

*ANNUAL COMPREHENSIVE FINANCIAL REPORT*

**SEGUIN  
INDEPENDENT SCHOOL DISTRICT**

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

Officials Issuing Report:

Dr. Veronica Vijil  
Superintendent of Schools

Tony Hillberg  
Chief Financial Officer

Seguin, Texas

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

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November 7, 2023

Mr. Alejandro Guerra, President Board of Trustee Members  
Seguin Independent School District  
1221 E. Kingsbury St.  
Seguin, Texas 78155

Dear Mr. Guerra 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, 2023 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 District's 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 (TEA) 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. The District is an independent school district incorporated as a political subdivision of the State of Texas.

A seven-member Board of Trustees (the 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 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 2022-2023 had an enrollment of 7,073 students (average daily attendance was 6,560 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 70.6% Hispanic, 23.5% White, 3.7% African American, 0.3% Asian, 0.2% Native American/Pacific Islander, and 1.2% two or more. Additionally, 74% 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 and 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 and outdoor 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 eight 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 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. Beginning in the 2023-24 school year, students also have the opportunity to be part of the newly designated Partnership in Technology Early College High School (P-TECH). P-TECH students will be able to earn an associate degree in Pharmacy Technology and Pharmacy Technician certification through a partnership with Alamo Colleges - Northwest Vista College.

The District'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, and 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 (the 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 Foundation has provided nearly 360 grants totaling more than \$780,000. Approximately \$60,000 was awarded in the 2022-2023 academic year. The Foundation funds creative, teacher-initiated projects that enhance instruction and enrich learning.

The District is one of the largest employers in the community. The District reported total staff of 1,152 with 462 teachers, 162 professional support, 33 campus administrators and 8 central administration staff members. Support staff includes 143 educational aides, 100 clerical/technical and 243 auxiliary staff.

Facilities and campuses in the District range in age with the oldest being more than 100 years old and the newest being six years old.

In an effort to accommodate projected increases in student enrollment and to address aging facilities, the District hosted bond elections in 2019, 2022, and 2023. Voters approved the bond packages totaling \$64.7 million, \$131 million, and \$7.5 million, respectively.

#### 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 SH130, which opened in fall 2012, provides an alternate route to the I-35 gridlock and diverts commuter traffic from I-35 just north of Austin to I-10 at Seguin.

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

Seguin's housing market is booming. There are currently over 15,000 residential housing units that are either tied to a development that is under construction, or tied to a development with plans in review by the City of Seguin. Currently, there are over 20 subdivisions under construction within the City of Seguin, and more are expected to break ground in the near future.

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, 2023 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 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 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.

#### 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

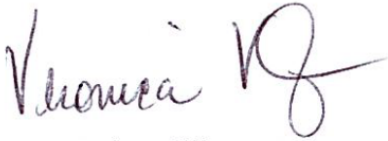
We respectfully acknowledge the responsible and sincere involvement of the school board, administrators, principals, program directors and coordinators in the financial affairs of the District.

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 Anthony Hillberg, Sally Eckhart, Christina Garcia, Jennifer Raske-Martinez, Maureen Ivey, Marie Rodriguez, Abby Catoe, Marsha Long, Teri Salinas, Susana Menchaca-Rodriguez, 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,

A handwritten signature in dark ink, appearing to read "Veronica Vjil", with a stylized flourish at the end.

Dr. Veronica Vijil  
Superintendent of Schools

A handwritten signature in dark ink, appearing to read "Anthony Hillberg", with a long horizontal flourish extending to the right.

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, 2023, at a meeting of the Board of Trustees of such school district on the 14 day of October, 2023

  
Signature of Board Secretary

  
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
Alejandro Guerra	President	7	2026	Senior Chemist
Carl Jenkins	Vice President	7	2024	Registered Nurse
Grace Mueller	Trustee	1	2026	Retired Educator
Joshua Bright	Trustee	1	2026	PTC Board Member
Linda Duncan	Trustee	5	2026	Radio Personality
Denise Crettenden	Trustee	5	2026	Parent Teacher Connection President
Benito Amador	Trustee	7	2024	USAF Veteran/Property Manager

### Administrative Officials

Official	Position	Years of Service	
		Total	District
Dr. Veronica Vijil	Interim Superintendent	20	0
Dr. Samuel Hogue	Interim Assistant Superintendent	34	0
Anthony Hillberg	Chief Financial Officer	25	25
Nikki Elaine Bittings	Chief Student Services Officer	26	26
Joel Trevino	Interim Chief Human Resources Officer	20	0
Sean Hoffmann	Chief Communications Officer	24	12
Steve Gonzalez	Chief Technology Officer	11	4
Andrea Jaramillo	Deputy Chief of Innovation and Learning	18	6

### 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

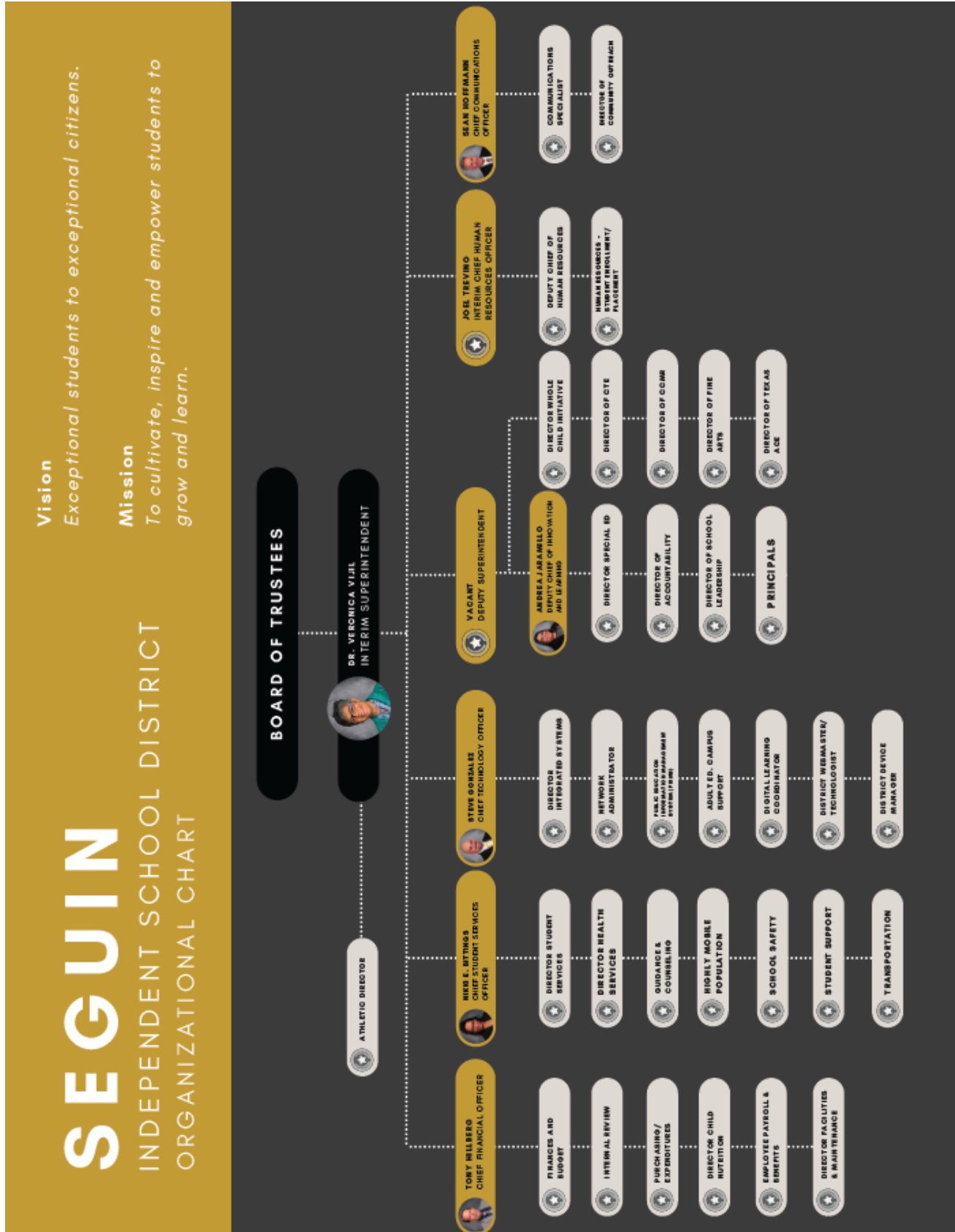
#### **Specialized Public Finance Inc.**

Financial Advisor

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

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## Organizational Chart



# 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, 2022

*Christopher P. Morill*

Executive Director/CEO

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

To the Board of Trustees of  
Seguin Independent School District:

### **Report on the Audit of the Financial Statements**

#### **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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **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 judgement, 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 7, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 7, 2023



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



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### For the Year Ended June 30, 2023

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, 2023. 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, 2023 was \$5,047,341.
- For the fiscal year ended June 30, 2023, the District's general fund reported a total fund balance of \$35,219,695, of which \$255,117 is nonspendable for inventories and prepaid items, \$468,865 is restricted for various grants, and \$34,495,713 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 a combined ending fund balance of \$99,081,275.

#### 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 financial 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 custodian 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, 2023**

### **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, 2023

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 \$5,047,341 at June 30, 2023. 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, 2023. Current assets and liabilities both experienced increases in the current year. The increase in current assets was primarily attributed the issuance of long term bonds for which the cash was not used by the end of the year. The increase in current liabilities was primarily related to increases in payables for ongoing construction in the District. The increase in long-term liabilities was primarily related to the issuance of new debt as well as increases in the net pension liability which was partially offset by a decrease in the net OPEB liability. The District reported an increase of \$7,583,269 in net position from the prior year. This increase is primarily related to increases in property tax revenue due to increases in property valuations across the District as well as increases in investment earnings during the year. This increase in revenue was partially offset by decreases in operating grants and contributions primarily due to less federal and state aid received during the year.

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
**For the Year Ended June 30, 2023**

**Table 1**

**Net Position**

Description	Governmental Activities		Business-Type Activities		Total Activities		Total Change
	2023	2022	2023	2022	2023	2022	2023-2022
Current assets	\$ 120,315,281	\$ 87,938,648	\$ 1,386,794	\$ 1,475,226	\$ 121,702,075	\$ 89,413,874	\$ 32,288,201
Capital assets	158,901,655	156,601,179	-	-	158,901,655	156,601,179	2,300,476
<b>Total Assets</b>	<b>279,216,936</b>	<b>244,539,827</b>	<b>1,386,794</b>	<b>1,475,226</b>	<b>280,603,730</b>	<b>246,015,053</b>	<b>34,588,677</b>
Deferred charge on refunding	7,347,569	7,846,662	-	-	7,347,569	7,846,662	(499,093)
Deferred outflows - pensions	12,895,206	5,397,607	-	-	12,895,206	5,397,607	7,497,599
Deferred outflows - OPEB	8,874,277	4,762,917	-	-	8,874,277	4,762,917	4,111,360
<b>Total Deferred Outflows of Resources</b>	<b>29,117,052</b>	<b>18,007,186</b>	<b>-</b>	<b>-</b>	<b>29,117,052</b>	<b>18,007,186</b>	<b>11,109,866</b>
Current liabilities	15,842,706	14,519,649	200	237	15,842,906	14,519,886	1,323,020
Long-term liabilities	258,845,445	221,661,850	-	-	258,845,445	221,661,850	37,183,595
<b>Total Liabilities</b>	<b>274,688,151</b>	<b>236,181,499</b>	<b>200</b>	<b>237</b>	<b>274,688,351</b>	<b>236,181,736</b>	<b>38,506,615</b>
Deferred inflows - pensions	3,789,954	12,573,770	-	-	3,789,954	12,573,770	(8,783,816)
Deferred inflows - OPEB	25,078,897	16,606,691	-	-	25,078,897	16,606,691	8,472,206
Deferred inflows - leases	-	-	1,116,239	1,195,970	1,116,239	1,195,970	(79,731)
<b>Total Deferred Inflows of Resources</b>	<b>28,868,851</b>	<b>29,180,461</b>	<b>1,116,239</b>	<b>1,195,970</b>	<b>29,985,090</b>	<b>30,376,431</b>	<b>(391,341)</b>
Net investment in capital assets	2,823,568	(43,926)	-	-	2,823,568	(43,926)	2,867,494
Restricted	17,616,588	13,744,332	-	-	17,616,588	13,744,332	3,872,256
Unrestricted	(15,663,170)	(16,515,353)	270,355	279,019	(15,392,815)	(16,236,334)	843,519
<b>Total Net Position</b>	<b>\$ 4,776,986</b>	<b>\$ (2,814,947)</b>	<b>\$ 270,355</b>	<b>\$ 279,019</b>	<b>\$ 5,047,341</b>	<b>\$ (2,535,928)</b>	<b>\$ 7,583,269</b>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

