax Notes Taxable Series 2016Z (QZAB)	0.00%	\$ 10,000,000	7,340,000	665,000	6,675,000
<b>Totals</b>				<u>\$ 181,034,809</u>	<u>\$ 10,070,000</u>	<u>\$ 170,964,809</u>

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended June 30, 2022**

The annual requirements to amortize debt issues outstanding at year end were as follows:

<b>Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Requirements</b>
2023	\$ 8,050,000	\$ 5,559,529	\$ 13,609,529
2024	7,069,858	6,782,648	13,852,506
2025	7,335,000	4,919,982	12,254,982
2026	7,655,000	4,600,407	12,255,407
2027	6,473,425	5,788,231	12,261,656
2028-2032	32,266,526	23,243,875	55,510,401
2033-2037	32,515,000	13,033,498	45,548,498
2038-2042	31,850,000	8,473,838	40,323,838
2043-2047	29,175,000	3,389,644	32,564,644
2048-2051	8,575,000	466,600	9,041,600
	<u>\$ 170,964,809</u>	<u>\$ 76,258,252</u>	<u>\$ 247,223,061</u>

**E. Interfund Transactions**

Amounts recorded as due to/from are considered to be temporary loans and will be repaid during the following year.

<b>Due From</b>	<b>Due To</b>	<b>Amount</b>
General	Nonmajor governmental	\$ 885,849
General	Custodial	13,906
Nonmajor governmental	General	7,553,667
Capital projects	General	46,953
Internal service	General	12,988
Custodial	General	132
	<b>Total</b>	<u>\$ 8,513,495</u>

**IV. OTHER INFORMATION**

**A. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District purchases commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

Effective in fiscal year 1990, the District established a self-insurance plan for workers' compensation benefits for employees (the "Plan"). The District's retention of risk is \$1,000,000 per occurrence with an aggregate stop-loss limit of \$5,000,000. Claims incurred by the employees of the District are handled by a third-party administrator who is responsible for estimating losses to be incurred by the District and ultimately paid to the claimant.

Settled claims have not exceeded the aggregate coverage in any year the Plan has been in effect. Insurance coverage has not been reduced for the year from the prior year. Accrued claims payable of \$540,141 as of June 30, 2022 includes provisions for reported claims and claims incurred but not year reported is determined by estimating the amount that will ultimately be paid each claimant and is calculated and provided by the District's third-party administrator. Accrued claims payable have

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

not been discounted to their present value as the District expects such claims to be paid within the following fiscal year. The District believes that any discount of the claims payable would not be material to the overall financial statements.

Changes in the Plan claims liability amount for the fiscal year ended June 30, 2022 are as follows:

	<u>2022</u>	<u>2021</u>
Liability, beginning of year	\$ 540,141	\$ 544,859
Current year claims charges and estimates	146,047	167,255
Claim payments	<u>(146,047)</u>	<u>(171,973)</u>
<b>Liability, End of Year</b>	<u><u>\$ 540,141</u></u>	<u><u>\$ 540,141</u></u>

### **B. Contingent Liabilities**

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or not performed correctly, it could result in a substantial liability to the District. The District has engaged an arbitrage consultant to perform the calculations in accordance with IRS rules and regulations.

### **C. Litigation**

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

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

### D. Defined Benefit Pension Plan

#### Teacher Retirement System

##### Plan Description

The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by 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. TRS's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in the State 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 TRS.

##### Pension Plan Fiduciary Net Position

Detailed information about the TRS's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report that includes financial statements and Required Supplementary Information. That report may be obtained on the Internet at <https://www.trs.texas.gov/Pages/aboutpublications.aspx>, or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698.

##### 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 the State. 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 postemployment benefit changes; including automatic cost-of-living adjustments (COLAs). Ad hoc postemployment 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 TRS's actuary.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

### 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 TRS during the fiscal year.

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 12 of the 86<sup>th</sup> Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 through 2025.

<b>Contribution Rates</b>			
	<b>Public Education</b>		<b>Active</b>
<b>Fiscal Year</b>	<b>State</b>	<b>Employer</b>	<b>Employee</b>
2021	7.50%	1.60%	7.70%
2022	7.75%	1.70%	8.00%
2023	8.00%	1.80%	8.00%
2024	8.25%	1.90%	8.25%
2025	8.25%	2.00%	8.25%

### Contribution Rates

	<b>2021</b>	<b>2022</b>
Member	7.70%	8.00%
NECE (State)	7.50%	7.75%
Employers	7.50%	7.50%

	<b>Measurement Year (2021)</b>	<b>Fiscal Year (2022)</b>
Employer contributions	\$ 1,570,655	\$ 1,992,160
Member contributions	\$ 3,819,721	\$ 4,305,236
NECE on-behalf contributions	\$ 2,907,959	\$ 2,931,835

Contributors to TRS include members, employers, and the State as the only nonemployer contributing entity (NECE). The State is the employer for senior colleges, medical schools, and state agencies, including TRS. In each respective role, the State contributes to TRS in accordance with state statutes and the General Appropriations Act (GAA).

As the NECE for public education and junior colleges, the State contributes to TRS an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of TRS during that fiscal year reduced by the amounts described below, which are paid by the employers.

Employers (public schools, junior colleges, other entities, or the State 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.



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

- 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 TRS 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 are two additional surcharges to which an employer is subject;

- All public schools, charter schools, and regional educational service centers must contribute 1.6% of the member's salary beginning in fiscal year 2021, gradually increasing to 2.0% in fiscal year 2025.
- When employing a retiree of the TRS, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

### Actuarial Assumptions

The total pension liability (TPL) in the August 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	August 31, 2020 rolled forward to August 31, 2021
Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.25%
Long-term expected investment rate of return	7.25%
Municipal bond rate	1.95% - 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"
Inflation	2.30%
Salary increases including inflation	3.05% to 9.05%, including inflation
Benefit changes during the year	None
Ad hoc postemployment benefit changes	None

The actuarial methods and assumptions used in the determination of the TPL are the same assumptions used in the actuarial valuation as of ending August 31, 2020. For a full description of these assumptions, please see the TRS actuarial valuation report dated November 9, 2020.

### Discount Rate

A single discount rate of 7.25% was used to measure the TPL. The single discount rate was based on the expected rate of return on plan investments of 7.25%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers, and the NECE will be made at the rates set by the Legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2020 gradually

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2022

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 TRS'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 TRS investments was applied to all periods of projected benefit payments to determine the TPL.

The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on TRS 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 TRS's target asset allocation as of August 31, 2021 are summarized below:

**Teacher Retirement System of Texas**  
**Asset Allocation and Long-Term Expected Real Rate of Return**  
**As of August 31, 2021**

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Long-Term Expected Arithmetic Real Rate of Return (2)</u>	<u>Expected Contributions to Long-Term Portfolio Returns</u>
<b>Global Equity</b>			
U.S.	18.00%	3.60%	0.94%
Non-U.S. Developed	13.00%	4.40%	0.83%
Emerging Markets	9.00%	4.60%	0.74%
Private Equity	14.00%	6.30%	1.36%
<b>Stable Value</b>			
Government Bonds	16.00%	-0.20%	0.01%
Absolute Return	0.00%	1.10%	0.00%
Stable Value Hedge Funds	5.00%	2.20%	0.12%
<b>Real Return</b>			
Real Estate	15.00%	4.50%	1.00%
Energy, Natural Resources, and Infrastructure	6.00%	4.70%	0.35%
Commodities	0.00%	1.70%	0.00%
<b>Risk Parity</b>			
Risk Parity	8.00%	2.80%	0.28%
<b>Leverage</b>			
Cash	2.00%	-0.70%	-0.01%
Asset Allocation Leverage	-6.00%	-0.50%	0.03%
<b>Inflation Expectation</b>			2.20%
<b>Volatility Drag(3)</b>			-0.95%
<b>Total</b>	<u>100.00%</u>	<u>34.50%</u>	<u>6.90%</u>

(1) Target allocations are based on the FY2021 policy model.

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

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

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

### Discount Rate Sensitivity Analysis

The following table presents the net pension liability (NPL) of TRS using the discount rate of 7.25%, and what the NPL would be if it was calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	<b>1% Decrease in Discount Rate (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase in Discount Rate (8.25%)</b>
District's proportionate share of the net pension liability	\$ 20,481,483	\$ 9,372,996	\$ 360,640

### Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2022, the District reported a liability of \$9,372,996 for its proportionate share of the TRS's NPL. This liability reflects a reduction for State pension support provided to the District.

The amount recognized by the District as its proportionate share of the NPL, the related State support, and the total portion of the NPL that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 9,372,996
State's proportionate share that is associated with the District	17,353,449
<b>Total</b>	<b>\$ 26,726,445</b>

The NPL was measured as of August 31, 2020 and rolled forward to August 31, 2021 and the TPL used to calculate the NPL was determined by an actuarial valuation as of that date. The District's proportion of the NPL was based on the District's contributions to TRS relative to the contributions of all employers to TRS for the period September 1, 2020 through August 31, 2021.

At June 30, 2022, the District's proportion of the collective NPL was 0.036805%, which was an increase of 0.000445% from its proportion measured as of June 30, 2021.

### Changes Since the Prior Actuarial Valuation

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

For the year ended June 30, 2022, the District recognized pension expense of \$1,443,414 and revenue of \$1,443,414 for support provided by the State.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

At June 30, 2022 the District reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual economic experience	\$ 15,685	\$ (659,866)
Changes in actuarial assumptions	3,313,171	(1,444,258)
Difference between projected and actual investment earnings	-	(7,859,135)
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	335,375	(2,610,511)
Contributions paid to TRS subsequent to the measurement date	1,733,376	-
<b>Total</b>	<b>\$ 5,397,607</b>	<b>\$ (12,573,770)</b>

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

<b>Fiscal Year Ended June 30</b>	<b>Pension Expense</b>
2023	\$ (1,641,771)
2024	(1,730,270)
2025	(2,422,665)
2026	(2,904,833)
2027	(202,178)
Thereafter	(7,822)
<b>Total</b>	<b>\$ (8,909,539)</b>

### E. Defined Other Postemployment Benefits Plan

#### Plan Description

The District participates in TRS-Care. It is a multiple-employer, cost-sharing defined OPEB plan with a special funding situation. TRS-Care was established in 1986 by the Texas Legislature.

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

#### OPEB Plan Fiduciary Net Position

Detailed information about TRS-Care’s fiduciary net position is available in a separately issued TRS Annual Comprehensive Financial Report that includes financial statements and Required Supplementary Information. That report may be obtained on the Internet at [https://www.trs.texas.gov/TRS%20Documents/cafr\\_2020.pdf](https://www.trs.texas.gov/TRS%20Documents/cafr_2020.pdf); by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512)542-6592.

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended June 30, 2022**

Components of the net OPEB liability of TRS-Care as of August 31, 2021 are as follows:

Total OPEB liability		\$ (41,113,711,083)
Less: plan fiduciary net position		<u>2,539,242,470</u>
<b>Net OPEB Liability</b>		<b><u>\$ (43,652,953,553)</u></b>
Net position as a percentage of total OPEB liability		-6.18%

Benefits Provided

TRS-Care provides health insurance coverage to retirees from public and charter schools, regional education service centers, and other educational districts who are members of TRS. 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 TRS. There are no automatic postemployment benefit changes, including automatic COLAs.

Contributions

Contribution rates for TRS-Care are established in state statute by the Texas Legislature and there is no continuing obligation to provide benefits beyond each fiscal year. TRS-Care 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 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 0.75% 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 is prescribed by the Legislature in the GAA. The following table shows contributions to TRS-Care by type of contributor:

	<b>Contribution Rates</b>	
	<b>Fiscal Year</b>	
	<b>2021</b>	<b>2022</b>
Active employee	0.65%	0.65%
NECE (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private funding remitted by employers	1.25%	1.25%

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

	Measurement Year (2021)	Fiscal Year (2022)
Employer contributions	\$ 449,960	\$ 523,513
Member contributions	\$ 144,230	\$ 174,900
NECE on-behalf contributions	\$ 602,846	\$ 672,693

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

TRS-Care received supplemental appropriations from the State as the NECE in the amount of \$5,520,343 in fiscal year 2021 for consumer protections against medical and health care billing by certain out-of-network providers.

### Actuarial Assumptions

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

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the TRS 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, 2020 TRS pension actuarial valuation that was rolled forward to August 31, 2021:

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

The active mortality rates were based on 90% 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, from the mortality projection scale MP-2018.

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended June 30, 2022**

Additional actuarial methods and assumptions are as follows:

Valuation date	8/31/2020 rolled forward to 8/31/2021
Actuarial cost method	Individual entry age normal
Inflation	2.30%
Discount rate	1.95% as of August 31, 2021
Aging factors	Based on plan-specific experience
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%, including inflation
Healthcare trend rates	Medical trend rates: 8.50% (Medicare retirees) and 7.10% (non-Medicare retirees) Prescription
Election rates	Normal retirement: 65% participation prior to age 65 and 40% participation after age 65. 25% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad hoc postemployment benefit changes	None

Discount Rate

A single discount rate of 1.95% was used to measure the total OPEB liability. There was a decrease of 0.38% in the discount rate since the previous year. Because TRS-Care 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 NECE are made at the statutorily required rates. Based on those assumptions, TRS-Care’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 percentage lower than and 1 percentage point higher than the discount rate that was used (1.95%) in measuring the net OPEB liability:

	<b>1% Decrease in Discount Rate (0.95%)</b>	<b>Current Discount Rate (1.95%)</b>	<b>1% Increase in Discount Rate (2.95%)</b>
District's proportionate share of the net OPEB liability	<u>\$ 26,799,509</u>	<u>\$ 22,217,570</u>	<u>\$ 18,611,435</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

Healthcare Cost Trend Rates Sensitivity Analysis – The following presents the net OPEB liability of TRS-Care 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 1% less than or 1% higher than the assumed healthcare cost trend rate:

	<b>1% Decrease in Healthcare Cost Trend Rate</b>	<b>Current Healthcare Cost Trend Rate</b>	<b>1% Increase in Healthcare Cost Trend Rate</b>
District's proportionate share of the net OPEB liability	\$ 17,995,495	\$ 22,217,570	\$ 27,882,545

### OPEB Liability, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2022, the District reported a liability of \$22,217,570 for its proportionate share of TRS-Care's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 22,217,570
State's proportionate share that is associated with the District	29,766,592
<b>Total</b>	<b>\$ 51,984,162</b>

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

At June 30, 2022, the District's proportion of the collective net OPEB liability was 0.057597% percent, which was a decrease of 0.000880% as of June 30, 2021.

### Changes Since the Prior Actuarial Valuation

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

- The discount rate changed from 2.33% as of August 31, 2020 to 1.95% as of August 31, 2021. This change increased the total OPEB liability.

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

For the year ended June 30, 2022, the District recognized OPEB expense of \$184,797 and revenue of \$184,797 for support provided by the State.



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

At June 30, 2022, the District reported its proportionate share of TRS-Care’s deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual economic experience	\$ 956,572	\$ (10,754,858)
Changes in actuarial assumptions	2,460,857	(4,698,605)
Difference between projected and actual investment earnings	24,121	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	872,285	(1,153,228)
Contributions paid to TRS subsequent to the measurement date	449,082	-
<b>Total</b>	<b>\$ 4,762,917</b>	<b>\$ (16,606,691)</b>

The net amounts of the District’s balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Fiscal Year Ended June 30</b>	<b>OPEB Expense</b>
2023	\$ (2,337,549)
2024	(2,338,093)
2025	(2,337,944)
2026	(1,753,124)
2027	(961,368)
Thereafter	(2,564,778)
<b>Total</b>	<b>\$ (12,292,856)</b>

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 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 fiscal years ended June 30, 2021 and 2022, the subsidy payments received by TRS-Care on behalf of the District were \$240,545, and \$228,694, respectively.

### F. Unemployment Compensation

During the year ended June 30, 2022, the District provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund (the “Fund”). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund’s unemployment compensation program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute interlocal agreements that define the responsibilities of the parties.

As a self-funded member of the Fund, the District is solely responsible for all unemployment compensation claim costs, both reported and unreported. The Fund provides administrative services to its self-funded members including claims administration and customer service.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2022

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2021 are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin.

### H. Restatement of Net Position

During the fiscal year, the District implemented GASB 87 and restated the assets and deferred inflows of resources related to business-type activities.

	<b>Enterprise Fund</b>
Beginning lease receivable as recorded	\$ -
GASB 87 leases receivable	1,195,970
Beginning deferred inflows - leases as recorded	-
GASB 87 deferred inflows - lease	(1,195,970)
Net effect on net position	<u>\$ -</u>

***REQUIRED SUPPLEMENTARY INFORMATION***

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND - EXHIBIT G-1**  
For the Year Ended June 30, 2022

Data Control Codes		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		Positive (Negative)
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ 38,485,812	\$ 38,485,812	\$ 37,426,707	\$ (1,059,105)
5800	State program revenues	27,589,065	27,589,065	26,697,899	(891,166)
5900	Federal program revenues	1,167,000	1,167,000	2,294,633	1,127,633
5020	<b>Total Revenues</b>	<u>67,241,877</u>	<u>67,241,877</u>	<u>66,419,239</u>	<u>(822,638)</u>
<b>Expenditures</b>					
0011	Instruction	38,026,348	38,445,142	35,016,590	3,428,552
0012	Instructional resources	1,039,692	1,007,559	931,209	76,350
0013	Curriculum and staff development	758,308	642,021	403,302	238,719
0021	Instructional leadership	1,918,474	2,178,348	2,112,130	66,218
0023	School leadership	4,739,389	4,799,900	3,688,494	1,111,406
0031	Guidance, counseling, and		-		
0031	evaluation services	2,502,237	2,624,814	1,926,584	698,230
0032	Social work services	515,123	569,936	547,838	22,098
0033	Health services	732,772	759,739	751,780	7,959
0034	Student (pupil) transportation	2,697,926	3,199,258	3,145,094	54,164
0036	Extracurricular activities	2,107,064	2,158,933	2,010,176	148,757
0041	General administration	2,314,463	2,577,080	2,497,416	79,664
0051	Plant maintenance and operations	6,815,174	7,387,332	5,470,177	1,917,155
0052	Security and monitoring services	547,950	450,202	411,962	38,240
0053	Data processing services	1,835,567	2,169,644	2,043,129	126,515
0061	Community services	80,706	31,486	24,634	6,852
<b>Intergovernmental:</b>					
0099	Other intergovernmental charges	610,684	635,684	634,239	1,445
6030	<b>Total Expenditures</b>	<u>67,241,877</u>	<u>69,637,078</u>	<u>62,438,594</u>	<u>7,198,484</u>
1100	<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	(2,395,201)	3,980,645	6,375,846
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	900,239	900,239
7080	<b>Total Other Financing Sources</b>	-	-	900,239	900,239
1200	<b>Net Change in Fund Balance</b>	-	(2,395,201)	4,880,884	7,276,085
0100	Beginning fund balance	31,689,946	31,689,946	31,689,946	-
3000	<b>Ending Fund Balance</b>	<u>\$ 31,689,946</u>	<u>\$ 29,294,745</u>	<u>\$ 36,570,830</u>	<u>\$ 7,276,085</u>

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principals (GAAP).

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE**  
**OF THE NET PENSION LIABILITY**  
**TEACHER RETIREMENT SYSTEM OF TEXAS (TRS) - EXHIBIT G-2**  
**For the Year Ended June 30, 2022**

	Measurement Year*			
	2021	2020	2019	2018
District's proportion of the net pension liability (asset)	0.03681%	0.03636%	0.04473%	0.04466%
District's proportionate share of the net pension liability (asset)	9,372,996	\$ 19,473,044	\$ 23,251,237	\$ 24,584,065
State's proportionate share of the net pension liability associated with the District	17,353,449	38,195,500	30,433,060	34,038,349
<b>Total</b>	<u>26,726,445</u>	<u>\$ 57,668,544</u>	<u>\$ 53,684,297</u>	<u>\$ 58,622,414</u>
District's covered payroll**	49,606,765	\$ 49,841,004	\$ 45,398,872	\$ 44,698,829
District's proportionate share of the net pension liability as a percentage of its covered payroll	18.89%	39.07%	51.22%	55.00%
Plan fiduciary net position as a percentage of the total pension liability	88.79%	75.54%	75.24%	73.74%

\* Only nine years' worth of information is currently available.

**Notes to Required Supplementary Information:**

1. *Changes in Assumptions:* There were no changes in assumptions or other inputs that affected measurement of the total pension (TPL) liability since the prior measurement period.

2. *Changes in Benefits:* There were no changes of benefit terms that affected measurement of the TPL during the measurement period.

<b>Measurement Year*</b>				
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
0.04551%	0.04424%	0.04580%	0.02750%	0.02752%
\$ 14,552,395	\$ 16,716,082	\$ 16,189,125	\$ 7,346,057	\$ 9,020,354
<u>20,781,906</u>	<u>25,109,112</u>	<u>25,624,014</u>	<u>22,656,342</u>	<u>27,811,611</u>
<u>\$ 35,334,301</u>	<u>\$ 41,825,194</u>	<u>\$ 41,813,139</u>	<u>\$ 30,002,399</u>	<u>\$ 36,831,965</u>
\$ 44,729,959	\$ 43,057,064	\$ 42,909,430	\$ 41,081,271	\$ 38,988,636
32.53%	38.82%	37.73%	17.88%	23.14%
82.17%	78.00%	78.43%	83.25%	78.17%

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF CONTRIBUTIONS**  
**TEACHER RETIREMENT SYSTEM OF TEXAS (TRS) - EXHIBIT G-3**  
**For the Year Ended June 30, 2022**

	Fiscal Year			
	2022	2021	2020	2019
Contractually required contribution	\$ 1,992,160	\$ 1,493,952	\$ 1,511,310	\$ 1,553,829
Contributions in relations to the contractually required contribution	1,992,160	1,493,952	1,511,310	1,553,829
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 53,815,445	\$ 49,454,677	\$ 49,139,953	\$ 45,302,507
Contributions as a percentage of covered payroll	3.70%	3.02%	3.08%	3.43%



**Fiscal Year**

<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
\$ 1,490,683	\$ 1,483,786	\$ 1,399,559	\$ 1,251,665	\$ 686,913	\$ 679,743
1,490,683	1,483,786	1,399,559	1,251,665	686,913	679,743
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 44,609,702	\$ 44,532,095	\$ 43,058,073	\$ 42,612,677	\$ 40,783,297	\$ 38,766,005
3.34%	3.33%	3.25%	2.94%	1.68%	1.75%

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE**  
**SHARE OF THE NET OPEB LIABILITY**  
**TEXAS PUBLIC SCHOOL RETIRED EMPLOYEES GROUP INSURANCE PROGRAM**  
**(TRS-CARE) EXHIBIT G-4**  
**For the Year Ended June 30, 2022**

	Measurement Year*			
	2021	2020	2019	2018
District's proportion of the collective net OPEB liability	0.05760%	0.05970%	0.05882%	0.05874%
District's proportionate share of the collective net OPEB liability	\$ 22,217,570	\$ 22,695,080	\$ 27,816,154	\$ 29,326,739
State's proportionate share of the collective net OPEB liability associated with the District	29,766,592	30,496,748	39,961,446	37,251,827
<b>Total</b>	<b>\$ 51,984,162</b>	<b>\$ 53,191,828</b>	<b>\$ 67,777,600</b>	<b>\$ 66,578,566</b>
District's covered payroll**	\$ 49,606,765	\$ 49,841,004	\$ 45,388,772	\$ 44,698,829
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	44.79%	45.53%	61.28%	65.61%
Plan fiduciary net position as a percentage of the total OPEB liability	6.18%	4.99%	2.66%	1.57%

\* Only five years' worth of information is currently available.

**Notes to Required Supplementary Information:**

*Changes in Assumptions:* The discount rate was changed from 2.33% as of August 31, 2020 to 1.95% as of August 31, 2021. This change increased the total OPEB liability.

*Changes in Benefits:* There were no changes of benefit terms since the prior measurement date.

**Measurement  
Year\***  
2017

0.05755%

\$ 25,027,918

34,956,848

\$ 59,984,766

\$ 44,729,959

55.95%

0.91%

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF CONTRIBUTIONS**  
**TEXAS PUBLIC SCHOOL RETIRED EMPLOYEES GROUP INSURANCE PROGRAM**  
**(TRS-CARE) EXHIBIT G-5**  
**For the Year Ended June 30, 2022**

	Fiscal Year			
	2022	2021	2020	2019
Statutorily required contributions	\$ 523,513	\$ 426,484	\$ 448,105	\$ 415,626
Contributions in relations to the statutorily required contributions	523,513	426,484	448,105	415,626
<b>Contribution Deficiency (Excess)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 53,815,455	\$ 49,454,677	\$ 49,139,953	\$ 45,302,507
Contributions as a percentage of covered payroll	0.97%	0.86%	0.91%	0.92%

**Fiscal Year**

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 387,318	\$ 296,836	\$ 294,790	\$ 291,343	\$ 273,811	\$ 250,099
<u>387,318</u>	<u>296,836</u>	<u>294,790</u>	<u>291,343</u>	<u>273,811</u>	<u>250,099</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 44,609,702	\$ 44,532,095	\$ 43,058,073	\$ 42,612,677	\$ 40,783,297	\$ 38,766,005
0.87%	0.67%	0.68%	0.68%	0.67%	0.65%

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***SUPPLEMENTARY  
INFORMATION***

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## ***NONMAJOR GOVERNMENTAL FUNDS***

### **Special Revenue Funds**

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

#### Fund 205 Headstart

Funds to support the District's Pre-K headstart program.

#### Fund 206 Education for Homeless Children

Provide supplemental funds to support education for homeless youth in the District.

#### Fund 211 ESEA Title I Part A

Provide supplemental funds to support children most at-risk of meeting challenging state academic standards.

#### Fund 212 ESEA Title I Part C

Provide supplemental funds to support education for migrant children.

#### Fund 224 IDEA Part B Formula

Funds to operate educational programs for children with disabilities.

#### Fund 225 IDEA Part B Preschool

Funds to operate educational programs for preschool children with disabilities.

#### Fund 226 IDEA Part B Supplement

Funds to support emerging needs for children with disabilities.

#### Fund 240 National School Breakfast and Lunch Program

Funds used for food service when the service is subsidized with federal reimbursement revenues.

#### Fund 244 Career and Technical Basic Grant

Funds to provide career and technical education (CTE) and to develop new and/or improve existing CTE programs.

#### Fund 255 ESEA Title II Part A

Funds used to improve student academic achievement by improving teacher and principal quality.

#### Fund 263 Title III Part A

Funds granted to improve the education of children with limited English proficiency.

#### Fund 265 Title IV, Part B 21st Century Learning

Funds used to provide after school services for at-risk children.