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

### For the Year Ended June 30, 2023

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

	Governmental Activities		Business-Type Activities		Total Activities		Total Change
	2023	2022	2023	2022	2023	2022	2023-2022
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 1,004,390	\$ 765,626	\$ 106,725	\$ 111,261	\$ 1,111,115	\$ 876,887	\$ 234,228
Operating grants and contributions	11,680,710	19,151,180	-	-	11,680,710	19,151,180	(7,470,470)
General revenues:							
Property taxes	60,719,061	52,850,735	-	-	60,719,061	52,850,735	7,868,326
Grants and contributions not restricted for specific programs	26,727,873	28,992,532	-	-	26,727,873	28,992,532	(2,264,659)
Investment earnings	2,632,641	207,840	9,865	626	2,642,506	208,466	2,434,040
Other revenue	3,230,219	1,120,045	-	-	3,230,219	1,120,045	2,110,174
Gain on sale of capital asset	-	395,722	-	-	-	395,722	(395,722)
<b>Total Revenue</b>	<b>105,994,894</b>	<b>103,483,680</b>	<b>116,590</b>	<b>111,887</b>	<b>106,111,484</b>	<b>103,595,567</b>	<b>2,515,917</b>
<b>Expenses:</b>							
Instruction	45,188,433	44,425,652	-	-	45,188,433	44,425,652	762,781
Instructional resources and media services	1,172,725	1,089,460	-	-	1,172,725	1,089,460	83,265
Curriculum/instructional staff development	1,615,696	1,375,359	-	-	1,615,696	1,375,359	240,337
Instructional leadership	3,023,141	3,012,039	-	-	3,023,141	3,012,039	11,102
School leadership	5,897,832	5,753,037	-	-	5,897,832	5,753,037	144,795
Guidance, counseling, and evaluation services	3,358,956	3,361,732	-	-	3,358,956	3,361,732	(2,776)
Social work services	1,593,819	1,561,147	-	-	1,593,819	1,561,147	32,672
Health services	1,018,699	764,480	-	-	1,018,699	764,480	254,219
Student (pupil) transportation	3,465,248	3,869,195	-	-	3,465,248	3,869,195	(403,947)
Food services	5,892,803	5,083,061	-	-	5,892,803	5,083,061	809,742
Extracurricular activities	2,882,651	2,620,049	-	-	2,882,651	2,620,049	262,602
General administration	3,205,448	2,706,062	-	-	3,205,448	2,706,062	499,386
Plant maintenance and operations	8,592,918	8,167,918	-	-	8,592,918	8,167,918	425,000
Security and monitoring services	1,404,976	664,403	-	-	1,404,976	664,403	740,573
Data processing services	3,463,537	2,564,948	-	-	3,463,537	2,564,948	898,589
Community services	221,404	142,938	-	-	221,404	142,938	78,466
Debt service - interest	5,230,899	5,769,692	-	-	5,230,899	5,769,692	(538,793)
Bond issuance costs and fees	445,173	11,500	-	-	445,173	11,500	433,673
Payments to fiscal agent/member districts of SSA	21,549	231,277	-	-	21,549	231,277	(209,728)
Other intergovernmental charges	719,992	634,239	112,316	139,899	832,308	774,138	58,170
<b>Total Expenses</b>	<b>98,415,899</b>	<b>93,808,188</b>	<b>112,316</b>	<b>139,899</b>	<b>98,528,215</b>	<b>93,948,087</b>	<b>4,580,128</b>
Increase (decrease) in net position before transfers	7,578,995	9,675,492	4,274	(28,012)	7,583,269	9,647,480	(2,064,211)
Transfers	12,938	-	(12,938)	-	-	-	-
<b>Change in Net Position</b>	<b>7,591,933</b>	<b>9,675,492</b>	<b>(8,664)</b>	<b>(28,012)</b>	<b>7,583,269</b>	<b>9,647,480</b>	<b>(2,064,211)</b>
Beginning net position	(2,814,947)	(12,490,439)	279,019	307,031	(2,535,928)	(12,183,408)	9,647,480
<b>Ending Net Position</b>	<b>\$ 4,776,986</b>	<b>\$ (2,814,947)</b>	<b>\$ 270,355</b>	<b>\$ 279,019</b>	<b>\$ 5,047,341</b>	<b>\$ (2,535,928)</b>	<b>\$ 7,583,269</b>

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At the close of the fiscal year ending June 30, 2023, the District's governmental funds reported a combined fund balance of \$99,081,275. This compares to a combined fund balance of \$70,249,018 at June 30, 2022.

The general fund fund balance at the end of the fiscal year was \$35,219,695, which represented a decrease of \$1,351,135 from the prior year. This decrease was primarily due to increases in overall personnel costs as a result of increases in compensation for employees across the District.

The debt service fund fund balance at the end of the fiscal year was \$14,771,033, which represented an increase of \$2,009,244 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 \$45,741,321, which represented an increase of \$27,476,138 from the prior year. This increase was primarily due to the issuance of debt several

# **SEGUIN INDEPENDENT SCHOOL DISTRICT**

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

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

months before year end. This increase was partially offset by the District's continued use of bond proceeds for capital project related items.

#### **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, 2023, 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 \$2,575,229 primarily due to less property tax revenue received than anticipated. Budgeted expenditures exceeded actual expenditures by \$3,946,259 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, 2023, 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, 2023, the District had a total of \$158,901,655 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 \$12,401,050 invested during the fiscal year ended June 30, 2023. The majority of additions in the current year were related to continuing construction in progress on several school campuses.

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 \$197,664,809 in general obligation bonds outstanding versus \$170,964,809 last year. The District issued new debt in the form of Unlimited Tax School Building Bonds, Series 2023. This increase to long term liabilities was partially offset by a cash defeasance made by the District.

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 2023-2024 school year total \$92,444,325 and the District's Board of Trustees adopted an M & O tax rate of \$.7316 and an I & S rate of \$.3850 for a combined rate of \$1.1166.

#### **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***



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF NET POSITION - EXHIBIT A-1

June 30, 2023

Data Control Codes		1 Governmental Activities	2 Business-Type Activities	3 Total
	<b><u>Assets</u></b>			
1110	Cash and cash equivalents	\$ 107,724,304	\$ 272,813	\$ 107,997,117
1220	Property taxes receivable	3,781,308	-	3,781,308
1230	Allowance for uncollectible taxes	(394,207)	-	(394,207)
1240	Due from other governments	8,723,029	-	8,723,029
1260	Internal balances	91	(91)	-
1290	Other receivables	146,923	1,114,072	1,260,995
1300	Inventories	320,430	-	320,430
1410	Prepays	13,403	-	13,403
		<u>120,315,281</u>	<u>1,386,794</u>	<u>121,702,075</u>
	Capital assets:			
1510	Land	5,329,543	-	5,329,543
1520	Buildings and improvements, net	115,919,722	-	115,919,722
1530	Equipment and vehicles, net	3,170,036	-	3,170,036
1580	Construction in progress	34,482,354	-	34,482,354
		<u>158,901,655</u>	<u>-</u>	<u>158,901,655</u>
1000	<b>Total Assets</b>	<u>279,216,936</u>	<u>1,386,794</u>	<u>280,603,730</u>
	<b><u>Deferred Outflows of Resources</u></b>			
1701	Deferred charge on refunding	7,347,569	-	7,347,569
1705	Deferred outflows - pensions	12,895,206	-	12,895,206
1710	Deferred outflows - OPEB	8,874,277	-	8,874,277
1700	<b>Total Deferred Outflows of Resources</b>	<u>29,117,052</u>	<u>-</u>	<u>29,117,052</u>
	<b><u>Liabilities</u></b>			
2110	Accounts payable	3,373,159	200	3,373,359
2140	Interest payable	1,917,409	-	1,917,409
2165	Accrued liabilities	8,151,100	-	8,151,100
2177	Due to custodial funds	13,845	-	13,845
2180	Due to other governments	1,660,921	-	1,660,921
2190	Due to student groups	407,566	-	407,566
2300	Unearned revenue	318,706	-	318,706
		<u>15,842,706</u>	<u>200</u>	<u>15,842,906</u>
	Noncurrent liabilities:			
2501	Due within one year: bonds	7,934,858	-	7,934,858
2502	Due in more than one year: bonds	208,717,002	-	208,717,002
2540	Net pension liability	26,441,265	-	26,441,265
2545	Net OPEB liability	15,752,320	-	15,752,320
2000	<b>Total Liabilities</b>	<u>274,688,151</u>	<u>200</u>	<u>274,688,351</u>
	<b><u>Deferred Inflows of Resources</u></b>			
2605	Deferred inflows - pensions	3,789,954	-	3,789,954
2610	Deferred inflows - OPEB	25,078,897	-	25,078,897
2615	Deferred inflows - leases	-	1,116,239	1,116,239
2600	<b>Total Deferred Inflows of Resources</b>	<u>28,868,851</u>	<u>1,116,239</u>	<u>29,985,090</u>
	<b><u>Net Position</u></b>			
3200	Net investment in capital assets	2,823,568	-	2,823,568
	Restricted for:			
3850	Debt service	13,798,497	-	13,798,497
3820	Grant funds	3,818,091	-	3,818,091
3900	Unrestricted	(15,663,170)	270,355	(15,392,815)
3000	<b>Total Net Position</b>	<u>\$ 4,776,986</u>	<u>\$ 270,355</u>	<u>\$ 5,047,341</u>

See Notes to Financial Statements.

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

See Notes to Financial Statements.



<b>Net (Expense) Revenue and Changes in Net Position</b>		
<b>6</b>	<b>7</b>	<b>8</b>
<b>Primary Gov.</b>	<b>Primary Gov.</b>	<b>Primary Gov.</b>
<b>Governmental</b>	<b>Business-Type</b>	
<b>Activities</b>	<b>Activities</b>	<b>Total</b>
\$ (43,640,851)	\$ -	\$ (43,640,851)
(1,102,100)	-	(1,102,100)
(561,652)	-	(561,652)
(2,351,723)	-	(2,351,723)
(5,490,717)	-	(5,490,717)
(3,185,483)	-	(3,185,483)
(817,487)	-	(817,487)
(762,893)	-	(762,893)
(3,416,658)	-	(3,416,658)
(209,018)	-	(209,018)
(2,315,523)	-	(2,315,523)
(3,137,611)	-	(3,137,611)
(8,562,254)	-	(8,562,254)
(1,208,062)	-	(1,208,062)
(3,460,149)	-	(3,460,149)
(46,232)	-	(46,232)
(4,297,221)	-	(4,297,221)
(445,173)	-	(445,173)
-	-	-
(719,992)	-	(719,992)
(85,730,799)	-	(85,730,799)
\$ -	\$ (5,591)	\$ (5,591)
-	(5,591)	(5,591)
(85,730,799)	(5,591)	(85,736,390)
42,043,000	-	42,043,000
18,676,061	-	18,676,061
26,727,873	-	26,727,873
2,632,641	9,865	2,642,506
3,230,219	-	3,230,219
12,938	(12,938)	-
93,322,732	(3,073)	93,319,659
7,591,933	(8,664)	7,583,269
(2,814,947)	279,019	(2,535,928)
\$ 4,776,986	\$ 270,355	\$ 5,047,341

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## BALANCE SHEET

### GOVERNMENTAL FUNDS - EXHIBIT C-1

June 30, 2023

Data Control Codes		199	599	699	ONMF
		General	Debt Service	Capital Projects	Nonmajor Governmental Funds
Assets:					
1110	Cash and cash equivalents	\$ 37,945,576	\$ 14,705,797	\$ 48,040,673	\$ 2,928,008
1220	Property taxes receivable	2,760,634	1,020,674	-	-
1230	Allowance for uncollectibles	(318,406)	(75,801)	-	-
1240	Due from other governments	5,953,891	65,236	-	2,703,902
1260	Due from other funds	1,684,626	-	24,994	1,207,649
1290	Other receivables	146,923	-	-	-
1300	Inventories	241,714	-	-	78,716
1410	Prepaid items	13,403	-	-	-
1000	Total Assets	<u>\$ 48,428,361</u>	<u>\$ 15,715,906</u>	<u>\$ 48,065,667</u>	<u>\$ 6,918,275</u>
Liabilities:					
2110	Accounts payable	\$ 550,911	\$ -	\$ 2,254,751	\$ 357,851
2150	Payroll deductions	1,079,227	-	-	-
2160	Accrued wages payable	6,191,504	-	-	880,369
2170	Due to other funds	1,246,488	-	69,595	1,614,909
2180	Due to other governments	1,660,921	-	-	-
2190	Due to student groups	-	-	-	407,566
2300	Unearned revenue	10,352	-	-	308,354
2000	Total Liabilities	<u>10,739,403</u>	<u>-</u>	<u>2,324,346</u>	<u>3,569,049</u>
Deferred Inflows of Resources:					
2600	Unavailable revenue - property taxes	2,469,263	944,873	-	-
2600	Total Deferred Inflows of Resources	<u>2,469,263</u>	<u>944,873</u>	<u>-</u>	<u>-</u>
Fund Balances:					
3410	Nonspendable - inventories	241,714	-	-	-
3430	Nonspendable - prepaid items	13,403	-	-	-
3450	Restricted - grants	468,865	-	-	3,349,226
3470	Restricted - capital acquisitions				
3470	and contractual obligations	-	-	45,741,321	-
3480	Restricted - debt service	-	14,771,033	-	-
3600	Unassigned	34,495,713	-	-	-
3000	Total Fund Balances	<u>35,219,695</u>	<u>14,771,033</u>	<u>45,741,321</u>	<u>3,349,226</u>
4000	Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 48,428,361</u>	<u>\$ 15,715,906</u>	<u>\$ 48,065,667</u>	<u>\$ 6,918,275</u>

See Notes to Financial Statements.

**98**  
**Total**  
**Governmental**  
**Funds**

\$	103,620,054
	3,781,308
	(394,207)
	8,723,029
	2,917,269
	146,923
	320,430
	13,403
\$	<u>119,128,209</u>

\$	3,163,513
	1,079,227
	7,071,873
	2,930,992
	1,660,921
	407,566
	<u>318,706</u>
	<u>16,632,798</u>

	<u>3,414,136</u>
	<u>3,414,136</u>

	241,714
	13,403
	3,818,091
	45,741,321
	14,771,033
	<u>34,495,713</u>
	<u>99,081,275</u>
\$	<u>119,128,209</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, 2023**

Total fund balances for governmental funds	\$	99,081,275
--	----	------------

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	39,811,897	
Capital assets - depreciable, net	119,089,758	158,901,655

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.		3,414,136
---	--	-----------

The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.		3,894,573
--	--	-----------

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	(1,917,409)	
Deferred outflows - pensions	12,895,206	
Deferred inflows - pensions	(3,789,954)	
Deferred outflows - OPEB	8,874,277	
Deferred inflows - OPEB	(25,078,897)	
Deferred charges on refunding	7,347,569	
Noncurrent liabilities due in one year	(7,934,858)	
Noncurrent liabilities due in more than one year	(250,910,587)	(260,514,653)

<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>4,776,986</u></b>
--	-----------	-------------------------

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, 2023

Data Control Codes		199	599	699	ONMF
		General	Debt Service	Capital Projects	Nonmajor Governmental Funds
<b><u>Revenues</u></b>					
5700	Local and intermediate sources	\$ 43,979,975	\$ 19,227,098	\$ 1,037,062	\$ 1,078,207
5800	State program revenues	24,013,161	933,678	-	959,948
5900	Federal program revenues	2,714,712	-	-	19,691,251
5020	<b>Total Revenues</b>	<b>70,707,848</b>	<b>20,160,776</b>	<b>1,037,062</b>	<b>21,729,406</b>
<b><u>Expenditures</u></b>					
0011	Instruction	39,247,353	-	-	8,740,169
0012	Instructional resources & media services	1,014,274	-	-	70,625
0013	Curriculum and instructional				
0013	staff development	405,928	-	-	1,165,068
0021	Instructional leadership	2,060,087	-	-	868,009
0023	School leadership	4,927,355	-	-	1,030,398
0031	Guidance, counseling,				
0031	and evaluation services	2,873,629	-	-	914,273
0032	Social work services	661,497	-	-	783,884
0033	Health services	799,461	-	-	255,806
0034	Student transportation	3,043,595	-	57,654	48,590
0035	Food service	-	-	-	5,751,470
0036	Extracurricular activities	2,047,249	-	-	665,499
0041	General administration	2,848,096	-	224	111,618
0051	Plant maintenance and operations	7,446,155	-	321,365	30,664
0052	Security and monitoring services	664,475	-	407,577	267,877
0053	Data processing services	2,237,455	-	886,282	130,287
0061	Community services	24,499	-	-	175,610
<b>Debt service:</b>					
0071	Principal on long-term debt	665,000	12,495,000	-	-
0072	Interest on long-term debt	-	5,641,750	-	-
0073	Issuance costs and fees	-	14,782	430,391	-
<b>Capital outlay:</b>					
0081	Facilities acquisition and construction	372,883	-	11,887,822	-
<b>Intergovernmental:</b>					
0093	Payments related to				
0093	shared service arrangements	-	-	-	21,549
0099	Other intergovernmental charges	719,992	-	-	-
6030	<b>Total Expenditures</b>	<b>72,058,983</b>	<b>18,151,532</b>	<b>13,991,315</b>	<b>21,031,396</b>
1100	<b>Excess (Deficiency) of Revenues</b>				
	<b>Over (Under) Expenditures</b>	<b>(1,351,135)</b>	<b>2,009,244</b>	<b>(12,954,253)</b>	<b>698,010</b>
<b><u>Other Financing Sources (Uses)</u></b>					
7911	Issuance of bonds	-	-	39,860,000	-
7916	Premium/discount on bonds	-	-	570,391	-
7080	<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>40,430,391</b>	<b>-</b>
1200	<b>Net Change in Fund Balances</b>	<b>(1,351,135)</b>	<b>2,009,244</b>	<b>27,476,138</b>	<b>698,010</b>
0100	Beginning fund balances	36,570,830	12,761,789	18,265,183	2,651,216
3000	<b>Ending Fund Balances</b>	<b>\$ 35,219,695</b>	<b>\$ 14,771,033</b>	<b>\$ 45,741,321</b>	<b>\$ 3,349,226</b>

<b>98</b> <b>Total</b> <b>Governmental</b> <b>Funds</b>	
\$	65,322,342
	25,906,787
	22,405,963
	<u>113,635,092</u>
	47,987,522
	1,084,899
	1,570,996
	2,928,096
	5,957,753
	3,787,902
	1,445,381
	1,055,267
	3,149,839
	5,751,470
	2,712,748
	2,959,938
	7,798,184
	1,339,929
	3,254,024
	200,109
	13,160,000
	5,641,750
	445,173
	12,260,705
	21,549
	719,992
	<u>125,233,226</u>
	<u>(11,598,134)</u>
	39,860,000
	570,391
	<u>40,430,391</u>
	28,832,257
	70,249,018
\$	<u><u>99,081,275</u></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, 2023**

Net change in fund balances - total governmental funds	\$ 28,832,257
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	(10,100,574)
Capital outlay, net of disposal of assets	12,401,050
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	1,064,458
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	8,050,000
Issuance of bonds	(39,860,000)
Premium on new debt	(570,391)
Principal retirement of bonds	5,110,000
Accrued interest	220,129
Accreted interest	(170,549)
Amortization of loss on refunding	(499,093)
Amortization of premiums	860,364
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	(17,068,269)
Deferred outflows - pensions	4,885,287
Deferred inflows - pensions	11,396,128
Change in net OPEB liability	6,465,250
Deferred outflows - OPEB	4,111,360
Deferred inflows - OPEB	(8,472,206)
Net on-behalf contributions adjustment - revenues	6,376,940
Net on-behalf contributions adjustment - expenses	(6,376,940)
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.	936,732
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	(9,798,159)
Fund level on-behalf adjustment - expenditures	9,798,159
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 7,591,933</b>

See Notes to Financial Statements.



# SEGUIN INDEPENDENT SCHOOL DISTRICT

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

June 30, 2023

Data Control Codes			Business-Type Activities	Governmental Activities
			Enterprise	Internal Service Funds
	<b><u>Assets</u></b>			
	Current assets:			
1110	Cash and cash equivalents		\$ 272,813	\$ 4,104,250
1290	Other receivable		1,114,072	-
	<b>Total Current Assets</b>		<u>1,386,885</u>	<u>4,104,250</u>
1000	<b>Total Assets</b>		<u>1,386,885</u>	<u>4,104,250</u>
	<b><u>Liabilities</u></b>			
	Current liabilities:			
2110	Accounts payable		200	-
2170	Due to other funds		91	31
2200	Accrued expenses		-	209,646
2000	<b>Total Liabilities</b>		<u>291</u>	<u>209,677</u>
	<b><u>Deferred Inflows of Resources</u></b>			
2615	Deferred inflows - leases		1,116,239	-
2600	<b>Total Deferred Inflows of Resources</b>		<u>1,116,239</u>	<u>-</u>
	<b><u>Net Position</u></b>			
3900	Unrestricted		270,355	3,894,573
3000	<b>Total Net Position</b>		<u>\$ 270,355</u>	<u>\$ 3,894,573</u>

See Notes to Financial Statements.



**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS - EXHIBIT D-2**  
For the Year Ended June 30, 2023

<u>Data Control Codes</u>			<u>Business-Type Activities</u>	<u>Governmental Activities</u>
			<u>Enterprise</u>	<u>Internal Service Funds</u>
	<b><u>Operating Revenues</u></b>			
5700	Charges for services		\$ 106,725	\$ 942,212
5020		<b>Total Operating Revenues</b>	<u>106,725</u>	<u>942,212</u>
	<b><u>Operating Expenses</u></b>			
6100	Payroll costs		70,119	129,437
6200	Professional and contracted services		22,093	25,804
6300	Supplies and materials		17,442	-
6400	Other operating costs		<u>2,662</u>	<u>14,468</u>
6030		<b>Total Operating Expenses</b>	<u>112,316</u>	<u>169,709</u>
		<b>Operating Income (Loss)</b>	<u>(5,591)</u>	<u>772,503</u>
	<b><u>Nonoperating Revenues (Expense)</u></b>			
7020	Earnings on investments		9,865	151,291
7915	Transfer in		-	12,938
8911	Transfer out		(12,938)	-
8951	Loss on disposal of asset		<u>-</u>	<u>(25,549)</u>
8030		<b>Total Nonoperating Revenues (Expense)</b>	<u>(3,073)</u>	<u>138,680</u>
1300		<b>Change in Net Position</b>	(8,664)	911,183
0100	Beginning net position		279,019	2,983,390
3300		<b>Ending Net Position</b>	<u>\$ 270,355</u>	<u>\$ 3,894,573</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, 2023

	Business-Type Activities	Governmental Activities
	Enterprise	Internal Service Funds
<b><u>Cash Flows from Operating Activities</u></b>		
Cash received from user charges	\$ 108,892	\$ 942,212
Cash payments for insurance claims	-	(500,223)
Cash payments for other operating expenses	(112,262)	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(3,370)</b>	<b>441,989</b>
<b><u>Cash Flows from Noncapital Financing Activities</u></b>		
Operating subsidies and transfers to other funds	(12,938)	-
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>(12,938)</b>	<b>-</b>
<b><u>Cash Flows From Capital and Financing Activities</u></b>		
Loss on sale of capital asset	-	-
<b>Net Cash (Used) by Capital and Related Financing Activities</b>	<b>-</b>	<b>-</b>
<b><u>Cash Flows from Investing Activities</u></b>		
Proceeds from earnings on investments	9,865	151,291
<b>Net Cash Provided by Investing Activities</b>	<b>9,865</b>	<b>151,291</b>
<b>(Decrease) Increase in Cash and Cash Equivalents</b>	<b>(6,443)</b>	<b>593,280</b>
Beginning cash and cash equivalents	279,256	3,510,970
<b>Ending Cash and Cash Equivalents</b>	<b>\$ 272,813</b>	<b>\$ 4,104,250</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating income (loss)	\$ (5,591)	\$ 772,503
<b>Effect of increases and decreases in current assets and liabilities:</b>		
Decrease in lease receivables	81,898	-
Increase in accounts payable	(37)	-
Increase (decrease) in due to other funds	91	(19)
(Decrease) in deferred inflows of resources	(79,731)	-
(Decrease) in accrued liabilities	-	(330,495)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (3,370)</b>	<b>\$ 441,989</b>
<b>Schedule of non-cash capital and related financing activities:</b>		
Transfers in as a result of no repayment for due to other funds	\$ -	\$ 12,938
Loss on disposal of capital asset	-	(25,549)

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, 2023

		<b>Custodial Fund</b>
<b><u>Assets</u></b>		
Cash and cash equivalents		\$ 183,202
Due from others		13,845
<b>Total Assets</b>		<b>\$ 197,047</b>
<b><u>Liabilities</u></b>		
Account payable		14,906
<b>Total Liabilities</b>		<b>\$ 14,906</b>
<b><u>Net Position</u></b>		
Restricted for individuals and organizations		182,141
<b>Total Net Position</b>		<b>\$ 182,141</b>

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, 2023

		<b>Custodial Fund</b>
<b><u>Additions</u></b>		
Contributions		\$ 357,416
<b>Total Additions</b>		<u>357,416</u>
<b><u>Deductions</u></b>		
Professional and contracted services		13,813
Supplies and materials		133,008
Other expenses		211,628
<b>Total Deductions</b>		<u>358,449</u>
<b>Change in Net Position</b>		(1,033)
Beginning net position		<u>183,174</u>
<b>Ending Net Position</b>		<u><u>\$ 182,141</u></u>

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2023

### 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, 2023**

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.