#### Fund 266 Education Stabilization Fund

Funds granted through the Elementary and Secondary School Emergency Relief program under the CARES act for pandemic aid.

#### Fund 276 Instructional Continuity Grant

Funds for instructional continuity and administration costs.

#### Fund 279 Texas COVID Learning Accelerated Support

Funds granted from the state relating to the ESSER programs.

#### Fund 289 School Climate Transformation

Funds related to additional programs for at-risk and troubled youth

#### Fund 289 Federally Funded Special Revenue

Funds for school safety national activities.

#### Fund 385 Visually Impaired

Funds awarded to campuses for support related to students with visual disabilities.

#### Fund 397 Advanced Placement Incentives

Funds to award campuses for advanced placement examinations.

#### Fund 410 State Instructional Materials

Funds for instructional materials and other means of conveying information electronically.

#### Fund 429 Governor's Truancy Prevention

Funds to award campuses to support reductions in student truancy.

#### Fund 429 State Funded Special Revenue

Funds provided by the State through the sale of specialty license plates for public school libraries.

#### Fund 461 Campus Activity

Funds for transactions related to the principals' activity funds.

#### Fund 499 Locally Funded Special Revenue Funds

Funds collected by the District related to various scholarship incentive programs.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS - EXIBHIT H-1 (Page 1 of 3)

June 30, 2022

Data Control	205	206	211	212
Codes	Head Start	ESEA Title X, Part C Education for Homeless Children (TEXSHEP)	ESEA Title I, Part A Improving Basic Programs	ESEA Title I, Part C Education of Migratory Children
<b><u>Assets</u></b>				
1110	\$ -	\$ -	\$ -	\$ -
1240	17,027	-	384,491	2,879
1260	-	-	-	-
1300	-	-	-	-
1000	<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 384,491</b>	<b>\$ 2,879</b>
<b><u>Liabilities</u></b>				
2110	\$ -	\$ -	\$ -	\$ -
2160	-	-	225,098	1,262
2170	17,027	-	159,393	1,617
2190	-	-	-	-
2300	-	-	-	-
2000	<b>Total Liabilities</b>	<b>-</b>	<b>384,491</b>	<b>2,879</b>
<b><u>Fund Balances</u></b>				
3450	-	-	-	-
3600	-	-	-	-
3000	<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>
4000	<b>Total Liabilities and Fund Balances</b>	<b>\$ 17,027</b>	<b>\$ 384,491</b>	<b>\$ 2,879</b>

224	225	226	240	242	244
<u>IDEA-B Formula</u>	<u>IDEA-B Preschool</u>	<u>IDEA-B Formula High Cost Pool</u>	<u>National School Breakfast/ Lunch Program</u>	<u>Summer School Feeding Program</u>	<u>Career and Technology- Basic Grant</u>
\$ -	\$ -	\$ -	\$ 2,780,208	\$ -	\$ -
367,341	4,509	150,355	45,417	41,441	32,406
-	-	-	-	318,981	-
-	-	-	61,139	-	-
<u>\$ 367,341</u>	<u>\$ 4,509</u>	<u>\$ 150,355</u>	<u>\$ 2,886,764</u>	<u>\$ 360,422</u>	<u>\$ 32,406</u>
\$ 3,780	\$ -	\$ -	\$ 2,317	\$ -	\$ 133
175,714	1,647	-	193,451	-	-
187,847	2,862	150,355	361,901	-	32,273
-	-	-	-	-	-
-	-	-	38,301	-	-
<u>367,341</u>	<u>4,509</u>	<u>150,355</u>	<u>595,970</u>	<u>-</u>	<u>32,406</u>
-	-	-	2,290,794	360,422	-
-	-	-	-	-	-
-	-	-	<u>2,290,794</u>	<u>360,422</u>	<u>-</u>
<u>\$ 367,341</u>	<u>\$ 4,509</u>	<u>\$ 150,355</u>	<u>\$ 2,886,764</u>	<u>\$ 360,422</u>	<u>\$ 32,406</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS - EXIBHIT H-1 (Page 2 of 3)

June 30, 2022

Data Control	Codes	255 ESEA Title II, Part A Teacher and Principal Training and Recruiting	263 Title III, Part A English Language Acquisition	265 Title IV, Part B 21st Century Learning	266 Education Stabilization Fund- ESSER I
<b>Assets</b>					
	1110	\$ -	\$ -	\$ -	\$ -
	1240	32,348	16,504	235,183	-
	1260	-	-	-	-
	1300	-	-	-	-
	1000	<b>Total Assets</b>	<b>Total Assets</b>	<b>Total Assets</b>	<b>Total Assets</b>
		<u>\$ 32,348</u>	<u>\$ 16,504</u>	<u>\$ 235,183</u>	<u>\$ -</u>
<b>Liabilities</b>					
	2110	\$ -	\$ -	\$ 23,621	\$ -
	2160	17,472	10,193	53,990	-
	2170	14,876	6,311	157,572	-
	2190	-	-	-	-
	2300	-	-	-	-
	2000	<b>Total Liabilities</b>	<b>Total Liabilities</b>	<b>Total Liabilities</b>	<b>Total Liabilities</b>
		<u>32,348</u>	<u>16,504</u>	<u>235,183</u>	<u>-</u>
<b>Fund Balances</b>					
	3450	-	-	-	-
	3640	-	-	-	-
	3000	<b>Total Fund Balances</b>	<b>Total Fund Balances</b>	<b>Total Fund Balances</b>	<b>Total Fund Balances</b>
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	4000	<b>Total Liabilities and Fund Balances</b>	<b>Total Liabilities and Fund Balances</b>	<b>Total Liabilities and Fund Balances</b>	<b>Total Liabilities and Fund Balances</b>
		<u>\$ 32,348</u>	<u>\$ 16,504</u>	<u>\$ 235,183</u>	<u>\$ -</u>

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385

397

<b>School Improvement Grants</b>	<b>Texas COVID Learning Accelerated Support</b>	<b>School Climate Transformation</b>	<b>School Safety National Activities</b>	<b>Visually Impaired</b>	<b>Advanced Placement Incentives</b>
\$ -	-	-	\$ -	\$ -	\$ -
-	7,880	107,985	113,748	1,472	-
-	-	-	-	-	15,453
-	-	-	-	-	-
<u>\$ -</u>	<u>7,880</u>	<u>107,985</u>	<u>\$ 113,748</u>	<u>\$ 1,472</u>	<u>\$ 15,453</u>
\$ -	-	15,090	\$ 1,497	\$ -	\$ -
-	377	-	60,629	-	-
-	7,503	92,895	51,622	1,472	-
-	-	-	-	-	-
-	-	-	-	-	15,453
<u>-</u>	<u>7,880</u>	<u>107,985</u>	<u>113,748</u>	<u>1,472</u>	<u>15,453</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>7,880</u>	<u>107,985</u>	<u>\$ 113,748</u>	<u>\$ 1,472</u>	<u>\$ 15,453</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS - EXIBHIT H-1 (Page 3 of 3)

June 30, 2022

		410	429	429	461
<b>Data Control</b>					
		<u>State Textbook</u>	<u>Governor's Truancy Prevention</u>	<u>State Funded Special Revenue</u>	<u>Campus Activity</u>
<b>Codes</b>					
	<b><u>Assets</u></b>				
1110	Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
1240	Due from other governments	-	28,888	36,993	-
1260	Due from other funds	66,284	-	-	414,654
1300	Inventories	-	-	-	-
1000	<b>Total Assets</b>	<u>\$ 66,284</u>	<u>\$ 28,888</u>	<u>\$ 36,993</u>	<u>\$ 414,654</u>
	<b><u>Liabilities</u></b>				
2110	Accounts payable	\$ -	\$ -	\$ 14,300	\$ 137
2160	Accrued wages payable	-	18,763	4,840	1,700
2170	Due to other funds	-	10,125	15,548	-
2190	Due to student groups	-	-	-	412,817
2300	Unearned revenue	66,284	-	2,305	-
2000	<b>Total Liabilities</b>	<u>66,284</u>	<u>28,888</u>	<u>36,993</u>	<u>414,654</u>
	<b><u>Fund Balances</u></b>				
3450	Restricted - grants	-	-	-	-
3640	Unassigned	-	-	-	-
3000	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ 66,284</u>	<u>\$ 28,888</u>	<u>\$ 36,993</u>	<u>\$ 414,654</u>

<b>Locally Funded Special Revenue</b>	<b>Total Nonmajor Special Revenue Funds (See Exhibit C-1)</b>
\$ -	\$ 2,780,208
-	1,626,867
70,476	885,848
-	61,139
<u>\$ 70,476</u>	<u>\$ 5,354,062</u>
\$ 20,272	\$ 81,147
-	765,136
-	1,271,199
-	412,817
50,204	172,547
<u>70,476</u>	<u>2,702,846</u>
-	2,651,216
-	-
<u>-</u>	<u>2,651,216</u>
<u>\$ 70,476</u>	<u>\$ 5,354,062</u>

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - EXIBHIT H-2 (Page 1 of 3)**  
**For the Year Ended June 30, 2022**

<b>Data Control Codes</b>		<b>205</b>	<b>206</b>	<b>211</b>	<b>212</b>
		<b>Head Start</b>	<b>ESEA Title X, Part C Education for Homeless Children (TEXSHEP)</b>	<b>ESEA Title I, Part A Improving Basic Programs</b>	<b>ESEA Title I, Part C Education of Migratory Children</b>
	<b>Revenues</b>				
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	186,005	1,319	2,020,105	23,751
5020	<b>Total Revenues</b>	<u>186,005</u>	<u>1,319</u>	<u>2,020,105</u>	<u>23,751</u>
	<b>Expenditures</b>				
0011	Instruction	186,005	-	1,240,097	-
0012	Instructional resources				
0012	and media services	-	-	-	-
0013	Curriculum and instructional				
0013	staff development	-	-	434,027	-
0021	Instructional leadership	-	-	76,120	-
0023	School leadership	-	-	19,644	-
0031	Guidance, counseling,				
0031	and evaluation services	-	-	80,180	-
0032	Social work services	-	1,319	120,858	23,751
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Plant maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	22,407	-
	<b>Intergovernmental:</b>				
0093	Shared service arrangements	-	-	26,772	-
6030	<b>Total Expenditures</b>	<u>186,005</u>	<u>1,319</u>	<u>2,020,105</u>	<u>23,751</u>
1200	<b>Net Change in Fund Balances</b>	-	-	-	-
0100	Beginning fund balances	-	-	-	-
3000	<b>Ending Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



224	225	226	240	242	244
<b>IDEA-B Formula</b>	<b>IDEA-B Preschool</b>	<b>IDEA-B Formula High Cost Pool</b>	<b>National School Breakfast/ Lunch Program</b>	<b>Summer School Feeding Program</b>	<b>Career and Technology- Basic Grant</b>
\$ -	\$ -	\$ -	\$ 309,299	\$ -	\$ -
-	-	-	22,291	-	-
1,506,303	30,282	150,355	5,676,469	82,594	92,279
<u>1,506,303</u>	<u>30,282</u>	<u>150,355</u>	<u>6,008,059</u>	<u>82,594</u>	<u>92,279</u>
1,015,727	30,282	-	-	-	65,612
-	-	-	-	-	-
21,199	-	-	-	-	16,510
-	-	-	-	-	3,709
-	-	-	-	-	-
415,227	-	-	-	-	1,997
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	4,780,121	71,776	-
-	-	-	-	-	4,451
-	-	-	-	-	-
-	-	-	11,318	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
54,150	-	150,355	-	-	-
<u>1,506,303</u>	<u>30,282</u>	<u>150,355</u>	<u>4,791,439</u>	<u>71,776</u>	<u>92,279</u>
-	-	-	1,216,620	10,818	-
-	-	-	1,074,174	349,604	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,290,794</u>	<u>\$ 360,422</u>	<u>\$ -</u>

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - EXIBHIT H-2 (Page 2 of 3)**  
**For the Year Ended June 30, 2022**

<b>Data Control Codes</b>		<b>255</b>	<b>263</b>	<b>265</b>	<b>266</b>
		<b>ESEA Title II, Part A Teacher and Principal Training and Recruiting</b>	<b>Title III, Part A English Language Acquisition</b>	<b>Title IV, Part B 21st Century Learning</b>	<b>Education Stabilization Fund- ESSER I</b>
<b>Revenues</b>					
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	206,569	98,892	1,301,910	6,941
5020	<b>Total Revenues</b>	<u>206,569</u>	<u>98,892</u>	<u>1,301,910</u>	<u>6,941</u>
<b>Expenditures</b>					
0011	Instruction	15,380	95,222	309,070	3,364
0012	Instructional resources				
0012	and media services	-	-	-	-
0013	Curriculum and instructional				
0013	staff development	191,189	3,567	-	-
0021	Instructional leadership	-	-	221,409	-
0023	School leadership	-	-	654,778	-
0031	Guidance, counseling,				
0031	and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	29,103	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Plant maintenance and operations	-	-	6,056	3,577
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	103	81,494	-
<b>Intergovernmental:</b>					
0093	Shared service arrangements	-	-	-	-
6030	<b>Total Expenditures</b>	<u>206,569</u>	<u>98,892</u>	<u>1,301,910</u>	<u>6,941</u>
1200	<b>Net Change in Fund Balances</b>	-	-	-	-
0100	Beginning fund balances	-	-	-	-
3000	<b>Ending Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

276	279	289	289	385	397
<u>School Improvement Grants</u>	<u>Texas COVID Learning Accelerated Support</u>	<u>School Climate Transformation</u>	<u>School Safety National Activities</u>	<u>Visually Impaired</u>	<u>Advanced Placement Incentives</u>
\$ -	-	-	\$ -	\$ -	\$ -
-	-	-	-	14,476	-
2,320	135,576	719,183	187,593	-	-
<u>2,320</u>	<u>135,576</u>	<u>719,183</u>	<u>187,593</u>	<u>14,476</u>	<u>-</u>
2,320	98,062	36,355	85,073	14,476	-
-	-	-	-	-	-
-	-	-	1,500	-	-
-	37,514	-	-	-	-
-	-	-	2,488	-	-
-	-	174,426	50,000	-	-
-	-	486,930	7,641	-	-
-	-	-	2,025	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	21,472	38,866	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,320</u>	<u>135,576</u>	<u>719,183</u>	<u>187,593</u>	<u>14,476</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - EXIBHIT H-2 (Page 3 of 3)**  
**For the Year Ended June 30, 2022**

		410	429	429	461
Data Control Codes		State Textbook	Governor's Truancy Prevention	State Funded Special Revenue	Campus Activity
<b>Revenues</b>					
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ 456,327
5800	State program revenues	528,645	107,681	152,427	-
5900	Federal program revenues	-	-	-	-
5020	<b>Total Revenues</b>	<u>528,645</u>	<u>107,681</u>	<u>152,427</u>	<u>456,327</u>
<b>Expenditures</b>					
0011	Instruction	528,645	-	53,632	285
0012	Instructional resources and media services	-	-	30	62,707
0013	Curriculum and instructional staff development	-	-	1,050	-
0021	Instructional leadership	-	-	47,098	-
0023	School leadership	-	-	2,112	-
0031	Guidance, counseling, and evaluation services	-	-	20,050	-
0032	Social work services	-	107,681	-	3,071
0033	Health services	-	-	-	350
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	389,914
0041	General administration	-	-	-	-
0051	Plant maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	28,455	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	-
<b>Intergovernmental:</b>					
0093	Shared service arrangements	-	-	-	-
6030	<b>Total Expenditures</b>	<u>528,645</u>	<u>107,681</u>	<u>152,427</u>	<u>456,327</u>
1200	<b>Net Change in Fund Balances</b>	-	-	-	-
0100	Beginning fund balances	-	-	-	-
3000	<b>Ending Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

499

<b>Locally Funded Special Revenue</b>	<b>Total Nonmajor Special Revenue Funds (See Exhibit C-2)</b>
\$ 85,339	\$ 850,965
-	825,520
-	12,428,446
<u>85,339</u>	<u>14,104,931</u>
81,339	3,860,946
-	62,737
-	669,042
-	385,850
-	679,022
-	741,880
-	751,251
-	2,375
-	29,103
-	4,851,897
-	394,365
4,000	4,000
-	20,951
-	88,793
-	-
-	104,004
-	231,277
<u>85,339</u>	<u>12,877,493</u>
-	1,227,438
-	1,423,778
<u>\$ -</u>	<u>\$ 2,651,216</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## SCHEDULE OF DELINQUENT TAXES RECEIVABLE - EXHIBIT J-1

For the Year Ended June 30, 2022

Last Ten Years	Tax Rates		3 Net Assessed/ Appraised Value For School Tax Purposes
	1	2	
	Maintenance	Debt Service	
2013 and prior	Various	Various	Various
2014	\$ 1.0400	\$ 0.2400	\$ 2,522,366,920
2015	\$ 1.0400	\$ 0.2750	\$ 2,844,181,113
2016	\$ 1.0400	\$ 0.3700	\$ 2,991,776,217
2017	\$ 1.0600	\$ 0.3600	\$ 3,147,947,544
2018	\$ 1.0600	\$ 0.3600	\$ 3,378,075,881
2019	\$ 1.0600	\$ 0.3600	\$ 3,593,469,204
2020	\$ 0.9900	\$ 0.3850	\$ 3,653,133,873
2021	\$ 0.9764	\$ 0.3850	\$ 3,730,264,623
2022	\$ 0.8996	\$ 0.3850	\$ 4,146,194,255

1000 Totals

<b>10</b>	<b>20</b>	<b>31</b>	<b>32</b>	<b>40</b>	<b>50</b>
<b>Beginning Balance 7/1/21</b>	<b>Current Year's Total Levy</b>	<b>Maintenance Total Collected</b>	<b>Debt Service Total Collected</b>	<b>Entire Year's Adjustments</b>	<b>Ending Balance 6/30/22</b>
\$ 209,038	\$ -	\$ 16,701	\$ 3,574	\$ (69,284)	\$ 258,047
82,865	-	8,785	1,877	182	72,021
77,717	-	4,558	974	7	72,178
93,869	-	7,786	1,531	295	84,257
123,893	-	17,994	3,537	(766)	103,128
167,097	-	33,654	6,616	685	126,142
176,052	-	36,771	6,345	(2,164)	135,100
378,874	-	101,499	28,502	23,105	225,768
1,285,616	-	676,566	201,231	64,550	343,269
-	52,263,221	35,739,301	15,295,276	(131,643)	1,360,287
<u>\$ 2,595,021</u>	<u>\$ 52,263,221</u>	<u>\$ 36,643,615</u>	<u>\$ 15,549,463</u>	<u>\$ (115,033)</u>	<u>\$ 2,780,197</u>

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM FUND - EXHIBIT J-2**  
**For the Year Ended June 30, 2022**

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ 791,000	\$ 791,000	\$ 309,299	\$ (481,701)
5800	State program revenues	70,000	70,000	22,291	(47,709)
5900	Federal program revenues	3,914,000	3,914,000	5,676,469	1,762,469
5020	<b>Total Revenues</b>	<u>4,775,000</u>	<u>4,775,000</u>	<u>6,008,059</u>	<u>1,233,059</u>
<b>Expenditures</b>					
0035	Food service	4,764,500	5,314,250	4,780,121	534,129
0051	Plant maintenance and operations	10,000	11,318	11,318	-
0052	Security and monitoring services	500	750	-	750
6030	<b>Total Expenditures</b>	<u>4,775,000</u>	<u>5,326,318</u>	<u>4,791,439</u>	<u>534,879</u>
1200	<b>Net Change in Fund Balance</b>	-	(551,318)	1,216,620	1,767,938
0100	Beginning fund balance	1,074,174	1,074,174	1,074,174	-
3000	<b>Ending Fund Balance</b>	<u>\$ 1,074,174</u>	<u>\$ 522,856</u>	<u>\$ 2,290,794</u>	<u>\$ 1,767,938</u>

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## BUDGETARY COMPARISON SCHEDULE

### DEBT SERVICE FUND - EXHIBIT J-3

For the Year Ended June 30, 2022

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ 13,856,320	\$ 13,856,320	\$ 15,832,660	\$ 1,976,340
5800	State program revenues	-	-	252,698	252,698
5020	<b>Total Revenues</b>	<u>13,856,320</u>	<u>13,856,320</u>	<u>16,085,358</u>	<u>2,229,038</u>
<b>Expenditures</b>					
0071	Principal	7,960,000	9,405,000	9,405,000	-
0072	Interest	5,891,320	5,897,051	5,897,051	-
0073	Bond issuance costs and fees	5,000	11,500	11,500	-
6030	<b>Total Expenditures</b>	<u>13,856,320</u>	<u>15,313,551</u>	<u>15,313,551</u>	<u>-</u>
1200	<b>Net Change in Fund Balance</b>	-	(1,457,231)	771,807	2,229,038
0100	Beginning fund balance	11,989,982	11,989,982	11,989,982	-
3000	<b>Ending Fund Balance</b>	<u>\$ 11,989,982</u>	<u>\$ 10,532,751</u>	<u>\$ 12,761,789</u>	<u>\$ 2,229,038</u>

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**USE OF FUNDS REPORT**  
**FOR SELECT STATE ALLOTMENT PROGRAMS- EXHIBIT J-4**  
**For the Year Ended June 30, 2022**

<u>Data Control Codes</u>		<u>Responses</u>
<b><u>Section A: Compensatory Education Programs</u></b>		
AP1	Did your District expend any state compensatory education program state allotment funds during the District's fiscal year?	Yes
AP2	Does the District 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.	\$ 7,341,045
AP4	List the actual direct program expenditures for state compensatory education programs during the District's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$ 8,688,039
<b><u>Section B: Bilingual Education Programs</u></b>		
AP5	Did your District expend any biligual education program state allotment funds during the District's fiscal year?	Yes
AP6	Does the District have written policies and procedures for biligual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the District's fiscal year.	\$ 552,870
AP8	List the actual direct program expenditures for bilingual education programs during the District's fiscal year. (PICs 25, 35)	\$ 449,852

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***STATISTICAL SECTION***

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# ***STATISTICAL SECTION***

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the District's overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends	114

*These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.*

Revenue Capacity	124
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*These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.*

Debt Capacity	132
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*These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.*

Demographic and Economic Information	140
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*These schedules offer demographic and economic indicators to help the reader understand how the District's financial activities take place and to help make comparisons over time and with other governments.*

Operating Information	144
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*These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.*

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NET POSITION BY COMPONENT - EXHIBIT L-1

Last Ten Years  
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 8,186,846	\$ 6,240,094	\$ 2,163,904	\$ 18,493,793
Restricted	5,744,194	7,749,541	7,693,123	8,646,490
Unrestricted	26,759,355	26,855,115	22,887,036	4,456,702
<b>Total Governmental Activities Net Position</b>	<b>\$ 40,690,395</b>	<b>\$ 40,844,750</b>	<b>\$ 32,744,063</b>	<b>\$ 31,596,985</b>
<b>Business-Type Activities</b>				
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Unrestricted	393,734	409,813	386,443	398,139
<b>Total Business-Type Activities Net Position</b>	<b>\$ 393,734</b>	<b>\$ 409,813</b>	<b>\$ 386,443</b>	<b>\$ 398,139</b>
<b>Primary Government</b>				
Net investment in capital assets	\$ 8,186,846	\$ 6,240,094	\$ 2,163,904	\$ 18,493,793
Restricted	5,744,194	7,749,541	7,693,123	8,646,490
Unrestricted	27,153,089	27,264,928	23,273,479	4,854,841
<b>Total Primary Government Net Position</b>	<b>\$ 41,084,129</b>	<b>\$ 41,254,563</b>	<b>\$ 33,130,506</b>	<b>\$ 31,995,124</b>

Source: Seguin Independent School District's Audit Reports

**Fiscal Year**

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 12,358,457	\$ (29,886)	\$ (4,076,580)	\$ (5,988,688)	\$ (14,219)	\$ (7,358,260)
8,005,747	9,001,289	10,113,710	11,007,277	12,251,287	13,744,332
<u>11,351,592</u>	<u>(16,935,348)</u>	<u>(14,868,675)</u>	<u>(18,796,941)</u>	<u>(24,727,507)</u>	<u>(9,201,019)</u>
<u>\$ 31,715,796</u>	<u>\$ (7,963,945)</u>	<u>\$ (8,831,545)</u>	<u>\$ (13,778,352)</u>	<u>\$ (12,490,439)</u>	<u>\$ (2,814,947)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
352,190	360,842	369,847	392,962	307,031	279,019
<u>\$ 352,190</u>	<u>\$ 360,842</u>	<u>\$ 369,847</u>	<u>\$ 392,962</u>	<u>\$ 307,031</u>	<u>\$ 279,019</u>
\$ 12,358,457	\$ (29,886)	\$ (4,076,580)	\$ (5,988,688)	\$ (14,219)	\$ (7,358,260)
8,005,747	9,001,289	10,113,710	11,007,277	12,251,287	13,744,332
<u>11,703,782</u>	<u>(16,574,506)</u>	<u>(14,498,828)</u>	<u>(18,403,979)</u>	<u>(24,420,476)</u>	<u>(8,922,000)</u>
<u>\$ 32,067,986</u>	<u>\$ (7,603,103)</u>	<u>\$ (8,461,698)</u>	<u>\$ (13,385,390)</u>	<u>\$ (12,183,408)</u>	<u>\$ (2,535,928)</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## CHANGES IN NET POSITION - EXHIBIT L-2 (Page 1 of 2)