### **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, 2023

### **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, 2023

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 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, 2023

### 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 assets 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 assets 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, 2023

- 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.
- A deferred inflow for leases represents the future lease payments expected for leases in which the District is a lessor of property.

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's 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.

The District has noncancellable subscription-based information technology arrangements (SBITAs) to finance the use of information technology software. The District would recognize a liability (the "subscription liability") and an intangible, right-to-use subscription asset (the "subscription asset") in the government-wide financial statements. The District's SBITAs to report are immaterial to the financial statements as a whole and are not recognized as a subscription liability or a subscription asset.

### 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 greater than 10 years of service

# **SEGUIN INDEPENDENT SCHOOL DISTRICT**

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

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

accrue 1.25 vacation days each month between July 1 and June 30. Employees may accrue up to a maximum of 35 vacation days.

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 and the current rate during the 2022-2023 year.

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.

The District is a lessee for a noncancellable lease of equipment. The District would recognize a lease liability and an intangible, right-to-use lease asset (the "lease asset") in the government-wide financial statements. The District's leases to report are immaterial to the financial statements as a whole and are not recognized as a lease liability or a lease asset.

### **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

# **SEGUIN INDEPENDENT SCHOOL DISTRICT**

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

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

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.

### **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

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2023

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 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.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2023

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.

### 3. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing deliverable goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the internal service fund are charges to the District to fund workers' compensation costs. The principal revenues of the enterprise funds are charges to customers for the sales of services. Operating expenses for the internal service fund include the workers compensation and administrative expenses. Operating expenses for the enterprise fund include cost of sales of services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

## 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.

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, 2022. 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.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

### III. DETAILED NOTES ON ALL FUNDS

#### A. Deposits and Investments

As of June 30, 2023, the District had the following investments:

<u>Investments</u>	<u>Amount</u>	<u>Weighted Average Maturity (Years)</u>	<u>Rating</u>
TexPool Investment Pool	\$ 3,274,716	0.06	AAAm
Lone Star Investment Pool	94,497,422	0.26	AAA
Texas CLASS Investment Pool	9,282,717	0.22	AAAm
LOGIC Investment Pool	441,754	0.11	AAAm
<b>Total Investments</b>	<u><u>\$ 107,496,609</u></u>		
Portfolio weighted average maturity		0.16	

*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, 2023, 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, 2023, 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.

#### 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.

# **SEGUIN INDEPENDENT SCHOOL DISTRICT**

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

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

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 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



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

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:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land and land improvements	\$ 3,713,413	\$ 1,616,130	\$ -	\$ 5,329,543
Construction in progress	24,520,780	9,961,574	-	34,482,354
Total capital assets not being depreciated	28,234,193	11,577,704	-	39,811,897
Capital assets being depreciated:				
Buildings and improvements	216,286,504	323,353		216,609,857
Furniture and equipment	17,176,836	499,993	(687,219)	16,989,610
Total other capital assets	233,463,340	823,346	(687,219)	233,599,467
Less accumulated depreciation for:				
Buildings and improvements	(92,244,682)	(8,445,453)	-	(100,690,135)
Furniture and equipment	(12,851,672)	(1,655,121)	687,219	(13,819,574)
Total accumulated depreciation	(105,096,354)	(10,100,574)	687,219	(114,509,709)
Other capital assets, net	128,366,986	(9,277,228)	-	119,089,758
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 156,601,179</b>	<b>\$ 2,300,476</b>	<b>\$ -</b>	<b>158,901,655</b>
			Less associated debt	(209,166,977)
			Plus unspent bond proceeds	45,741,321
			Plus deferred charge on refunding	7,347,569
			<b>Net Investment in Capital Assets</b>	<b>\$ 2,823,568</b>

Depreciation was charged to governmental functions as follows:

	Governmental Activities
11 Instruction	\$ 5,212,739
12 Instructional resources/media services	117,849
13 Curriculum and staff development	170,652
21 Instructional leadership	318,070
23 School leadership	647,173
31 Guidance, counseling, and evaluation services	411,468
32 Social work services	157,007
33 Health services	114,630
34 Student (pupil) transportation	342,157
35 Food services	624,765
36 Extracurricular activities	294,678
41 General administration	321,529
51 Facilities maintenance and operations	847,093
52 Security and monitoring services	145,552
53 Data processing services	353,475
61 Community services	21,737
<b>Total Depreciation Expense</b>	<b>\$ 10,100,574</b>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

### C. Lease Receivable

During the current fiscal year, the District accounted for 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 \$62,774 in lease revenue during the current fiscal year related to these leases. As of June 30, 2023, the District's receivable for lease payments was \$1,114,072. 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, 2023, the balance of the deferred inflow of resources was \$1,116,239.

### 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 for the net pension and the net OPEB liability are liquidated by the general fund.

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
General obligation bonds	\$ 170,964,809	\$ 39,860,000	\$ (13,160,000)	\$ 197,664,809	\$ 7,934,858
Bond premiums	11,792,141	572,699	(862,672)	11,502,168	-
	<u>182,756,950</u>	<u>40,432,699</u>	<u>(14,022,672)</u>	<u>209,166,977 *</u>	<u>7,934,858</u>
Other liabilities:					
Net pension liability	9,372,996	17,068,269	-	26,441,265	-
Net OPEB liability	22,217,570	-	(6,465,250)	15,752,320	-
Accreted interest	7,314,334	170,549	-	7,484,883	-
<b>Total Governmental Activities</b>	<u>\$ 221,661,850</u>	<u>\$ 57,671,517</u>	<u>\$ (20,487,922)</u>	<u>\$ 258,845,445</u>	<u>\$ 7,934,858</u>
<b>Long-term liabilities due in more than one year</b>				<u>\$ 250,910,587</u>	
<b>*Debt associated with capital assets</b>				<u>\$ 209,166,977</u>	

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.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

Bonded debt payable as of June 30, 2023 is as follows:

Date of Issue	Description	Interest Rate Payable	Original Amounts Issued	Amounts Outstanding 06/30/22	Retired Current Year	Amounts Outstanding 06/30/23
3/2/2023	Unlimited Tax School Building Bonds Series 2023	4.00-5.00%	\$ 39,860,000	\$ -	\$ -	\$ 39,860,000
2/10/2021	Unlimited Tax School Building Bonds Series 2021	2.00-5.00%	\$ 27,665,000	27,665,000	530,000	27,135,000
10/28/2020	Unlimited Tax Refunding Bonds Taxable Series 2020	1.40-4.00%	\$ 44,769,951	43,389,951	670,000	42,719,951
8/14/2019	Unlimited Tax School Building Bonds Series 2019	2.00-5.00%	\$ 31,656,000	29,320,000	540,000	28,780,000
6/8/2016	Unlimited Tax Refunding Bonds Series 2016A	2.00-5.00%	\$ 7,045,000	6,960,000	630,000	6,330,000
3/30/2016	Unlimited Tax Refunding Bonds Series 2016	2.00-5.00%	\$ 33,375,000	23,710,000	3,475,000	20,235,000
9/29/2015	Unlimited Tax School Building Bonds Series 2015	2.00-5.00%	\$ 37,065,000	32,510,000	5,925,000	26,585,000
7/22/2010	Unlimited Tax Refunding Bonds Series 2010	2.00-4.00%	\$ 9,725,000	725,000	725,000	-
10/12/2006	Unlimited Tax Refunding Bonds Series 2006	4.00%	\$ 8,894,858	9,858	-	9,858
<b>Maintenance Tax Notes</b>						
10/18/2016	Maintenance Tax Notes Taxable Series 2016Z (QZAB)	0.00%	\$ 10,000,000	6,675,000	665,000	6,010,000
<b>Totals</b>				<u>\$ 170,964,809</u>	<u>\$ 13,160,000</u>	<u>\$ 197,664,809</u>

### Cash Defeasance

Just before year end, the District used available debt service fund cash to advance refund \$5,110,000 of outstanding 2015 Unlimited Tax Refunding Bonds which had interest rates from 4.00-5.00% and were to mature in fiscal years 2043, 2044 and 2045 respectively. The District deposited \$5,229,070 in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, a portion of the 2015 Unlimited School Tax Refunding Bonds are considered defeased and the liability for those bonds has been removed from the statement of net position.

### New Debt

During the fiscal year, the District issued unlimited tax school building bonds, series 2023 (the "Bonds") for a total amount of \$39,860,000 for capital improvement projects. The bonds carry interest rates from 4.00%-5.00% and are set to mature in 2044.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

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

<b>Year Ended</b>			<b>Total</b>
<b>June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Requirements</b>
2024	\$ 7,934,858	\$ 8,146,186	\$ 16,081,044
2025	7,990,000	6,493,164	14,483,164
2026	8,340,000	6,140,838	14,480,838
2027	7,193,425	7,294,413	14,487,838
2028	7,359,012	7,148,075	14,507,087
2029-2033	36,787,514	27,314,388	64,101,902
2034-2038	37,370,000	17,641,781	55,011,781
2039-2043	39,755,000	11,696,123	51,451,123
2044-2048	28,605,000	5,760,256	34,365,256
2049-2051	16,330,000	1,710,025	18,040,025
	<u>\$ 197,664,809</u>	<u>\$ 99,345,249</u>	<u>\$ 297,010,058</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	\$ 1,614,909
General	Capital projects	69,595
General	Internal service	31
General	Enterprise	91
Nonmajor governmental	General	1,207,649
Capital projects	General	24,994
Custodial	General	13,845
	<b>Total</b>	<u>\$ 2,931,114</u>

The transfer from the enterprise fund to the internal service fund was related to a one time supplement to close out the fund in fiscal year 2023.

<b>Transfers Out</b>	<b>Transfers In</b>	<b>Amount</b>
Enterprise	Internal service	\$ 12,938

## 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.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2023

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 \$73,738 as of June 30, 2023 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 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.

In 2023, the District changed plans to a risk management pool offered by the Texas Association of School Boards (TASB). The adjustment for this change is included in the table below. The outstanding liability as it relates to the new plan on June 30, 2023 is \$135,908.

Changes in the Plan claims liability amount for the fiscal year ended June 30, 2023 are as follows:

	<b>2023</b>	<b>2022</b>
Liability, beginning of year	\$ 540,141	\$ 544,859
Current year claims charges and estimates	(278,414)	167,255
Claim payments	(52,081)	(171,973)
<b>Liability, End of Year</b>	<b>\$ 209,646</b>	<b>\$ 540,141</b>

### 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

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2023

provision for losses has been recorded in the accompanying basic financial statements for such contingencies.

### **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.asp>, 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, 2023

### 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.

Contribution Rates			
Fiscal Year	Public Education		Active
	State	Employer	Employee
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%

<u>Contribution Rates</u>	<u>2022</u>	<u>2023</u>
Member	8.00%	8.00%
NECE (State)	7.75%	7.75%
Employers	7.75%	7.75%

	Measurement Year (2022)	Fiscal Year (2023)
Employer contributions	\$ 2,078,290	\$ 2,337,621
Member contributions	\$ 4,376,063	\$ 4,595,879
NECE on-behalf contributions	\$ 3,001,411	\$ 2,979,359

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.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from noneducational, 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

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2023

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 2022, gradually increasing to 2.0% in fiscal year 2025.

### Actuarial Assumptions

The total pension liability (TPL) in the August 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	August 31, 2022
Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected investment rate of return	7.00%
Municipal bond rate	3.91% - The source for the rate is the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index"
Inflation	2.30%
Salary increases including inflation	2.95% to 8.95%, including inflation
Benefit changes during the year	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, 2021. For a full description of these assumptions, please see the TRS actuarial valuation report dated November 12, 2021.

### Discount Rate

A single discount rate of 7.00% was used to measure the TPL. The single discount rate was based on the expected rate of return on plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers, and the 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 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 7.00%. 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



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

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, 2022 are summarized below:

Teacher Retirement System of Texas  
Asset Allocation and Long-Term Expected Real Rate of Return  
As of August 31, 2022

Asset Class	Target Allocation (1)	Long-Term Expected Arithmetic Real Rate of Return (2)	Expected Contributions to Long-Term Portfolio Returns
<b>Global Equity</b>			
U.S.	18.00%	4.60%	1.12%
Non-U.S. Developed	13.00%	4.90%	0.90%
Emerging Markets	9.00%	5.40%	0.75%
Private Equity*	14.00%	7.70%	1.55%
<b>Stable Value</b>			
Government Bonds	16.00%	1.00%	0.22%
Absolute Return	0.00%	3.70%	0.00%
Stable Value Hedge Funds	5.00%	3.40%	0.18%
<b>Real Return</b>			
Real Estate	15.00%	4.10%	0.94%
Energy, Natural Resources, and Infrastructure	6.00%	5.10%	0.37%
Commodities	0.00%	3.60%	0.00%
<b>Risk Parity</b>			
Risk Parity	8.00%	4.60%	0.43%
<b>Leverage</b>			
Cash	2.00%	3.00%	0.01%
Asset Allocation Leverage	-6.00%	3.60%	-0.05%
<b>Inflation Expectation</b>			2.70%
<b>Volatility Drag(3)</b>			-0.91%
<b>Total</b>	<b>100.00%</b>	<b>54.70%</b>	<b>8.21%</b>

\*Absolute Return includes Credit Sensitive Investments

(1) Target allocations are based on the FY2022 policy model.

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

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

### Discount Rate Sensitivity Analysis

The following table presents the net pension liability (NPL) of TRS using the discount rate of 7%, and what the NPL would be if it was calculated using a discount rate that is 1% point lower (6%) or 1% point higher (8%) than the current rate:

	1% Decrease in Discount Rate (6%)	Current Discount Rate (7%)	1% Increase in Discount Rate (8%)
District's proportionate share of the net pension liability	\$ 41,132,583	\$ 26,441,265	\$ 14,533,262

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

At the fiscal year ended August 31, 2023, the District reported a liability of \$26,441,265 for its proportionate share of the TRS NPL. This liability reflects a reduction for state pension support provided to the District. The amounts recognized by the District as its proportionate share of the

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

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	\$ 26,441,265
State's proportionate share that is associated with the District	38,185,764
<b>Total</b>	<b>\$ 64,627,029</b>

The NPL was measured as of August 31, 2021 and rolled forward to August 31, 2022 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, 2021 through August 31, 2022.

At June 30, 2023, the District's proportion of the collective NPL was 0.044538%, which was an increase of 0.007733% from its proportion measured as of June 30, 2022.

### Changes Since the Prior Actuarial Valuation

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

For the year ended June 30, 2023, the District recognized pension expense of \$3,650,126 and revenue of \$3,650,126 for support provided by the State.

At June 30, 2023 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	\$ 383,396	\$ (576,470)
Changes in actuarial assumptions	4,926,868	(1,227,913)
Difference between projected and actual investment earnings	2,612,312	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	2,978,168	(1,985,571)
Contributions paid to TRS subsequent to the measurement date	1,994,462	-
<b>Total</b>	<b>\$ 12,895,206</b>	<b>\$ (3,789,954)</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>
2024	\$ 1,692,131
2025	861,212
2026	271,955
2027	3,457,268
2028	828,226
Thereafter	(2)
<b>Total</b>	<b>\$ 7,110,790</b>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

### 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.

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

Total OPEB liability	\$ 27,061,942,520
Less: plan fiduciary net position	(3,117,937,218)
<b>Net OPEB Liability</b>	<b>\$ 23,944,005,302</b>
Net position as a percentage of total OPEB liability	-11.52%

#### 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.

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

TRS-Care Plan Premium Rates		
	Medicare	Non-Medicare
Retiree*	\$ 135	\$ 200
Retiree and spouse	\$ 529	\$ 689
Retiree* and children	\$ 468	\$ 408
Retiree and family	\$ 1,020	\$ 999
*or surviving spouse		

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

### 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>2022</b>	<b>2023</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%

	<b>Measurement</b>	<b>Fiscal</b>
	<b>Year (2022)</b>	<b>Year (2023)</b>
Employer contributions	\$ 540,345	\$ 578,357
Member contributions	\$ 173,239	\$ 186,708
NECE on-behalf contributions	\$ 659,136	\$ 718,106

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 \$83 million in fiscal year 2022 from the Federal Rescue Plan Act to help defray COVID-19-related health care costs during fiscal year 2022.

### Actuarial Assumptions

The actuarial valuation was performed as of August 31, 2021. Update procedures were used to roll forward the total OPEB liability to August 31, 2022.

The actuarial valuation 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

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2023

TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2021 TRS pension actuarial valuation that was rolled forward to August 31, 2022:

Rates of Mortality	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.

Additional actuarial methods and assumptions are as follows:

Valuation date	August 31, 2021 rolled forward to August 31, 2022
Actuarial cost method	Individual entry age normal
Inflation	2.30%
Discount rate	3.91% as of August 31, 2022
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: 8.25% (Medicare retirees) and 7.25% (non-Medicare retirees) Prescription drug trend rate: 8.25%
Election rates	Normal retirement: 65% participation prior to age 65 and 40% participation after age 65. 30% 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 3.91% was used to measure the total OPEB liability. There was an increase of 1.96% 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, 2022 using the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

### 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 point lower than and 1 percentage point higher than the discount rate that was used (3.91%) in measuring the net OPEB liability:

	<b>1% Decrease in Discount Rate (2.91%)</b>	<b>Current Discount Rate (3.91%)</b>	<b>1% Increase in Discount Rate (4.91%)</b>
District's proportionate share of the net OPEB liability	<u>\$ 18,573,235</u>	<u>\$ 15,752,320</u>	<u>\$ 13,467,017</u>

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	<u>\$ 12,979,983</u>	<u>\$ 15,752,320</u>	<u>\$ 19,346,299</u>

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

At June 30, 2023, the District reported a liability of \$15,752,320 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	\$ 15,752,320
State's proportionate share that is associated with the District	<u>19,215,356</u>
<b>Total</b>	<u><b>\$ 34,967,676</b></u>

The net OPEB liability was measured as of August 31, 2021 and rolled forward to August 31, 2022, 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, 2021 through August 31, 2022.

At June 30, 2023, the District's proportion of the collective net OPEB liability was 0.065788% percent, which was an increase of 0.002103% as of June 30, 2022.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended June 30, 2023

### Changes Since the Prior Actuarial Valuation

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

- The discount rate changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change decreased the total OPEB liability.

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

For the year ended June 30, 2023, the District recognized OPEB expense of \$1,525,884 and revenue of \$1,525,884 for support provided by the State.

At June 30, 2023, 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	\$ 875,773	\$ (13,123,097)
Changes in actuarial assumptions	2,399,390	(10,943,775)
Difference between projected and actual investment earnings	46,922	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	5,064,935	(1,012,025)
Contributions paid to TRS subsequent to the measurement date	487,257	-
<b>Total</b>	<b>\$ 8,874,277</b>	<b>\$ (25,078,897)</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>
2024	\$ (3,320,399)
2025	(3,320,229)
2026	(2,652,231)
2027	(1,747,869)
2028	(2,105,977)
Thereafter	(3,545,172)
<b>Total</b>	<b>\$ (16,691,877)</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, 2022, and 2023, the subsidy payments received by TRS-Care on behalf of the District were \$222,554, \$234,226, and \$311,401, respectively.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended June 30, 2023

### F. Unemployment Compensation

During the year ended June 30, 2023, 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.

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, 2022 are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin.

### G. Employee Health Care Coverage

During the year ended June 30, 2023, employees of the District were covered by TRS Active Care (the "Plan"), a statewide coverage program for public education employees. The Plan is administered by Blue Cross Blue Shield of Texas. The District paid premiums of \$368 per month per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a third party administrator acting on behalf of the licensed insurer. The Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreements. Latest financial statements for the Plan for the year ended August 31, 2022 are public record and have been filed with the Texas State Board of Insurance, Austin Texas.

### H. Restatement of Net Position

The District has restated the beginning net position of the custodial funds for fiscal year 2023 as follows:

	<b>Custodial Fund</b>
Custodial fund beginning net position as recorded	\$ -
GASB 84 adjustment	183,174
Restated beginning custodial fund net position	<u>\$ 183,174</u>

### I. Subsequent Events

On July 6, 2023, the District issued \$7,430,000 of Unlimited Tax School Building Bonds, Series 2023A to fund various capital projects. The interest rate on the bonds vary from 4.00 to 5.00% and the bonds mature in 2048.



***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, 2023**

Data Control Codes		Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
		Original	Final		
Revenues					
5700	Local, intermediate, and out-of-state	\$ 42,043,512	\$ 48,313,700	\$ 43,979,975	\$ (4,333,725)
5800	State program revenues	24,031,365	22,761,177	24,013,161	1,251,984
5900	Federal program revenues	1,167,000	2,208,200	2,714,712	506,512
5020	Total Revenues	67,241,877	73,283,077	70,707,848	(2,575,229)
Expenditures					
0011	Instruction	37,553,166	41,146,775	39,247,353	1,899,422
0012	Instructional resources	1,023,887	1,058,321	1,014,274	44,047
0013	Curriculum and staff development	651,794	544,721	405,928	138,793
0021	Instructional leadership	2,204,014	2,129,643	2,060,087	69,556
0023	School leadership	4,857,232	5,060,605	4,927,355	133,250
0031	Guidance, counseling, and				
0031	evaluation services	2,647,822	2,996,837	2,873,629	123,208
0032	Social work services	515,652	673,830	661,497	12,333
0033	Health services	759,739	819,412	799,461	19,951
0034	Student (pupil) transportation	2,703,871	3,247,232	3,043,595	203,637
0036	Extracurricular activities	2,041,009	2,268,659	2,047,249	221,410
0041	General administration	2,348,125	3,128,405	2,848,096	280,309
0051	Plant maintenance and operations	6,712,126	7,795,744	7,446,155	349,589
0052	Security and monitoring services	535,602	714,666	664,475	50,191
0053	Data processing services	1,976,884	2,314,421	2,237,455	76,966
0061	Community services	75,270	26,037	24,499	1,538
Debt service:					
0071	Principal	-	665,000	665,000	-
Capital outlay:					
0081	Facilities acquisition and construction	-	684,250	372,883	311,367
Intergovernmental:					
0099	Other intergovernmental charges	635,684	730,684	719,992	10,692
6030	Total Expenditures	67,241,877	76,005,242	72,058,983	3,946,259
1200	Net Change in Fund Balance	-	(2,722,165)	(1,351,135)	1,371,030
0100	Beginning fund balance	36,570,830	36,570,830	36,570,830	-
3000	Ending Fund Balance	\$ 36,570,830	\$ 33,848,665	\$ 35,219,695	\$ 1,371,030

**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, 2023**

	Measurement Year			
	2022	2021	2020	2019
District's proportion of the net pension liability	0.04454%	0.03681%	0.03636%	0.04473%
District's proportionate share of the net pension liability (asset)	\$ 26,441,265	\$ 9,372,996	\$ 19,473,044	\$ 23,251,237
State's proportionate share of the net pension liability associated with the District	38,185,746	17,353,449	38,195,500	30,433,060
<b>Total</b>	<u>\$ 64,627,011</u>	<u>\$ 26,726,445</u>	<u>\$ 57,668,544</u>	<u>\$ 53,684,297</u>
District's covered payroll	54,700,793	49,606,765	\$ 49,841,004	\$ 45,398,872
District's proportionate share of the net pension liability as a percentage of its covered payroll	48.34%	18.89%	39.07%	51.22%
Plan fiduciary net position as a percentage of the total pension liability	75.62%	88.79%	75.54%	75.24%

\*\* as of measurement date

**Notes to Required Supplementary Information:**

1. *Changes in Assumptions:* The discount rate changed from 7.25% as of August 31, 2021 to 7.00% as of August 31, 2022.