Last Ten Years  
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
<b>Expenses</b>				
Governmental activities				
Instruction	\$ 34,885,006	\$ 37,089,582	\$ 39,770,107	\$ 40,997,236
Instructional resources and media services	986,769	1,011,842	1,024,391	1,019,748
Curriculum and staff development	1,243,543	1,556,165	1,607,110	1,816,030
Instructional leadership	976,019	1,153,146	1,238,647	1,658,490
School leadership	3,720,324	4,253,917	4,366,920	4,557,158
Guidance, counseling, and evaluation services	2,071,652	2,161,296	2,382,588	2,030,903
Social work services	555,199	555,148	594,967	603,628
Health services	543,789	566,802	583,157	608,755
Student transportation	2,395,154	2,369,551	2,230,759	2,820,671
Food service	4,157,227	4,276,302	4,302,326	4,254,269
Curriculum/extracurricular activities	2,080,055	1,896,960	2,093,065	2,309,112
General administration	1,675,360	1,726,646	1,534,810	2,020,570
Plant maintenance and operations	6,034,575	6,159,942	6,566,805	6,801,352
Security and monitoring services	375,564	486,138	282,656	400,779
Data processing services	1,117,288	1,353,546	1,495,273	1,584,831
Community services	20,160	142,543	196,823	185,487
Interest on long-term debt	4,430,240	3,472,684	3,182,209	5,444,638
Other debt service	156,647	527,883	3,992	1,028,862
Facilities acquisition and construction	-	-	-	-
Payments related to SSAs	234,390	231,429	140,658	109,809
Other intergovernmental charges	407,581	407,583	418,607	444,400
<b>Total Governmental Activities Expenses</b>	<u>68,066,542</u>	<u>71,399,105</u>	<u>74,015,870</u>	<u>80,696,728</u>
<b>Business-Type Activities</b>				
Mall fund	15,678	29,968	69,447	35,032
<b>Total Business-Type Activities Expenses</b>	<u>15,678</u>	<u>29,968</u>	<u>69,447</u>	<u>35,032</u>
<b>Total Primary Government Expenses</b>	<u>\$ 68,082,220</u>	<u>\$ 71,429,073</u>	<u>\$ 74,085,317</u>	<u>\$ 80,731,760</u>
<b>Program Revenues</b>				
Governmental activities				
Charges for services				
Instruction	\$ -	\$ -	\$ 116,389	\$ 1,096
Instructional resources and media services	-	-	66,615	68,153
Curriculum and staff development	-	-	336	-
School leadership	-	-	7,508	-
Guidance, counseling, and evaluation services	-	-	5,656	-
Social work services	-	-	-	-
Health services	-	-	709	615
Food services	862,016	792,165	818,413	794,700
Extracurricular	466,362	365,186	425,755	504,089
Other	172,444	226,720	-	-
General administration	-	-	18,293	16,590
Plant maintenance and operations	-	-	-	-
Security and monitoring services	-	-	-	2,265
Community services	-	-	-	30
Operating grants and contributions	8,211,814	8,209,820	12,166,331	14,256,949
<b>Total Governmental Activities Program Revenues</b>	<u>9,712,636</u>	<u>9,593,891</u>	<u>13,626,005</u>	<u>15,644,487</u>

**Fiscal Year**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$	39,992,178	\$ 46,629,226	\$ 44,580,308	\$ 50,000,504	\$ 48,542,174	\$ 44,425,652
	1,020,056	1,086,640	1,119,656	1,307,501	1,293,176	1,089,460
	1,716,517	1,948,302	1,671,537	1,543,731	1,459,999	1,375,359
	1,630,634	2,008,260	2,009,974	2,582,291	2,125,871	3,012,039
	4,595,642	5,045,247	5,327,750	6,250,457	5,619,070	5,753,037
	2,224,928	2,512,058	2,929,480	3,520,791	3,622,541	3,361,732
	684,475	756,971	908,714	1,087,799	1,411,331	1,561,147
	593,390	639,942	685,760	791,891	849,189	764,480
	2,312,739	2,853,847	3,093,768	3,160,071	3,206,406	3,869,195
	4,371,659	4,971,341	5,157,713	4,579,563	4,340,584	5,083,061
	2,758,643	3,159,930	2,681,897	2,516,419	2,291,447	2,620,049
	1,971,576	2,239,817	2,882,943	2,331,266	2,198,534	2,706,062
	6,944,793	7,539,377	8,270,456	9,023,265	8,400,480	8,167,918
	561,584	521,298	553,383	757,999	1,327,427	664,403
	1,814,521	2,000,501	2,052,591	2,026,023	1,843,929	2,564,948
	172,019	91,145	105,125	77,452	100,672	142,938
	5,772,094	5,661,106	5,474,936	6,238,959	3,429,283	5,769,693
	121,351	7,650	9,500	362,012	827,528	11,500
	15,750	1,351	1,871	1,183,027	-	-
	66,270	102,277	113,358	102,028	248,054	231,277
	490,257	535,178	571,553	611,853	610,684	634,239
	<u>79,831,076</u>	<u>90,311,464</u>	<u>90,202,273</u>	<u>100,054,902</u>	<u>93,748,379</u>	<u>93,808,188</u>
	<u>100,232</u>	<u>57,026</u>	<u>59,907</u>	<u>61,616</u>	<u>168,164</u>	<u>139,899</u>
	<u>100,232</u>	<u>57,026</u>	<u>59,907</u>	<u>61,616</u>	<u>168,164</u>	<u>139,899</u>
\$	<u><u>79,931,308</u></u>	<u><u>90,368,490</u></u>	<u><u>90,262,180</u></u>	<u><u>100,116,518</u></u>	<u><u>93,916,543</u></u>	<u><u>93,948,087</u></u>

\$	951	\$ 14,461	\$ 2,672	\$ 83,588	\$ 70,483	\$ 285
	54,607	54,318	53,533	34,464	46,071	62,707
	-	625	-	1,694	-	-
	13,175	9,146	-	4,774	-	-
	-	2,256	-	65	-	-
	-	403	97	-	5,074	3,071
	93	-	-	-	-	350
	807,097	836,496	829,385	604,103	122,265	309,299
	554,896	495,722	536,768	370,188	341,641	389,914
	-	-	-	-	-	-
	8,115	13,866	19,748	7,341	6,754	-
	1,308	5,453	-	145	-	-
	1,650	-	2,870	1,575	928	-
	46	-	-	-	-	-
	<u>13,642,591</u>	<u>24,510,681</u>	<u>17,742,608</u>	<u>18,365,058</u>	<u>19,754,988</u>	<u>19,151,180</u>
	<u>15,084,529</u>	<u>25,943,427</u>	<u>19,187,681</u>	<u>19,472,995</u>	<u>20,348,204</u>	<u>19,916,806</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## CHANGES IN NET POSITION - EXHIBIT L-2 (Page 2 of 2)

Last Ten Years  
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
<b>Business-Type Activities</b>				
Charges for services				
Maintenance and upkeep	\$ 45,000	\$ 45,000	\$ 45,900	\$ 45,900
<b>Total Business-Type Activities Revenues</b>	<u>45,000</u>	<u>45,000</u>	<u>45,900</u>	<u>45,900</u>
<b>Total Primary Government Program Revenues</b>	<u>\$ 9,757,636</u>	<u>\$ 9,638,891</u>	<u>\$ 13,671,905</u>	<u>\$ 15,690,387</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (58,353,906)	\$ (61,805,214)	\$ (60,389,865)	\$ (65,052,241)
Business-type activities	29,322	15,032	(23,547)	10,868
<b>Total Primary Government Net (Expense)</b>	<u>\$ (58,324,584)</u>	<u>\$ (61,790,182)</u>	<u>\$ (60,413,412)</u>	<u>\$ (65,041,373)</u>
<b>General Revenues</b>				
Governmental activities				
Property taxes				
Levied for general purposes	\$ 28,217,981	\$ 28,072,801	\$ 29,263,569	\$ 29,551,690
Levied for debt service	6,547,060	6,738,474	8,064,073	10,537,945
Unrestricted grants and contributions	22,834,078	25,358,709	22,601,715	22,752,097
Investment earnings	78,487	57,112	103,682	345,897
Miscellaneous	1,477,118	1,732,473	683,711	717,534
Gain on sale of asset	-	-	-	-
<b>Total Governmental Activities</b>	<u>59,154,724</u>	<u>61,959,569</u>	<u>60,716,750</u>	<u>63,905,163</u>
Business-type activities				
Investment earnings	445	147	177	828
Transfers	-	-	-	-
<b>Total Business-Type Activities</b>	<u>445</u>	<u>147</u>	<u>177</u>	<u>828</u>
<b>Total Primary Government</b>	<u>\$ 59,155,169</u>	<u>\$ 61,959,716</u>	<u>\$ 60,716,927</u>	<u>\$ 63,905,991</u>
<b>Changes in Net Position</b>				
Governmental activities	\$ 800,818	\$ 154,355	\$ 326,885	\$ (1,147,078)
Business-type activities	29,767	15,179	(23,370)	11,696
<b>Total Primary Government</b>	<u>\$ 830,585</u>	<u>\$ 169,534</u>	<u>\$ 303,515</u>	<u>\$ (1,135,382)</u>

Source: Seguin Independent School District's Audit Reports

**Fiscal Year**

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 52,150	\$ 60,900	\$ 60,900	\$ 79,400	\$ 81,900	\$ 111,261
52,150	60,900	60,900	79,400	81,900	111,261
<u>\$ 15,136,679</u>	<u>\$ 26,004,327</u>	<u>\$ 19,248,581</u>	<u>\$ 19,552,395</u>	<u>\$ 20,430,104</u>	<u>\$ 20,028,067</u>
\$ (64,746,547)	\$ (64,368,037)	\$ (71,014,592)	\$ (80,581,907)	\$ (73,400,175)	\$ (73,891,382)
(48,082)	3,874	993	17,784	(86,264)	(28,638)
<u>\$ (64,794,629)</u>	<u>\$ (64,364,163)</u>	<u>\$ (71,013,599)</u>	<u>\$ (80,564,123)</u>	<u>\$ (73,486,439)</u>	<u>\$ (73,920,020)</u>
\$ 31,123,500	\$ 33,417,192	\$ 35,513,821	\$ 35,249,098	\$ 35,654,313	\$ 37,052,374
10,952,934	11,709,599	12,384,811	14,003,280	14,260,742	15,798,361
21,614,071	22,287,771	20,705,009	24,664,507	24,312,952	28,992,532
598,156	709,653	1,074,239	1,219,250	113,934	207,840
576,697	497,703	469,112	498,965	346,147	1,120,045
-	-	-	-	-	395,722
<u>64,865,358</u>	<u>68,621,918</u>	<u>70,146,992</u>	<u>75,635,100</u>	<u>74,688,088</u>	<u>83,566,874</u>
2,133	4,778	8,012	5,331	333	626
-	-	-	-	-	-
<u>2,133</u>	<u>4,778</u>	<u>8,012</u>	<u>5,331</u>	<u>333</u>	<u>626</u>
<u>\$ 64,867,491</u>	<u>\$ 68,626,696</u>	<u>\$ 70,155,004</u>	<u>\$ 75,640,431</u>	<u>\$ 74,688,421</u>	<u>\$ 83,567,500</u>
\$ 118,811	\$ 4,253,881	\$ (867,600)	\$ (4,946,807)	\$ 1,287,913	\$ 9,675,492
(45,949)	8,652	9,005	23,115	(85,931)	(28,012)
<u>\$ 72,862</u>	<u>\$ 4,262,533</u>	<u>\$ (858,595)</u>	<u>\$ (4,923,692)</u>	<u>\$ 1,201,982</u>	<u>\$ 9,647,480</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## FUND BALANCES OF GOVERNMENTAL FUNDS - EXHIBIT L-3

Last Ten Years

(modified accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
<b>General Fund</b>				
Nonspendable	\$ 163,114	\$ 168,447	\$ 161,189	\$ 182,121
Restricted	-	-	-	-
Committed	95,867	252,982	736,383	-
Assigned	10,782,061	12,062,390	13,917,167	494,135
Unassigned	19,058,085	18,500,402	17,320,612	11,860,481
<b>Total General Fund</b>	<b>\$ 30,099,127</b>	<b>\$ 30,984,221</b>	<b>\$ 32,135,351</b>	<b>\$ 12,536,737</b>
 <b>All Other Governmental Funds</b>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	8,657,865	55,309,054	46,960,534	64,478,982
Unassigned	-	-	-	-
Special revenue funds	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 8,657,865</b>	<b>\$ 55,309,054</b>	<b>\$ 46,960,534</b>	<b>\$ 64,478,982</b>

Source: Seguin Independent School District's Audit Reports



**Fiscal Year**

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 196,150	\$ 188,900	\$ 172,718	\$ 218,557	\$ 291,899	\$ 262,840
7,281,222	1,858,398	331,070	1,096,450	525,823	468,865
-	-	-	-	-	-
665,000	1,114,850	-	620,000	-	-
19,391,476	25,905,913	30,877,094	29,802,591	30,872,224	35,839,125
<u>\$ 27,533,848</u>	<u>\$ 29,068,061</u>	<u>\$ 31,380,882</u>	<u>\$ 31,737,598</u>	<u>\$ 31,689,946</u>	<u>\$ 36,570,830</u>
\$ 12,701	\$ 23,866	\$ 26,624	\$ 21,256	\$ 21,256	\$ -
22,332,807	11,887,315	11,626,448	31,536,749	31,536,749	33,678,188
-	-	-	-	-	-
<u>\$ 22,332,807</u>	<u>\$ 11,887,315</u>	<u>\$ 11,626,448</u>	<u>\$ 31,558,005</u>	<u>\$ 31,558,005</u>	<u>\$ 33,678,188</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS - EXHIBIT L-4