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

Measurement Year					
<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
0.04466%	0.04551%	0.04424%	0.04580%	0.02750%	0.02752%
\$ 24,584,065	\$ 14,552,395	\$ 16,716,082	\$ 16,189,125	\$ 7,346,057	\$ 9,020,354
34,038,349	20,781,906	25,109,112	25,624,014	22,656,342	27,811,611
<u>\$ 58,622,414</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>
\$ 44,698,829	\$ 44,729,959	\$ 43,057,064	\$ 42,909,430	\$ 41,081,271	\$ 38,988,636
55.00%	32.53%	38.82%	37.73%	17.88%	23.14%
73.74%	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, 2023

	Fiscal Year			
	2023	2022	2021	2020
Contractually required contribution	\$ 2,337,621	\$ 1,992,160	\$ 1,493,952	\$ 1,511,310
Contributions in relation to the contractually required contribution	2,337,621	1,992,160	1,493,952	1,511,310
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 57,448,485	\$ 53,815,445	\$ 49,454,677	\$ 49,139,953
Contributions as a percentage of covered payroll	4.07%	3.70%	3.02%	3.08%

Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 1,553,829	\$ 1,490,683	\$ 1,483,786	\$ 1,399,559	\$ 1,251,665	\$ 686,913
1,553,829	1,490,683	1,483,786	1,399,559	1,251,665	686,913
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 45,302,507	\$ 44,609,702	\$ 44,532,095	\$ 43,058,073	\$ 42,612,677	\$ 40,783,297
3.43%	3.34%	3.33%	3.25%	2.94%	1.68%

**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, 2023**

	Measurement Year*			
	2022	2021	2020	2019
District's proportion of the collective net OPEB liability	0.06579%	0.05760%	0.05970%	0.05882%
District's proportionate share of the collective net OPEB liability	\$ 15,752,320	\$ 22,217,570	\$ 22,695,080	\$ 27,816,154
State's proportionate share of the collective net OPEB liability associated with the District	19,215,356	29,766,592	30,496,748	39,961,446
<b>Total</b>	<b>\$ 34,967,676</b>	<b>\$ 51,984,162</b>	<b>\$ 53,191,828</b>	<b>\$ 67,777,600</b>
District's covered payroll**	\$ 54,700,793	\$ 49,606,765	\$ 49,841,004	\$ 45,388,772
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	28.80%	44.79%	45.53%	61.28%
Plan fiduciary net position as a percentage of the total OPEB liability	11.52%	6.18%	4.99%	2.66%

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

\*\* as of measurement date

**Notes to Required Supplementary Information:**

*Changes in Assumptions:* The discount rate was changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change decreased the total OPEB liability.

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



Measurement Year*	
2018	2017
0.05874%	0.05755%
\$ 29,326,739	\$ 25,027,918
37,251,827	34,956,848
<u>\$ 66,578,566</u>	<u>\$ 59,984,766</u>
\$ 44,698,829	\$ 44,729,959
65.61%	55.95%
1.57%	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, 2023**

	Fiscal Year			
	2023	2022	2021	2020
Statutorily required contributions	\$ 578,357	\$ 523,513	\$ 426,484	\$ 448,105
Contributions in relations to the statutorily required contributions	578,357	523,513	426,484	448,105
<b>Contribution Deficiency (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
District's covered payroll	\$ 57,448,485	\$ 53,815,455	\$ 49,454,677	\$ 49,139,953
Contributions as a percentage of covered payroll	1.01%	0.97%	0.86%	0.91%

Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 415,626	\$ 387,318	\$ 296,836	\$ 294,790	\$ 291,343	\$ 273,811
415,626	387,318	296,836	294,790	291,343	273,811
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 45,302,507	\$ 44,609,702	\$ 44,532,095	\$ 43,058,073	\$ 42,612,677	\$ 40,783,297
0.92%	0.87%	0.67%	0.68%	0.68%	0.67%



***SUPPLEMENTARY  
INFORMATION***



## ***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 Formula High Cost Pool**

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 242 Summer School Feeding 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 ESSER I**

Funds granted through the Elementary and Secondary School Emergency Relief (ESSER) program.

#### **Fund 279 Texas COVID Learning Accelerated Support**

Funds granted from the state relating to the ESSER programs.

#### **Fund 281 Education Stabilization Fund ESSER II**

Funds granted through the Elementary and Secondary School Emergency Relief program under the ARP act.

#### **Fund 282 Education Stabilization Fund ESSER III**

Funds granted through the Elementary and Secondary School Emergency Relief program under the ARP act.

#### **Fund 284 IDEA B Formula - ARPA**

Funds to operate educational programs for children with disabilities.

#### **Fund 285 IDEA B Preschool ARPA**

Funds to operate educational programs for preschool children with disabilities.

#### **Fund 287 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 428 Governor's Truancy Prevention**

Funds to award campuses to support reduction 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 - EXHIBIT H-1 (Page 1 of 3)

June 30, 2023

Data Control	Codes		205	206	211	212
			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	Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
	1240	Due from other governments	-	5,473	489,309	-
	1260	Due from other funds	-	-	-	-
	1300	Inventories, at cost	-	-	-	-
	1000	<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 5,473</u>	<u>\$ 489,309</u>	<u>\$ -</u>
		<b><u>Liabilities</u></b>				
	2110	Accounts payable	\$ -	\$ -	\$ -	\$ -
	2160	Accrued wages payable	-	5,145	304,535	-
	2170	Due to other funds	-	328	184,774	-
	2190	Due to student groups	-	-	-	-
	2300	Unearned revenue	-	-	-	-
	2000	<b>Total Liabilities</b>	<u>-</u>	<u>5,473</u>	<u>489,309</u>	<u>-</u>
		<b><u>Fund Balances</u></b>				
	3450	Restricted - grants	-	-	-	-
	3000	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ -</u>	<u>\$ 5,473</u>	<u>\$ 489,309</u>	<u>\$ -</u>



224	225	226	240	242	244
IDEA-B Formula	IDEA-B Preschool	IDEA-B Formula High Cost Pool	National School Breakfast/ Lunch Program	Summer School Feeding Program	Career and Technology- Basic Grant
\$ -	\$ -	\$ -	\$ 2,928,008	\$ -	\$ -
319,037	4,778	421,432	-	74,677	38,038
-	482	-	200,753	315,104	-
-	-	-	78,716	-	-
<u>\$ 319,037</u>	<u>\$ 5,260</u>	<u>\$ 421,432</u>	<u>\$ 3,207,477</u>	<u>\$ 389,781</u>	<u>\$ 38,038</u>
\$ 45,125	\$ -	\$ -	\$ 1,666	\$ -	\$ 1,366
161,195	5,260	-	212,899	-	-
112,717	-	421,432	-	-	36,672
-	-	-	-	-	-
-	-	-	33,467	-	-
<u>319,037</u>	<u>5,260</u>	<u>421,432</u>	<u>248,032</u>	<u>-</u>	<u>38,038</u>
-	-	-	2,959,445	389,781	-
-	-	-	2,959,445	389,781	-
<u>\$ 319,037</u>	<u>\$ 5,260</u>	<u>\$ 421,432</u>	<u>\$ 3,207,477</u>	<u>\$ 389,781</u>	<u>\$ 38,038</u>

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## COMBINING BALANCE SHEET

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

June 30, 2023

Data Control	Codes		255	263	265	266
			ESEA Title II, Part A Teacher and Principal Training and Recruiting	Title III, Part A English Language Acquisition	Title IV, Part B 21st Century Learning	ESSER I
		<b><u>Assets</u></b>				
	1110	Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
	1240	Due from other governments	188,912	34,600	238,050	-
	1260	Due from other funds	-	-	-	-
	1300	Inventories	-	-	-	-
	1000	<b>Total Assets</b>	<u>\$ 188,912</u>	<u>\$ 34,600</u>	<u>\$ 238,050</u>	<u>\$ -</u>
		<b><u>Liabilities</u></b>				
	2110	Accounts payable	\$ -	\$ -	\$ 1,744	\$ -
	2160	Accrued wages payable	17,414	9,322	119,716	-
	2170	Due to other funds	171,498	25,278	116,590	-
	2190	Due to student groups	-	-	-	-
	2300	Unearned revenue	-	-	-	-
	2000	<b>Total Liabilities</b>	<u>188,912</u>	<u>34,600</u>	<u>238,050</u>	<u>-</u>
		<b><u>Fund Balances</u></b>				
	3450	Restricted - grants	-	-	-	-
	3000	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ 188,912</u>	<u>\$ 34,600</u>	<u>\$ 238,050</u>	<u>\$ -</u>

279

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287

**Texas COVID  
Learning  
Accelerated  
Support**

**ESSER II**

**ESSER III**

**IDEA B  
Formula  
ARPA**

**IDEA B  
Preschool  
ARPA**

**School Climate  
Transformation**

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10,643	62,108	546,908	-	-	98,536
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 10,643</u>	<u>\$ 62,108</u>	<u>\$ 546,908</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,536</u>

\$ -	\$ 19,988	\$ 276,800	\$ -	\$ -	\$ -
-	-	-	-	-	15,984
10,643	42,120	270,108	-	-	82,552
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,643</u>	<u>62,108</u>	<u>546,908</u>	<u>-</u>	<u>-</u>	<u>98,536</u>

-	-	-	-	-	-
-	-	-	-	-	-

<u>\$ 10,643</u>	<u>\$ 62,108</u>	<u>\$ 546,908</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,536</u>
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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## COMBINING BALANCE SHEET

### NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-1 (Page 3 of 3)

June 30, 2023

		289	385	397	428
<b>Data Control</b>					
<u>Codes</u>		<b>Federally Funded Special Revenue</b>	<b>Visually Impaired</b>	<b>Advanced Placement Incentives</b>	<b>Governor's Truancy Prevention</b>
<b><u>Assets</u></b>					
1110	Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
1240	Due from other governments	91,668	-	-	29,794
1260	Due from other funds	-	-	15,453	-
1300	Inventories	-	-	-	-
1000	<b>Total Assets</b>	<u>\$ 91,668</u>	<u>\$ -</u>	<u>\$ 15,453</u>	<u>\$ 29,794</u>
<b><u>Liabilities</u></b>					
2110	Accounts payable	\$ -	\$ -	\$ -	\$ -
2160	Accrued wages payable	3,000	-	-	19,312
2170	Due to other funds	88,668	-	-	10,482
2190	Due to student groups	-	-	-	-
2300	Unearned revenue	-	-	15,453	-
2000	<b>Total Liabilities</b>	<u>91,668</u>	<u>-</u>	<u>15,453</u>	<u>29,794</u>
<b><u>Fund Balances</u></b>					
3450	Restricted - grants	-	-	-	-
3000	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ 91,668</u>	<u>\$ -</u>	<u>\$ 15,453</u>	<u>\$ 29,794</u>

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State Funded Special Revenue	Campus Activity	Locally Funded Special Revenue	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
\$ -	\$ -	\$ -	\$ 2,928,008
49,939	-	-	2,703,902
-	407,815	268,042	1,207,649
-	-	-	78,716
<u>\$ 49,939</u>	<u>\$ 407,815</u>	<u>\$ 268,042</u>	<u>\$ 6,918,275</u>
\$ -	\$ 249	\$ 10,913	\$ 357,851
6,587	-	-	880,369
41,047	-	-	1,614,909
-	407,566	-	407,566
2,305	-	257,129	308,354
<u>49,939</u>	<u>407,815</u>	<u>268,042</u>	<u>3,569,049</u>
-	-	-	3,349,226
-	-	-	3,349,226
<u>\$ 49,939</u>	<u>\$ 407,815</u>	<u>\$ 268,042</u>	<u>\$ 6,918,275</u>

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-2 (Page 1 of 3)**  
**For the Year Ended June 30, 2023**

Data Control Codes		205	206	211	212
		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>Revenues</b>				
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	279,822	11,935	2,234,081	405
5020	<b>Total Revenues</b>	<u>279,822</u>	<u>11,935</u>	<u>2,234,081</u>	<u>405</u>
	<b>Expenditures</b>				
0011	Instruction	279,822	-	1,279,132	-
0012	Instructional resources				
0012	and media services	-	-	-	-
0013	Curriculum and instructional				
0013	staff development	-	-	468,029	-
0021	Instructional leadership	-	-	93,322	-
0023	School leadership	-	-	122,002	-
0031	Guidance, counseling,				
0031	and evaluation services	-	-	40,259	-
0032	Social work services	-	11,935	129,923	405
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	-	-	79,865	-
	<b>Intergovernmental:</b>				
0093	Shared service arrangements	-	-	21,549	-
6030	<b>Total Expenditures</b>	<u>279,822</u>	<u>11,935</u>	<u>2,234,081</u>	<u>405</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
IDEA-B Formula	IDEA-B Preschool	IDEA-B Formula High Cost Pool	National School Breakfast/ Lunch Program	Summer School Feeding Program	Career and Technology- Basic Grant
\$ -	\$ -	\$ -	\$ 358,445	\$ -	\$ -
-	-	-	34,943	-	-
1,543,984	31,441	542,432	5,980,227	100,510	96,197
1,543,984	31,441	542,432	6,373,615	100,510	96,197
1,308,007	31,441	542,432	-	-	75,228
-	-	-	-	-	-
-	-	-	-	-	12,349
797	-	-	-	-	1,447
-	-	-	-	-	-
235,180	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,680,319	71,151	-
-	-	-	-	-	7,173
-	-	-	-	-	-
-	-	-	24,645	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,543,984	31,441	542,432	5,704,964	71,151	96,197
-	-	-	668,651	29,359	-
-	-	-	2,290,794	360,422	-
\$ -	\$ -	\$ -	\$ 2,959,445	\$ 389,781	\$ -

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-2 (Page 2 of 3)**  
**For the Year Ended June 30, 2023**

Data Control Codes		255	263	265	266
		ESEA Title II, Part A Teacher and Principal Training and Recruiting	Title III, Part A English Language Acquisition	Title IV, Part B 21st Century Learning	ESSER I
	<b><u>Revenues</u></b>				
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	400,003	94,892	1,520,582	2,942
5020	<b>Total Revenues</b>	<u>400,003</u>	<u>94,892</u>	<u>1,520,582</u>	<u>2,942</u>
	<b><u>Expenditures</u></b>				
0011	Instruction	16,461	74,783	564,757	2,942
0012	Instructional resources				
0012	and media services	-	-	-	-
0013	Curriculum and instructional				
0013	staff development	382,362	14,215	-	-
0021	Instructional leadership	-	-	178,151	-
0023	School leadership	1,180	4,409	652,795	-
0031	Guidance, counseling,				
0031	and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	2,172	-
0034	Student transportation	-	-	38,620	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Plant maintenance and operations	-	-	6,019	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	1,485	78,068	-
	<b>Intergovernmental:</b>				
0093	Shared service arrangements	-	-	-	-
6030	<b>Total Expenditures</b>	<u>400,003</u>	<u>94,892</u>	<u>1,520,582</u>	<u>2,942</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>



279	281	282	284	285	287
Texas COVID Learning Accelerated Support	ESSER II	ESSER III	IDEA B Formula ARPA	IDEA B Preschool ARPA	School Climate Transformation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
156,121	1,492,818	3,757,971	317,353	15,390	691,200
156,121	1,492,818	3,757,971	317,353	15,390	691,200
62,360	950,602	2,680,359	196,512	15,390	23,891
-	-	-	-	-	-
-	283,613	-	-	-	-
93,761	67,549	348,201	-	-	-
-	28,157	212,852	-	-	-
-	-	94,193	120,841	-	196,923
-	-	36,048	-	-	470,386
-	-	22,496	-	-	-
-	-	9,970	-	-	-
-	-	-	-	-	-
-	-	100,072	-	-	-
-	111,538	80	-	-	-
-	-	-	-	-	-
-	-	174,772	-	-	-
-	51,359	78,928	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
156,121	1,492,818	3,757,971	317,353	15,390	691,200
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-2 (Page 3 of 3)**  
**For the Year Ended June 30, 2023**

		289	385	397	428
<b>Data Control Codes</b>		<b>Federally Funded Special Revenue</b>	<b>Visually Impaired</b>	<b>Advanced Placement Incentives</b>	<b>Governor's Truancy Prevention</b>
	<b><u>Revenues</u></b>				
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	11,160	-	125,822
5900	Federal program revenues	420,945	-	-	-
5020	<b>Total Revenues</b>	<u>420,945</u>	<u>11,160</u>	<u>-</u>	<u>125,822</u>
	<b><u>Expenditures</u></b>				
0011	Instruction	19,985	11,160	-	-
0012	Instructional resources				
0012	and media services	-	-	-	-
0013	Curriculum and instructional				
0013	staff development	1,750	-	-	-
0021	Instructional leadership	-	-	-	-
0023	School leadership	376	-	-	-
0031	Guidance, counseling,				
0031	and evaluation services	50,000	-	-	-
0032	Social work services	-	-	-	125,822
0033	Health services	231,138	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	8,692	-	-	-
0041	General administration	-	-	-	-
0051	Plant maintenance and operations	-	-	-	-
0052	Security and monitoring services	93,105	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	15,899	-	-	-
	<b><u>Intergovernmental:</u></b>				
0093	Shared service arrangements	-	-	-	-
6030	<b>Total Expenditures</b>	<u>420,945</u>	<u>11,160</u>	<u>-</u>	<u>125,822</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>

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499

<b>State Funded Special Revenue</b>	<b>Campus Activity</b>	<b>Locally Funded Special Revenue</b>	<b>Total Nonmajor Special Revenue Funds (See Exhibit C-2)</b>
\$ -	\$ 645,945	\$ 73,817	\$ 1,078,207
788,023	-	-	959,948
-	-	-	19,691,251
<u>788,023</u>	<u>645,945</u>	<u>73,817</u>	<u>21,729,406</u>
514,695	16,393	73,817	8,740,169
-	70,625	-	70,625
2,750	-	-	1,165,068
84,781	-	-	868,009
8,627	-	-	1,030,398
176,877	-	-	914,273
-	9,365	-	783,884
-	-	-	255,806
-	-	-	48,590
-	-	-	5,751,470
-	549,562	-	665,499
-	-	-	111,618
-	-	-	30,664
-	-	-	267,877
-	-	-	130,287
293	-	-	175,610
-	-	-	21,549
<u>788,023</u>	<u>645,945</u>	<u>73,817</u>	<u>21,031,396</u>
-	-	-	698,010
-	-	-	2,651,216
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,349,226</u>



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## COMBINING STATEMENT OF NET POSITION

### INTERNAL SERVICE FUNDS - EXHIBIT H-3

June 30, 2023

		753	783	
<b>Data Control Codes</b>		<b>Workers' Compensation</b>	<b>Parenting Center</b>	<b>Total Internal Service Funds</b>
	<b><u>Assets</u></b>			
	Current assets:			
1110	Cash and cash equivalents	\$ 4,104,250	\$ -	\$ 4,104,250
	<b>Total Current Assets</b>	<u>4,104,250</u>	<u>-</u>	<u>4,104,250</u>
1000	<b>Total Assets</b>	<u>4,104,250</u>	<u>-</u>	<u>4,104,250</u>
	<b><u>Liabilities</u></b>			
	Current liabilities:			
2170	Due to other funds	31	-	31
2200	Accrued expenses	209,646	-	209,646
2000	<b>Total Liabilities</b>	<u>209,677</u>	<u>-</u>	<u>209,677</u>
	<b><u>Net Position</u></b>			
3900	Unrestricted	3,894,573	-	3,894,573
3000	<b>Total Net Position</b>	<u>\$ 3,894,573</u>	<u>\$ -</u>	<u>\$ 3,894,573</u>

See Notes to Financial Statements.

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS - EXHIBIT H-4**  
For the Year Ended June 30, 2023

		753	783	
<b>Data Control Codes</b>		<b>Workers' Compensation</b>	<b>Parenting Center</b>	<b>Total Internal Service Funds</b>
	<b><u>Operating Revenues</u></b>			
5700	Charges for services	\$ 942,212	\$ -	\$ 942,212
5020	<b>Total Operating Revenues</b>	<u>942,212</u>	<u>-</u>	<u>942,212</u>
	<b><u>Operating Expenses</u></b>			
6100	Payroll costs	129,437	-	129,437
6200	Professional and contracted services	25,804	-	25,804
6400	Other operating costs	14,468	-	14,468
6030	<b>Total Operating Expenses</b>	<u>169,709</u>	<u>-</u>	<u>169,709</u>
	<b>Operating Income</b>	<u>772,503</u>	<u>-</u>	<u>772,503</u>
	<b><u>Nonoperating Revenues (Expenses)</u></b>			
7020	Earnings on investments	151,291	-	151,291
7915	Transfers in	-	12,938	12,938
8951	Loss on disposal of asset	-	(25,549)	(25,549)
8030	<b>Total Nonoperating Revenues (Expenses)</b>	<u>151,291</u>	<u>(12,611)</u>	<u>138,680</u>
1300	<b>Change in Net Position</b>	923,794	(12,611)	911,183
0100	Beginning net position	2,970,779	12,611	2,983,390
3300	<b>Ending Net Position</b>	<u>\$ 3,894,573</u>	<u>\$ -</u>	<u>\$ 3,894,573</u>

See Notes to Financial Statements.

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**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS - EXHIBIT H-5**  
**For the Year Ended June 30, 2023**

	753	783	
	<u>Workers'</u>	<u>Parenting</u>	<u>Total</u>
	<u>Compensation</u>	<u>Center</u>	<u>Internal</u>
			<u>Service Funds</u>
<b><u>Cash Flows from Operating Activities</u></b>			
Cash received from user charges	\$ 942,212	\$ -	\$ 942,212
Cash payments for insurance claims	(500,223)	-	(500,223)
<b>Net Cash Provided by Operating Activities</b>	<u>441,989</u>	<u>-</u>	<u>441,989</u>
<b><u>Cash Flows from Noncapital Financing Activities</u></b>			
Operating subsidies and transfers from other funds	-	-	-
<b>Net Cash Provided by Noncapital Financing Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>Cash Flows From Capital and Financing Activities</u></b>			
Loss on sale of capital asset	-	-	-
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>Cash Flows from Investing Activities</u></b>			
Proceeds from earnings on investments	151,291	-	151,291
<b>Net Cash Provided by Investing Activities</b>	<u>151,291</u>	<u>-</u>	<u>151,291</u>
<b>Net Increase in Cash and Cash Equivalents</b>	593,280	-	593,280
Beginning cash and cash equivalents	<u>3,510,970</u>	<u>-</u>	<u>3,510,970</u>
<b>Ending Cash and Cash Equivalents</b>	<u><u>\$ 4,104,250</u></u>	<u><u>\$ -</u></u>	<u><u>4,104,250</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 772,503	\$ -	\$ 772,503
<b>Effect of increases and decreases in current assets and liabilities:</b>			
(Decrease) in due to other funds	(19)	-	(19)
(Decrease) in accrued liabilities	(330,495)	-	(330,495)
<b>Net Cash Provided by Operating Activities</b>	<u><u>\$ 441,989</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 441,989</u></u>
<b>Schedule of non-cash capital and related financing activities:</b>			
Transfers in as a result of no repayment for due to other funds	\$ -	\$ 12,938	\$ 12,938
Loss on disposal of capital asset	-	(25,549)	(25,549)

See Notes to Financial Statements.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

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

For the Year Ended June 30, 2023

	1	2	3
	Tax Rates		Net Assessed/ Appraised Value For School Tax Purposes
Last Ten Years	Maintenance	Debt Service	
2014 and prior	Various	Various	Various
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
2023	\$ 0.8646	\$ 0.3850	\$ 4,887,787,340

1000 Totals

8000 Taxes Refunded

9000 Tax Increment

<b>10</b>	<b>20</b>	<b>31</b>	<b>32</b>	<b>40</b>	<b>50</b>
<b>Beginning Balance 7/1/22</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 6/30/23</b>
\$ 330,068	\$ -	\$ 21,847	\$ 4,668	\$ 2,103	\$ 305,656
72,178	-	4,133	883	430	67,592
84,257	-	5,297	1,041	646	78,565
103,128	-	8,031	1,579	3	93,521
126,142	-	17,910	3,521	(80)	104,631
135,100	-	19,072	3,291	487	113,224
225,768	-	40,018	11,237	2,403	176,916
343,269	-	61,502	18,293	(38,518)	224,956
1,360,287	-	633,006	270,907	(29,722)	426,652
-	57,355,875	40,836,418	18,184,155	3,854,293	2,189,595
<u>\$ 2,780,197</u>	<u>\$ 57,355,875</u>	<u>\$ 41,647,234</u>	<u>\$ 18,499,575</u>	<u>\$ 3,792,045</u>	<u>\$ 3,781,308</u>
		<u>\$ 162,869</u>			
		<u>\$ -</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, 2023**

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	\$ 591,000	\$ 591,000	\$ 358,445	\$ (232,555)
5800	State program revenues	70,000	70,000	34,943	(35,057)
5900	Federal program revenues	4,489,000	5,389,000	5,980,227	591,227
5020	<b>Total Revenues</b>	<u>5,150,000</u>	<u>6,050,000</u>	<u>6,373,615</u>	<u>323,615</u>
	<b>Expenditures</b>				
0035	Food service	5,137,250	7,008,268	5,680,319	1,327,949
0051	Plant maintenance and operations	12,000	24,950	24,645	305
6030	<b>Total Expenditures</b>	<u>5,149,250</u>	<u>7,033,218</u>	<u>5,704,964</u>	<u>1,328,254</u>
1200	<b>Net Change in Fund Balance</b>	750	(983,218)	668,651	1,651,869
0100	Beginning fund balance	2,290,794	2,290,794	2,290,794	-
3000	<b>Ending Fund Balance</b>	<u>\$ 2,291,544</u>	<u>\$ 1,307,576</u>	<u>\$ 2,959,445</u>	<u>\$ 1,651,869</u>