Last Ten Years  
(modified accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
<b>Revenues</b>				
Local and intermediate sources	\$ 37,780,687	\$ 38,066,231	\$ 39,639,149	\$ 42,557,005
State program revenues	22,489,991	24,354,075	26,024,654	27,060,928
Federal program revenues	8,567,450	9,168,794	9,023,032	9,097,674
<b>Total Revenues</b>	<b>68,838,128</b>	<b>71,589,100</b>	<b>74,686,835</b>	<b>78,715,607</b>
<b>Expenditures</b>				
Instruction	32,616,048	34,773,496	37,687,373	37,041,830
Instructional resources and media services	909,219	952,465	964,178	919,469
Curriculum and staff development	1,145,812	1,458,121	1,557,683	1,696,274
Instructional leadership	899,314	1,083,731	1,169,302	1,484,633
School leadership	3,427,941	3,964,229	4,102,850	4,087,715
Guidance, counseling, and evaluation services	1,908,839	2,020,264	2,245,443	2,239,862
Social work services	511,566	528,214	576,257	556,109
Health services	501,053	539,040	547,662	542,586
Student transportation	2,696,104	2,693,468	2,089,876	2,559,205
Food service	3,955,740	4,025,460	3,993,581	4,266,025
Curriculum/extracurricular activities	1,953,555	1,814,731	2,017,058	2,164,695
General administration	1,543,693	1,616,490	1,708,359	1,945,469
Plant maintenance and operations	4,770,063	4,929,218	6,167,756	6,191,032
Security and monitoring services	346,048	464,106	262,345	367,906
Data processing services	1,092,033	1,280,957	1,428,410	1,971,985
Community services	20,160	136,843	126,358	96,425
Principal on long-term debt	2,291,520	2,710,073	2,165,212	1,585,996
Interest on long-term debt	3,432,155	3,382,484	6,350,527	7,886,855
Other debt service	156,647	527,883	3,392	1,028,862
Capital outlay	3,131,106	1,908,542	6,098,457	40,864,360
Payments related to SSA's	234,390	231,429	140,658	109,809
Other intergovernmental charges	407,581	407,583	418,607	444,400
<b>Total Expenditures</b>	<b>67,950,587</b>	<b>71,448,827</b>	<b>81,821,344</b>	<b>120,051,502</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	887,541	140,273	(7,134,509)	(41,335,895)
<b>Other Financing Sources (Uses)</b>				
Refunding bonds issued	-	-	-	40,420,000
Capital-related debt issued (regular bonds)	10,135,000	44,770,000	-	37,065,000
Sale of real or personal property	-	-	-	-
Transfers in	250,000	600,000	200,000	21,840,912
Premium or discount on issuance of bonds	1,152,412	2,663,579	-	8,375,294
Transfer out	(303,649)	(637,569)	(262,881)	(21,920,986)
Other sources	-	-	-	-
Other uses	(11,130,657)	-	-	(46,524,491)
<b>Total Other Financing Sources (Uses)</b>	<b>103,106</b>	<b>47,396,010</b>	<b>(62,881)</b>	<b>39,255,729</b>
<b>Net Change in Fund Balances</b>	<b>\$ 990,647</b>	<b>\$ 47,536,283</b>	<b>\$ (7,197,390)</b>	<b>\$ (2,080,166)</b>
<b>Debt service as a percentage of noncapital expenditures*</b>				
	9.07%	9.52%	11.25%	13.26%

\* The ratio of debt service expenditures to noncapital expenditures is calculated using total expenditures from the schedule above less capital outlay from the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance.

Source: Seguin Independent School District's Audit Reports

**Fiscal Year**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$	44,463,585	\$ 47,844,766	\$ 50,907,466	\$ 52,047,017	\$ 51,116,748	\$ 54,185,795
	25,625,555	25,900,825	24,556,643	30,077,996	28,884,661	27,776,117
	9,785,803	9,739,154	10,797,168	10,099,179	13,613,389	25,850,978
	<u>79,874,943</u>	<u>83,484,745</u>	<u>86,261,277</u>	<u>92,224,192</u>	<u>93,614,798</u>	<u>107,812,890</u>
	36,702,212	39,645,181	36,983,744	40,690,074	42,262,210	44,750,713
	930,425	908,777	932,398	1,070,973	1,116,480	1,001,116
	1,626,310	1,737,144	1,506,991	1,383,321	1,329,407	1,317,595
	1,484,540	1,684,851	1,659,700	2,081,479	1,820,217	2,853,290
	4,159,065	4,166,415	4,311,731	4,913,668	4,777,161	5,621,467
	2,031,772	2,113,764	2,436,997	2,887,756	3,159,158	3,545,715
	644,955	649,160	783,014	976,419	1,286,262	1,413,518
	536,973	523,396	551,138	627,308	723,498	781,947
	2,557,219	2,778,722	2,829,565	2,937,754	2,757,952	3,217,457
	4,639,767	4,407,152	4,801,851	4,792,523	4,340,584	4,880,528
	3,532,369	2,797,949	2,328,461	2,094,870	1,998,831	2,494,529
	2,020,476	1,969,606	2,237,282	2,151,276	2,071,836	2,592,648
	6,365,275	6,363,124	7,155,660	7,766,254	7,354,513	7,501,142
	529,532	453,902	480,344	633,954	1,210,801	648,504
	1,745,675	1,706,174	1,690,327	1,655,876	1,582,186	2,392,418
	52,006	79,862	101,331	37,070	70,704	128,969
	5,149,928	5,550,837	5,727,660	8,335,000	8,440,000	10,070,000
	6,105,430	6,513,516	6,645,780	6,112,939	5,729,612	5,897,051
	121,351	7,650	9,500	362,012	827,528	11,500
	35,702,738	7,687,372	849,452	14,922,956	10,709,590	20,077,809
	66,270	102,277	113,358	102,028	248,054	231,277
	490,257	535,178	571,553	611,853	610,684	634,239
	<u>117,194,545</u>	<u>92,382,009</u>	<u>84,707,837</u>	<u>107,147,363</u>	<u>104,427,268</u>	<u>122,063,432</u>
	(37,319,602)	(8,897,264)	1,553,440	(14,923,171)	(10,812,470)	(14,250,542)
	-	-	-	-	44,769,951	-
	10,000,000	-	-	31,565,000	27,665,000	-
	-	-	-	126,000	281,968	900,239
	8,333,980	4,443,686	1,187,275	-	-	-
				3,493,820	9,095,693	-
	(8,150,741)	(4,446,536)	(1,187,275)	-	-	-
	-	-	501,272	-	-	-
	-	-	-	-	(50,696,424)	-
	<u>10,183,239</u>	<u>(2,850)</u>	<u>501,272</u>	<u>35,184,820</u>	<u>31,116,188</u>	<u>900,239</u>
\$	<u>(27,136,363)</u>	<u>(8,900,114)</u>	<u>2,054,712</u>	<u>20,261,649</u>	<u>20,303,718</u>	<u>(13,350,303)</u>
	13.96%	14.25%	14.77%	16.06%	16.00%	15.67%

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX RATES-DIRECT AND ALL OVERLAPPING**  
**GOVERNMENTS - EXHIBIT L-5**  
**Last Ten Years**

	Fiscal Year			
	2013	2014	2015	2016
<b>School District</b>				
Maintenance and operations	\$ 1.04000	\$ 1.04000	\$ 1.04000	\$ 1.04000
Debt service	0.23700	0.24000	0.27500	0.37000
<b>District Total</b>	<u>\$ 1.27700</u>	<u>\$ 1.28000</u>	<u>\$ 1.31500</u>	<u>\$ 1.41000</u>
Guadalupe County	\$ 0.40360	\$ 0.39990	\$ 0.39410	\$ 0.38510
City of Seguin	0.50730	0.51730	0.52440	0.52560
Total Direct and Overlapping Rates	<u>\$ 2.18790</u>	<u>\$ 2.19720</u>	<u>\$ 2.23350</u>	<u>\$ 2.32070</u>

Source: Guadalupe County Appraisal District and City of Seguin Economic Development Corporation

**Fiscal Year**

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 1.06000	\$ 1.06000	\$ 1.06000	\$ 0.99000	\$ 0.97640	\$ 0.8996
0.36000	0.36000	0.36000	0.38500	0.38500	0.3850
<u>\$ 1.42000</u>	<u>\$ 1.42000</u>	<u>\$ 1.42000</u>	<u>\$ 1.37500</u>	<u>\$ 1.36140</u>	<u>\$ 1.2846</u>
\$ 0.38510	\$ 0.37799	\$ 0.38190	\$ 0.38190	\$ 0.38540	\$ 0.3799
0.54120	0.54120	0.54120	0.54120	0.54120	0.5412
<u>\$ 2.34630</u>	<u>\$ 2.33919</u>	<u>\$ 2.34310</u>	<u>\$ 2.29810</u>	<u>\$ 2.28800</u>	<u>\$ 2.2057</u>

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY - EXHIBIT L-6**  
 Last Ten Years

Fiscal Year Ended June 30	Assessed Actual Value			Total Assessed Actual Value**	Total Direct Rate*
	Residential	Commercial	Industrial		
2013	\$ 1,681,392,148	\$ 796,433,950	\$ 1,019,077,547	\$ 2,675,694,115	\$ 1.2770
2014	\$ 1,694,920,800	\$ 828,705,860	\$ 795,723,439	\$ 2,649,542,440	\$ 1.2800
2015	\$ 1,723,278,336	\$ 829,956,909	\$ 825,401,130	\$ 2,660,883,250	\$ 1.3150
2016	\$ 1,783,204,461	\$ 812,206,027	\$ 791,660,293	\$ 2,746,943,624	\$ 1.4100
2017	\$ 1,891,326,431	\$ 1,152,014,754	\$ 593,251,863	\$ 2,811,418,836	\$ 1.4200
2018	\$ 2,159,539,846	\$ 1,282,708,832	\$ 515,551,848	\$ 3,135,564,676	\$ 1.4200
2019	\$ 2,028,861,891	\$ 1,146,582,837	\$ 418,024,475	\$ 2,815,753,277	\$ 1.4200
2020	\$ 2,449,832,961	\$ 1,513,218,517	\$ 529,599,252	\$ 3,523,785,252	\$ 1.3750
2021	\$ 2,468,924,455	\$ 1,159,684,159	\$ 955,620,595	\$ 4,127,695,007	\$ 1.3614
2022	\$ 2,751,046,507	\$ 1,277,008,815	\$ 1,003,012,558	\$ 4,463,680,747	\$ 1.2846

\*Per \$100 of assessed value

\*\*Total Estimated Taxable Value is net of exemptions

Source: Guadalupe Appraisal District

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## PRINCIPAL PROPERTY TAX PAYERS - EXHIBIT L-7

Current Year and Nine Years Ago

Property Tax Payer	2022			2013		
	Taxable Value	Rank	% of Total Taxable Value	Taxable Value	Rank	% of Total Taxable Value
Structural Metals Inc	\$ 166,277,042	1	3.73%	\$ 117,910,768	1	4.41%
Caterpillar Inc	139,820,792	2	3.13%	82,354,360	2	3.08%
Niagara Bottling LLC	75,135,874	3	1.68%	-	-	0.00%
Teijin Automotive Tech Texas LLC	44,856,546	4	1.00%	-	-	0.00%
Texas Petroleum Investment Co	32,968,712	5	0.74%	76,932,827	3	2.88%
8th Street Properties LLC	32,891,800	6	0.74%	-	-	0.00%
Ameritex Pipe & Products LLC	21,274,283	7	0.48%	-	-	0.00%
United Alloy Texas LLC	20,015,319	8	0.45%	-	-	0.00%
Cargill Inc	19,455,601	9	0.44%	-	-	0.00%
Unrion Pacific Railroad Co	19,344,313	10	0.43%	-	-	0.00%
Rio Nogales Power Project	-	-	0.00%	75,299,165	4	2.81%
Hexcel Reinforcements Corp	-	-	0.00%	16,456,463	5	0.62%
Tyson Foods, Inc	-	-	0.00%	11,373,324	6	0.43%
Ranch at SH 123 LP	-	-	0.00%	11,216,728	7	0.42%
Republic Plastics	-	-	0.00%	11,069,776	8	0.41%
Temple - Inland, Inc	-	-	0.00%	10,738,503	9	0.40%
Guadalupe Valley Electric Co-Op	-	-	0.00%	10,374,507	10	0.39%
Subtotal	<u>572,040,282</u>		<u>12.82%</u>	<u>423,726,421</u>		<u>15.84%</u>
Other Taxpayers	<u>3,891,640,465</u>		<u>87.18%</u>	<u>2,251,967,694</u>		<u>84.16%</u>
Total taxable assessed value*	<u>\$ 4,463,680,747</u>		<u>100.00%</u>	<u>\$ 2,675,694,115</u>		<u>100.00%</u>

\*Taxable assessed value is net exemptions

Source: Guadalupe Appraisal District

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## PROPERTY TAX LEVIES AND COLLECTIONS - EXHIBIT L-8

Last Ten Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 34,306,841	\$ 33,202,438	96.78%	\$ 1,035,992	\$ 34,238,430	99.80%
2014	\$ 34,160,813	\$ 33,068,084	96.80%	\$ 1,009,864	\$ 34,077,948	99.76%
2015	\$ 35,316,259	\$ 34,327,794	97.20%	\$ 910,748	\$ 35,238,542	99.78%
2016	\$ 37,396,003	\$ 36,240,124	96.91%	\$ 1,062,010	\$ 37,302,134	99.75%
2017	\$ 38,719,851	\$ 37,223,503	96.14%	\$ 1,372,455	\$ 38,595,958	99.68%
2018	\$ 42,756,739	\$ 41,352,137	96.71%	\$ 1,237,505	\$ 42,589,642	99.61%
2019	\$ 46,321,735	\$ 44,859,885	96.84%	\$ 1,207,370	\$ 46,067,255	99.45%
2020	\$ 47,367,081	\$ 45,862,977	96.82%	\$ 1,100,540	\$ 46,963,517	99.15%
2021	\$ 47,040,373	\$ 45,685,321	97.12%	\$ 877,797	\$ 46,563,118	98.99%
2022	\$ 52,263,221	\$ 51,034,577	97.65%	\$ -	\$ 51,034,577	97.65%

Source: Guadalupe County Property Appraiser and District records

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING - EXHIBIT L-9

Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
<b>Assessed Value</b>				
All property	\$ 2,692,313,854	\$ 2,522,366,920	\$ 2,844,181,113	\$ 2,991,776,217
<b>Net Bonded Debt</b>				
Gross bonded debt	\$ 82,052,893	\$ 126,079,479	\$ 120,580,291	\$ 158,837,450
Less debt service funds	5,420,415	7,998,127	7,535,272	8,808,617
<b>Total Net Bonded Debt</b>	<b>\$ 76,632,478</b>	<b>\$ 118,081,352</b>	<b>\$ 113,045,019</b>	<b>\$ 150,028,833</b>
<b>Ratio of Net Bonded Debt To Assessed Value</b>	2.85%	4.68%	3.97%	5.01%
<b>Average Daily Attendance (ADA)</b>	7,514	7,419	7,459	7,492
<b>Ratio of Net Bonded Debt Per ADA</b>	\$ 10,199	\$ 15,916	\$ 15,156	\$ 20,025
<b>Percentage of Personal Income</b>	0.04%	0.06%	0.06%	0.08%
<b>Population</b>	139,841	139,841	147,250	147,250
<b>Net Bonded Debt Per Capita</b>	\$ 548	\$ 844	\$ 768	\$ 1,019

Source: Specialized Public Finance Inc., Texas Education Agency, and US Census Bureau

Fiscal Year					
2017	2018	2019	2020	2021	2022
<u>\$ 3,147,947,544</u>	<u>\$ 3,378,075,881</u>	<u>\$ 3,593,469,204</u>	<u>\$ 3,811,942,010</u>	<u>\$ 3,973,417,843</u>	<u>\$ 4,463,680,747</u>
\$ 162,804,097	\$ 156,098,003	\$ 148,898,392	\$ 161,809,858	\$ 181,034,809	\$ 182,756,950
7,172,910	7,855,444	8,968,967	11,017,436	10,332,942	12,761,789
<u>\$ 155,631,187</u>	<u>\$ 148,242,559</u>	<u>\$ 139,929,425</u>	<u>\$ 150,792,422</u>	<u>\$ 170,701,867</u>	<u>\$ 169,995,161</u>
4.94%	4.39%	3.89%	3.96%	4.30%	3.81%
7,425	7,467	7,366	7,226	6,899	7,064
\$ 20,960	\$ 19,853	\$ 18,997	\$ 20,868	\$ 24,743	\$ 24,065
0.07%	0.07%	0.06%	0.06%	0.07%	0.06%
155,265	159,659	163,694	166,847	172,706	177,036
\$ 1,002	\$ 928	\$ 855	\$ 904	\$ 988	\$ 960

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## RATIOS OF OUTSTANDING DEBT BY TYPE - EXHIBIT L-10

Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
<b>Primary Government</b>				
<b>Governmental Activities:</b>				
General obligation bonds	\$ 82,052,893	\$ 126,079,479	\$ 120,580,291	\$ 158,837,450
<b>Total Primary Government</b>	<u>\$ 82,052,893</u>	<u>\$ 126,079,479</u>	<u>\$ 120,580,291</u>	<u>\$ 158,837,450</u>
<b>Personal Income</b>	\$ 1,713,161,000	\$ 1,824,414,000	\$ 1,961,339,200	\$ 1,866,185,000
<b>Debt as a Percentage of Personal Income</b>	4.79%	6.91%	6.15%	8.51%
<b>Population</b>	46,106	46,106	48,548	48,548
<b>Debt Per Capita</b>	\$ 1,780	\$ 2,735	\$ 2,484	\$ 3,272

Source: Specialized Public Finance Inc., The County Information Program, Texas Association of Counties, and Bureau of Economic Analysis

**Fiscal Year**

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 162,804,097	\$ 156,098,003	\$ 148,898,392	\$ 161,809,858	\$ 193,497,237	\$ 182,756,950
<u>\$ 162,804,097</u>	<u>\$ 156,098,003</u>	<u>\$ 148,898,392</u>	<u>\$ 161,809,858</u>	<u>\$ 193,497,237</u>	<u>\$ 182,756,950</u>
\$ 2,104,146,000	\$ 2,319,260,000	\$ 2,321,785,605	\$ 2,366,487,180	\$ 2,449,601,820	\$ 2,883,709,042
7.74%	6.73%	6.41%	6.84%	7.90%	6.34%
51,191	52,639	53,970	55,009	56,941	58,369
\$ 3,180	\$ 2,965	\$ 2,759	\$ 2,942	\$ 3,398	\$ 3,131

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## LEGAL DEBT MARGIN INFORMATION - EXHIBIT L-11

Last Ten Years

### Legal Debt Margin Calculation for Fiscal Year 2022

Assessed value	\$ 4,463,680,747
Debt limit (percentage of 2021-2022 school year assessed value)*	10.00%
Maximum legal debt	446,368,075
Amount of debt applicable to debt limit**	182,756,950
<b>Legal Debt Margin</b>	<b>\$ 263,611,125</b>

\* This debt limit is established by law as stated in Vernon's Statutes, Article 835p.

\*\* Does not include capital lease obligations and is net of reserve for retirement of bonded debt

Fiscal Year	Debt Limit	Amount of Debt Applicable to Debt Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2013	\$ 269,231,385	\$ 82,052,893	\$ 187,178,492	30.48%
2014	\$ 252,236,692	\$ 126,079,479	\$ 126,157,213	49.98%
2015	\$ 284,418,111	\$ 120,580,291	\$ 163,837,820	42.40%
2016	\$ 299,177,622	\$ 158,837,450	\$ 140,340,172	53.09%
2017	\$ 314,794,754	\$ 162,804,097	\$ 151,990,657	51.72%
2018	\$ 337,807,588	\$ 156,098,003	\$ 181,709,585	46.21%
2019	\$ 359,346,920	\$ 148,898,392	\$ 210,448,528	41.44%
2020	\$ 381,194,201	\$ 161,809,858	\$ 219,384,343	42.45%
2021	\$ 397,341,784	\$ 193,497,237	\$ 203,844,547	48.70%
2022	\$ 446,368,075	\$ 182,756,950	\$ 263,611,125	40.94%

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
***DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT - EXHIBIT L-12***  
As of June 30, 2022

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Percentage Applicable*</b>	<b>Share of Overlapping Debt</b>
Guadalupe County	\$ 13,832,005	32.97%	\$ 4,560,412
City of Seguin	\$ 96,169,649	100.00%	96,169,649
Subtotal, overlapping debt			100,730,061
<b>District Direct Debt</b>	<b>\$ 173,694,809</b>	<b>100.00%</b>	<b>173,694,809</b>
<b>Total Direct and Overlapping Debt</b>			<b>\$ 274,424,870</b>
<b>Population (District)</b>			58,369
<b>Per Capita Debt - Direct and Overlapping</b>			<b>\$ 4,702</b>

Source: Guadalupe County and the City of Seguin

\* The "Percentage Applicable" is determined by dividing the City's certified taxable value within the taxing jurisdiction by the certified taxable value of the taxing jurisdiction.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## DEMOGRAPHIC STATISTICS - EXHIBIT L-13

Last Ten Years

Population Information				
<u>Fiscal Year</u>	<u>Estimated Population</u>	<u>Land Area*</u>	<u>Density Per Square Mile*</u>	<u>Population Change</u>
2013	46,106	N/A	N/A	19.2%
2014	46,106	N/A	N/A	0.0%
2015	48,548	N/A	N/A	5.0%
2016	48,548	N/A	N/A	0.0%
2017	51,191	N/A	N/A	5.2%
2018	52,639	N/A	N/A	2.8%
2019	53,970	N/A	N/A	2.5%
2020	55,009	N/A	N/A	1.9%
2021	56,941	N/A	N/A	3.4%
2022	58,369	711	242	2.4%

Source: Texas Association of Counties

\* Data only available for FY 2022

<b>Guadalupe County</b>					
<b>Personal Income (in Thousands)</b>	<b>Population (Persons)</b>	<b>Per Capita Personal Income</b>	<b>Total Unemployment</b>	<b>Percentage Unemployment County</b>	<b>Percentage Unemployment State</b>
\$ 1,713,161,000	46,106	\$ 37,157	6.3%	6.1%	6.4%
\$ 1,824,414,000	46,106	\$ 39,570	4.6%	4.6%	5.2%
\$ 1,961,339,200	48,548	\$ 40,400	3.6%	3.9%	4.4%
\$ 1,866,185,000	48,548	\$ 38,440	3.8%	3.9%	4.7%
\$ 2,104,146,000	51,191	\$ 41,104	3.7%	3.5%	4.3%
\$ 2,219,260,000	52,639	\$ 42,160	3.5%	3.5%	3.9%
\$ 2,321,785,605	53,970	\$ 43,020	3.0%	3.2%	3.4%
\$ 2,366,487,180	55,009	\$ 44,809	6.9%	8.4%	10.1%
\$ 2,449,601,820	56,941	\$ 45,797	5.2%	5.0%	5.9%
\$ 2,883,709,042	58,369	\$ 49,405	3.6%	3.6%	4.1%

Source: Texas Association of Counties, Texas Workforce Commission (Texas LMI) & Bureau of Economic Analysis, U.S. Bureau of Labor Statistics

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## PRINCIPAL EMPLOYERS - EXHIBIT L-14

Current Year and Nine Years Ago

2022			2013		
Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
Caterpillar, Inc.	2,000	3.55%	Continental Automotive Systems	1,171	2.71%
Vitesco Technologies	1,500	2.67%	Seguin ISD	1,078	2.50%
Seguin ISD	1,045	1.86%	TX Power Systems (Caterpillar)	1,036	2.40%
CMC Steel	900	1.60%	CMC Steel Texas	880	2.04%
Guadalupe Regional Med. Center	765	1.36%	Tyson Foods	762	1.76%
Tyson Foods	750	1.33%	Guadalupe Regional Med. Center	667	1.54%
Guadalupe County	650	1.16%	Guadalupe County	579	1.34%
Texas Lutheran University	440	0.78%	Wal-Mart Supercenter	400	0.93%
City of Seguin	429	0.76%	Texas Lutheran University	326	0.75%
HEB	400	0.71%	City of Seguin	280	0.65%
<b>Total</b>	<b>8,879</b>			<b>7,179</b>	
<b>Total Guadalupe County Employment</b>	<b>56,267</b>			<b>43,201</b>	

Source: Seguin Economic Development

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
***FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION - EXHIBIT L-15***  
**Last Ten Years**

	Fiscal Year			
	2013	2014	2015	2016
<b><u>Governmental Activities</u></b>				
Instruction	609	628	617	617
Instructional resources and media services	13	12	12	12
Curriculum and staff development	14	16	20	20
Instructional leadership	13	15	19	19
School leadership	67	70	70	70
Guidance, counseling, and evaluation services	31	32	32	32
Social work services	9	9	8	8
Health services	14	14	13	13
Student transportation	80	77	76	76
Food services	73	72	67	67
Extracurricular activities	8	6	4	4
General administration	18	17	18	18
Facilities maintenance and operations	90	83	88	88
Security and monitoring services	4	4	4	4
Data processing services	11	12	12	12
Community services	6	12	12	12
<b>Total District Positions</b>	<u>1,060</u>	<u>1,079</u>	<u>1,072</u>	<u>1,072</u>

Source: District Records



<b>Fiscal Year</b>					
<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
600	597	592	602	592	626
12	12	12	12	12	12
17	19	14	10	9	10
18	20	20	23	22	33
69	68	70	74	71	76
26	29	30	32	37	40
11	7	11	11	15	17
12	12	12	12	13	13
71	76	76	88	61	60
71	68	67	70	61	64
6	7	6	4	4	6
19	18	19	20	20	22
80	82	88	86	80	75
5	5	5	4	9	7
11	12	12	11	12	16
7	2	2	1	2	2
<u>1,035</u>	<u>1,034</u>	<u>1,036</u>	<u>1,060</u>	<u>1,020</u>	<u>1,078</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## OPERATING STATISTICS - EXHIBIT L-16

Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
<b>Average Daily Attendance</b>	7,514	7,419	7,459	7,492
<b>Operating Expenditures</b>	\$ 50,038,885	\$ 53,380,021	\$ 54,725,032	\$ 57,560,636
Cost per pupil	\$ 6,659	\$ 7,195	\$ 7,337	\$ 7,683
Percentage change	-45.85%	8.04%	1.97%	4.72%
<b>Government-wide Expenses</b>	\$ 1,066,323	\$ 502,101	\$ 418,607	\$ 444,400
Cost per pupil	\$ 142	\$ 68	\$ 56	\$ 59
Percentage change	188.57%	-52.31%	-17.08%	5.69%
<b>Teaching Staff</b>	469	474	489	486
Pupils to teacher	16	16	15	15
<b>Percentage of Students</b>				
Economically Disadvantaged	68.61%	68.87%	67.67%	65.89%

Source: Texas Education Agency

**Fiscal Year**

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
7,425	7,467	7,366	7,226	6,899	7,064
\$ 58,528,169	\$ 60,456,630	\$ 59,345,095	\$ 62,858,114	\$ 63,402,641	\$ 62,438,594
\$ 7,883	\$ 8,097	\$ 8,057	\$ 8,699	\$ 9,190	\$ 8,839
2.60%	2.71%	-0.49%	7.97%	5.65%	-3.82%
\$ 3,200,117	\$ 3,660,111	\$ 2,063,740	\$ 2,356,250	\$ 2,897,435	\$ 2,814,947
\$ 431	\$ 490	\$ 280	\$ 326	\$ 420	\$ 398
626.60%	13.73%	-42.84%	16.39%	28.80%	-5.12%
478	465	464	471	466	485
16	16	16	15	15	15
66.26%	67.12%	71.00%	70.64%	67.36%	68.29%

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## TEACHER BASE SALARIES - EXHIBIT L-17

Last Ten Years

<b>Fiscal Year</b>	<b>Minimum Salary*</b>	<b>Maximum Salary*</b>	<b>Region Average Salary</b>	<b>Statewide Average Salary</b>
2013	\$ 41,000	\$ 60,938	\$ 46,953	\$ 48,821
2014	\$ 42,500	\$ 61,900	\$ 47,492	\$ 49,692
2015	\$ 44,500	\$ 62,000	\$ 48,063	\$ 50,715
2016	\$ 45,000	\$ 63,100	\$ 49,143	\$ 51,892
2017	\$ 45,500	\$ 65,150	\$ 51,538	\$ 52,525
2018	\$ 46,500	\$ 65,974	\$ 51,848	\$ 55,334
2019	\$ 49,000	\$ 66,809	\$ 52,986	\$ 54,122
2020	\$ 51,000	\$ 70,018	\$ 55,637	\$ 57,091
2021	\$ 51,000	\$ 70,018	\$ 55,885	\$ 57,641
2022	\$ 51,500	\$ 70,995	\$ 56,607	\$ 58,887

\* Amounts do not include additional salary steps based on experience or academic credentials, nor fringe benefits such as pension, health insurance, disability, etc.

Sources: District Records and Texas Education Agency

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## ATTENDANCE DATA - EXHIBIT L-18

Last Ten Years

Fiscal Year	Total Enrollment	Average Daily Attendance		
		Amount	Percentage Increase (Decrease)	Percentage of Attendance
2013	7,768	7,514	3.85%	96.73%
2014	7,710	7,419	-1.26%	96.23%
2015	7,725	7,459	0.54%	96.56%
2016	7,725	7,492	0.44%	96.98%
2017	7,935	7,425	-0.89%	93.57%
2018	8,023	7,467	0.57%	93.07%
2019	7,849	7,366	-1.35%	93.85%
2020	7,678	7,226	-1.90%	94.11%
2021	7,409	6,899	-4.53%	93.12%
2022	7,529	7,064	2.39%	93.82%

Source: Texas Education Agency

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## SCHOOL BUILDING INFORMATION - EXHIBIT L-19 (Page 1 of 2)

Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
<b>Elementary</b>				
Koennecke (1986)				
Square feet	53,206	53,206	53,206	53,206
Capacity	562	562	562	562
Enrollment	529	546	533	533
Ball (1976)				
Square feet	51,805	51,805	51,805	51,805
Capacity	449	449	449	449
Enrollment	258	245	263	263
Jefferson (1974)				
Square feet	53,087	53,087	53,087	53,087
Capacity	584	584	584	584
Enrollment	414	406	393	393
Juan Seguin (1940)				
Square feet	25,306	25,306	25,306	25,306
Capacity	300	300	300	300
Enrollment	-	-	-	-
McQueeney (1976)				
Square feet	54,957	54,957	54,957	54,957
Capacity	490	490	490	490
Enrollment	379	356	350	350
Patlan (1987)				
Square feet	53,206	53,206	53,206	53,206
Capacity	562	562	562	562
Enrollment	469	462	467	467
Rodriguez (2010)				
Square feet	67,000	67,000	67,000	67,000
Capacity	650	650	650	650
Enrollment	527	547	548	548
Saegert (1930)				
Square feet	67,547	67,547	67,547	67,547
Capacity	600	600	600	600
Enrollment	540	522	489	489



Fiscal Year					
2017	2018	2019	2020	2021	2022
53,206	53,206	53,206	53,206	53,206	53,206
562	562	562	562	562	562
535	515	539	569	586	511
51,805	51,805	51,805	51,805	51,805	51,805
449	449	449	449	449	449
490	536	492	436	234	345
53,087	53,087	53,087	53,087	53,087	53,087
584	584	584	584	584	584
421	403	363	351	347	380
25,306	25,306	25,306	-	-	-
300	300	300	-	-	-
-	-	-	-	-	-
54,957	54,957	54,957	54,957	54,957	54,957
490	490	490	490	490	490
347	347	337	320	316	307
53,206	53,206	53,206	53,206	53,206	53,206
562	562	562	562	562	562
462	462	419	454	439	446
67,000	67,000	67,000	67,000	67,000	67,000
650	650	650	650	650	650
526	544	551	540	525	492
67,547	67,547	67,547	67,547	67,547	64,547
600	600	600	600	600	600
-	-	-	64	70	88

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## SCHOOL BUILDING INFORMATION - EXHIBIT L-19 (Page 2 of 2)

Last Ten Years

	Fiscal Year			
	2013	2014	2015	2016
Vogel (1991)				
Square feet	53,206	53,206	53,206	53,206
Capacity	562	562	562	562
Enrollment	472	439	464	464
Weinert (1974)				
Square feet	46,375	46,375	46,375	46,375
Capacity	540	540	540	540
Enrollment	539	548	558	558
<b>Middle School</b>				
Barnes (2004)				
Square feet	150,000	150,000	150,000	150,000
Capacity	700	700	700	700
Enrollment	530	534	530	530
Briesemeister (1975)				
Square feet	103,606	103,606	103,606	103,606
Capacity	700	700	700	700
Enrollment	530	535	527	527
Burges (1950)				
Square feet	17,114	17,114	17,114	17,114
Capacity	120	120	120	120
Enrollment	21	21	29	29
<b>High School</b>				
Learning Center (1964)				
Square feet	21,968	21,968	21,968	21,968
Capacity	125	125	125	125
Enrollment	155	153	134	134
Seguin High School				
Square feet	289,914	289,914	289,914	289,914
Capacity	2,500	2,500	2,500	2,500
Enrollment	1,878	1,849	1,892	1,892
<b>Total Square Footage</b>	1,175,297	1,175,297	1,175,297	1,175,297
<b>Total Capacity</b>	10,094	10,094	10,094	10,094
<b>Total Enrollment</b>	7,768	7,710	7,725	7,725

Source: District records and Texas Education Agency

Fiscal Year					
2017	2018	2019	2020	2021	2022
53,206	53,206	53,206	53,206	53,206	53,206
562	562	562	562	562	562
425	409	405	382	275	374
46,375	46,375	46,375	46,375	46,375	46,375
540	540	540	540	540	540
520	513	475	477	443	456
150,000	150,000	150,000	150,000	150,000	150,000
700	700	700	700	700	700
813	863	876	852	873	853
103,606	103,606	103,606	103,606	103,606	103,606
700	700	700	700	700	700
787	807	778	767	727	720
17,114	17,114	17,114	17,114	-	-
120	120	120	120	-	-
31	26	-	-	-	-
21,968	21,968	21,968	21,968	-	-
125	125	125	125	-	-
103	92	78	-	-	-
420,774	420,774	420,774	420,774	420,774	420,774
2,450	2,450	2,450	2,450	2,450	2,450
1,949	1,962	1,985	1,926	2,049	2,065
1,306,157	1,306,157	1,306,157	1,280,851	1,241,769	1,238,769
10,044	10,044	10,044	9,744	9,499	9,499
7,935	8,023	7,849	7,678	7,409	7,529

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***COMPLIANCE SECTION***

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

To the Board of Trustees of  
Seguin Independent School District:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Seguin Independent School District (the "District"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 14, 2022.

**Report on Internal Control Over Financial Reporting**

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

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

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

## **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*.

### **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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
November 14, 2022





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

To the Board of Trustees of  
Seguin Independent School District:

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

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

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

**Basis for Opinion on Each Major Federal Program**

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

## **Auditors' 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 generally accepted auditing standards, *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 generally accepted auditing standards, *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 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 Auditors' 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. 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 have not been identified.

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

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
November 14, 2022

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
***SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS***  
**For the Year Ended June 30, 2022**

**A. SUMMARY OF PRIOR YEAR AUDIT FINDINGS**

No prior year findings.

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - EXHIBIT F-1**  
For the Year Ended June 30, 2022

**I. SUMMARY OF AUDIT RESULTS**

*Financial Statements*

What were the results of the auditors' determination of whether the financial statements were prepared in accordance with generally accepted accounting principles?	Unmodified
Is a 'going concern' emphasis-of-matter paragraph included in the auditors' report?	No
Is a significant deficiency in internal control disclosed?	No
Is a material weakness in internal control disclosed?	No
Is a material noncompliance disclosed?	No

*Federal Programs*

Does the auditors' report include a statement that the financial statements include departments, agencies, or other organizational units expending federal awards which are not included in this audit?	No
What is the dollar threshold used to distinguish between Type A and Type B programs?	\$750,000
Did the auditee qualified as low-risk auditee?	No

*Major Program Information and Audit Findings*

Identification of major programs:

<u>Assistance Listing (AL) Number(s)</u>	<u>Name of Federal Program or Cluster</u>	<u>Number of Audit Findings</u>
84.027/84.173	Special Education Cluster	0
84.425U	Education Stabilization Fund	0
24.287	Title IV, Part B 21st Century Learning	0

Type of audit report issued on compliance for major programs	Unmodified
--	------------

**II. FINANCIAL STATEMENT FINDINGS**

None identified.

**III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None identified.

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - EXHIBIT K-1**

For the Year Ended June 30, 2022

(1) Federal Grantor/Pass Through Grantor/Program or Cluster Title	(2) Federal AL Number	(2A) Pass-through Entity Identifying Number	(3) Federal Expenditures
<b>U.S. DEPARTMENT OF EDUCATION</b>			
Passed Through State Department of Education			
ESEA Title I, Part A	84.010	20610101094901	\$ 2,637
ESEA Title I, Part A	84.010	21610101094901	71,904
ESEA Title I, Part A	84.010	22610101094901	2,012,182
Migrant Education State Grant Program	84.011	21610103094901	11,141
Migrant Education State Grant Program	84.011	22615001094901	12,938
IDEA B, Formula Grant*	84.027	216600010949016000	108,201
IDEA B, Formula Grant*	84.027	226600010949016600	1,422,945
IDEA B, (High Cost Pool)*	84.027	H027A210008	150,355
IDEA B, Preschool*	84.173	226610010949016610	30,282
Title III, Part A	84.365	20671001094901	2,192
Title III, Part A	84.365	22671001094901	98,002
Carl D. Perkins Basic Formula	84.048A	2142000604901	2,437
Carl D. Perkins Basic Formula	84.048A	2242000604901	92,409
Title IV, Part B 21st Century Learning	84.287	S287C210044	1,338,623
Title II, Part A, Supporting Effective Instruction	84.367	21694501094901	11,321
Title II, Part A, Supporting Effective Instruction	84.367	22694501094901	198,901
Title IV, Part A, Subpart 1	84.424	22680101094901	172,405
Instructional Continuity Grant	84.377A	17610740049901	2,320
Education for Homeless Children and Youth	84.196A	214600057110064	1,409
COVID-19 - Education Stabilization Fund (ESSER)	84.425D	21521001094901	6,941
COVID-19 - Education Stabilization Fund (ESSER)	84.425U	21528001094901	11,264,691
School Climate Transformation	84.184G	S184G190293-2	164,869
School Climate Transformation	84.184G	S184G190293-3	576,494
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>17,755,599</b>
<b>U.S. DEPARTMENT OF JUSTICE</b>			
Public Safety Partnership and Community Policing	16.710	2019SVWX0037	17,347
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>			<b>17,347</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Passed Through State Department of Education			
School Breakfast Programs*	10.553	806780706	1,425,959
National School Lunch*	10.555	806780706	3,627,836
Child and Adult Food Care Program	10.558	806780706	273,474
Summer Food Service Program*	10.559	806780706	82,594
USDA Commodities	10.565	806780706	385,655
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b>5,795,518</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through Community Council of South Central Texas			
Headstart Program	93.600	2020-CCSCT/SISD	186,005
Passed through Texas Health and Human Services Commission			
Medicaid Administrative Claims	93.778	529-07-0157-00253	63,918
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>249,923</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 23,818,387</b>
<i>* Indicates clustered program under OMB Compliance Supplement</i>			
		Federal revenue per SEFA	\$ 23,818,387
		ERATE	442,143
		Junior ROTC	74,130
		SHARS	1,516,318
		C-2 Federal revenue	<b>\$ 25,850,978</b>

The accompanying notes are an integral part of this schedule.

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2022**

**NOTE 1: BASIS OF ACCOUNTING**

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

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the SEFA are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the SEFA, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3: INDIRECT COST RATE**

The District has elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

**NOTE 4: DONATED PERSONAL PROTECTIVE EQUIPMENT (UNAUDITED)**

During the emergency period of COVID-19, federal agencies and recipients of federal assistance funds donated personal protective equipment (PPE) to non-federal entities. In connection with that donation, the recipient must disclose the estimated value of the donated PPE, but such amounts are not included in the SEFA. The District did not received any PPE donations funded by federal assistance funds during the reporting year.

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF REQUIRED RESPONSES TO**  
**SELECTED SCHOOL FIRST INDICATORS - EXHIBIT L-1**  
**For the Year Ended June 30, 2022**

<b>Data Control Codes</b>		<b>Responses</b>
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF3	Did the District make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the District was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warranty hold was issued, the District is considered to not have made timely payments.)	Yes
	Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued.	
	Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.	
SF4	Was the District issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the District is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the District post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws, and rules that were in effect at the District's fiscal year end?	Yes
SF8	Did the Board members discuss the District's property values at a Board meeting within 120 days before the District adopted its budgets?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year end.	<u>\$ 7,314,334</u>

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