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# SEGUIN INDEPENDENT SCHOOL DISTRICT

## BUDGETARY COMPARISON SCHEDULE

### DEBT SERVICE FUND - EXHIBIT J-3

For the Year Ended June 30, 2023

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
	<b><u>Revenues</u></b>				
5700	Local, intermediate, and out-of-state	\$ 15,536,682	\$ 18,476,682	\$ 19,227,098	\$ 750,416
5800	State program revenues	-	-	933,678	933,678
5020	<b>Total Revenues</b>	<u>15,536,682</u>	<u>18,476,682</u>	<u>20,160,776</u>	<u>1,684,094</u>
	<b><u>Expenditures</u></b>				
0071	Principal	12,495,000	12,495,000	12,495,000	-
0072	Interest	3,026,682	5,966,682	5,641,750	324,932
0073	Bond issuance costs and fees	15,000	15,000	14,782	218
6030	<b>Total Expenditures</b>	<u>15,536,682</u>	<u>18,476,682</u>	<u>18,151,532</u>	<u>325,150</u>
1200	<b>Net Change in Fund Balance</b>	-	-	2,009,244	2,009,244
0100	Beginning fund balance	<u>12,761,789</u>	<u>12,761,789</u>	<u>12,761,789</u>	-
3000	<b>Ending Fund Balance</b>	<u><u>\$ 12,761,789</u></u>	<u><u>\$ 12,761,789</u></u>	<u><u>\$ 14,771,033</u></u>	<u><u>\$ 2,009,244</u></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, 2023**

<b>Data Control Codes</b>		<b><u>Responses</u></b>
<b><u>Section A: Compensatory Education Programs</u></b>		
AP1	Did the 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.	\$ 8,558,206
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)	\$ 5,212,765
<b><u>Section B: Bilingual Education Programs</u></b>		
AP5	Did the 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 its biligual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the District's fiscal year.	\$ 623,355
AP8	List the actual direct program expenditures for bilingual education programs during the District's fiscal year. (PICs 25, 35)	\$ 410,409

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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	118

*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	128
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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	136
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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	149
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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	150
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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			
	2014	2015	2016	2017
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 6,240,094	\$ 2,163,904	\$ 18,493,793	\$ 12,358,457
Restricted	7,749,541	7,693,123	8,646,490	8,005,747
Unrestricted	26,855,115	22,887,036	4,456,702	11,351,592
<b>Total Governmental Activities Net Position</b>	<b>\$ 40,844,750</b>	<b>\$ 32,744,063</b>	<b>\$ 31,596,985</b>	<b>\$ 31,715,796</b>
<b>Business-Type Activities</b>				
Unrestricted	409,813	386,443	398,139	352,190
<b>Total Business-Type Activities Net Position</b>	<b>\$ 409,813</b>	<b>\$ 386,443</b>	<b>\$ 398,139</b>	<b>\$ 352,190</b>
<b>Primary Government</b>				
Net investment in capital assets	\$ 6,240,094	\$ 2,163,904	\$ 18,493,793	\$ 12,358,457
Restricted	7,749,541	7,693,123	8,646,490	8,005,747
Unrestricted	27,264,928	23,273,479	4,854,841	11,703,782
<b>Total Primary Government Net Position</b>	<b>\$ 41,254,563</b>	<b>\$ 33,130,506</b>	<b>\$ 31,995,124</b>	<b>\$ 32,067,986</b>

Source: Seguin Independent School District's Audit Reports

\*Balances re-classed from net investment in capital assets

Fiscal Year					
2018	2019	2020	2021	2022*	2023
\$ (29,886)	\$ (4,076,580)	\$ (5,988,688)	\$ (14,219)	\$ (43,926)	\$ 2,823,568
9,001,289	10,113,710	11,007,277	12,251,287	13,744,332	17,616,588
(16,935,348)	(14,868,675)	(18,796,941)	(24,727,507)	(16,515,353)	(15,663,170)
<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>	<u>\$ 4,776,986</u>
360,842	369,847	392,962	307,031	279,019	270,355
<u>\$ 360,842</u>	<u>\$ 369,847</u>	<u>\$ 392,962</u>	<u>\$ 307,031</u>	<u>\$ 279,019</u>	<u>\$ 270,355</u>
\$ (29,886)	\$ (4,076,580)	\$ (5,988,688)	\$ (14,219)	\$ (43,926)	\$ 2,823,568
9,001,289	10,113,710	11,007,277	12,251,287	13,744,332	17,616,588
(16,574,506)	(14,498,828)	(18,403,979)	(24,420,476)	(16,236,334)	(15,392,815)
<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>	<u>\$ 5,047,341</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			
	2014	2015	2016	2017
<b>Expenses</b>				
Governmental activities				
Instruction	\$ 37,089,582	\$ 39,770,107	\$ 40,997,236	\$ 39,992,178
Instructional resources and media services	1,011,842	1,024,391	1,019,748	1,020,056
Curriculum and staff development	1,556,165	1,607,110	1,816,030	1,716,517
Instructional leadership	1,153,146	1,238,647	1,658,490	1,630,634
School leadership	4,253,917	4,366,920	4,557,158	4,595,642
Guidance, counseling, and evaluation services	2,161,296	2,382,588	2,030,903	2,224,928
Social work services	555,148	594,967	603,628	684,475
Health services	566,802	583,157	608,755	593,390
Student transportation	2,369,551	2,230,759	2,820,671	2,312,739
Food service	4,276,302	4,302,326	4,254,269	4,371,659
Curriculum/extracurricular activities	1,896,960	2,093,065	2,309,112	2,758,643
General administration	1,726,646	1,534,810	2,020,570	1,971,576
Plant maintenance and operations	6,159,942	6,566,805	6,801,352	6,944,793
Security and monitoring services	486,138	282,656	400,779	561,584
Data processing services	1,353,546	1,495,273	1,584,831	1,814,521
Community services	142,543	196,823	185,487	172,019
Interest on long-term debt	3,472,684	3,182,209	5,444,638	5,772,094
Other debt service	527,883	3,992	1,028,862	121,351
Facilities acquisition and construction	-	-	-	15,750
Payments related to SSAs	231,429	140,658	109,809	66,270
Other intergovernmental charges	407,583	418,607	444,400	490,257
<b>Total Governmental Activities Expenses</b>	<b>71,399,105</b>	<b>74,015,870</b>	<b>80,696,728</b>	<b>79,831,076</b>
<b>Business-Type Activities</b>				
Mall fund	29,968	69,447	35,032	100,232
<b>Total Business-Type Activities Expenses</b>	<b>29,968</b>	<b>69,447</b>	<b>35,032</b>	<b>100,232</b>
<b>Total Primary Government Expenses</b>	<b>\$ 71,429,073</b>	<b>\$ 74,085,317</b>	<b>\$ 80,731,760</b>	<b>\$ 79,931,308</b>
<b>Program Revenues</b>				
Governmental activities				
Charges for services				
Instruction	-	116,389	1,096	951
Instructional resources and media services	-	66,615	68,153	54,607
Curriculum and staff development	-	336	-	-
School leadership	-	7,508	-	13,175
Guidance, counseling, and evaluation services	-	5,656	-	-
Social work services	-	-	-	-
Health services	-	709	615	93
Food services	792,165	818,413	794,700	807,097
Extracurricular	365,186	425,755	504,089	554,896
Other	226,720	-	-	-
General administration	-	18,293	16,590	8,115
Plant maintenance and operations	-	-	-	1,308
Security and monitoring services	-	-	2,265	1,650
Community services	-	-	30	46
Operating grants and contributions	8,209,820	12,166,331	14,256,949	13,642,591
<b>Total Governmental Activities Program Revenues</b>	<b>9,593,891</b>	<b>13,626,005</b>	<b>15,644,487</b>	<b>15,084,529</b>

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 46,629,226	\$ 44,580,308	\$ 50,000,504	\$ 48,542,174	\$ 44,425,652	\$ 45,188,433
1,086,640	1,119,656	1,307,501	1,293,176	1,089,460	1,172,725
1,948,302	1,671,537	1,543,731	1,459,999	1,375,359	1,615,696
2,008,260	2,009,974	2,582,291	2,125,871	3,012,039	3,023,141
5,045,247	5,327,750	6,250,457	5,619,070	5,753,037	5,897,832
2,512,058	2,929,480	3,520,791	3,622,541	3,361,732	3,358,956
756,971	908,714	1,087,799	1,411,331	1,561,147	1,593,819
639,942	685,760	791,891	849,189	764,480	1,018,699
2,853,847	3,093,768	3,160,071	3,206,406	3,869,195	3,465,248
4,971,341	5,157,713	4,579,563	4,340,584	5,083,061	5,892,803
3,159,930	2,681,897	2,516,419	2,291,447	2,620,049	2,882,651
2,239,817	2,882,943	2,331,266	2,198,534	2,706,062	3,205,448
7,539,377	8,270,456	9,023,265	8,400,480	8,167,918	8,592,918
521,298	553,383	757,999	1,327,427	664,403	1,404,976
2,000,501	2,052,591	2,026,023	1,843,929	2,564,948	3,463,537
91,145	105,125	77,452	100,672	142,938	221,404
5,661,106	5,474,936	6,238,959	3,429,283	5,769,692	5,230,899
7,650	9,500	362,012	827,528	11,500	445,173
1,351	1,871	1,183,027	-	-	-
102,277	113,358	102,028	248,054	231,277	21,549
535,178	571,553	611,853	610,684	634,239	719,992
90,311,464	90,202,273	100,054,902	93,748,379	93,808,188	98,415,899
57,026	59,907	61,616	168,164	139,899	112,316
57,026	59,907	61,616	168,164	139,899	112,316
\$ 90,368,490	\$ 90,262,180	\$ 100,116,518	\$ 93,916,543	\$ 93,948,087	\$ 98,528,215
14,461	2,672	83,588	70,483	285	16,393
54,318	53,533	34,464	46,071	62,707	70,625
625	-	1,694	-	-	-
9,146	-	4,774	-	-	-
2,256	-	65	-	-	-
403	97	-	5,074	3,071	9,365
-	-	-	-	350	-
836,496	829,385	604,103	122,265	309,299	358,445
495,722	536,768	370,188	341,641	389,914	549,562
-	-	-	-	-	-
13,866	19,748	7,341	6,754	-	-
5,453	-	145	-	-	-
-	2,870	1,575	928	-	-
-	-	-	-	-	-
24,510,681	17,742,608	18,365,058	19,754,988	19,151,180	11,680,710
25,943,427	19,187,681	19,472,995	20,348,204	19,916,806	12,685,100

# SEGUIN INDEPENDENT SCHOOL DISTRICT

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

Last Ten Years  
(accrual basis of accounting)

	Fiscal Year			
	2014	2015	2016	2017
<b>Business-Type Activities</b>				
Charges for services				
Maintenance and upkeep	45,000	45,900	45,900	52,150
<b>Total Business-Type Activities Revenues</b>	<u>45,000</u>	<u>45,900</u>	<u>45,900</u>	<u>52,150</u>
<b>Total Primary Government Program Revenues</b>	<u>9,638,891</u>	<u>13,671,905</u>	<u>15,690,387</u>	<u>15,136,679</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (61,805,214)	\$ (60,389,865)	\$ (65,052,241)	\$ (64,746,547)
Business-type activities	15,032	(23,547)	10,868	(48,082)
<b>Total Primary Government Net (Expense) Revenue</b>	<u>\$ (61,790,182)</u>	<u>\$ (60,413,412)</u>	<u>\$ (65,041,373)</u>	<u>\$ (64,794,629)</u>
<b>General Revenues</b>				
Governmental activities				
Property taxes				
Levied for general purposes	\$ 28,072,801	\$ 29,263,569	\$ 29,551,690	\$ 31,123,500
Levied for debt service	6,738,474	8,064,073	10,537,945	10,952,934
Unrestricted grants and contributions	25,358,709	22,601,715	22,752,097	21,614,071
Investment earnings	57,112	103,682	345,897	598,156
Miscellaneous	1,732,473	683,711	717,534	576,697
Transfers	-	-	-	-
Special items	-	-	-	-
<b>Total Governmental Activities</b>	<u>\$ 61,959,569</u>	<u>\$ 60,716,750</u>	<u>\$ 63,905,163</u>	<u>\$ 64,865,358</u>
Business-type activities				
Investment earnings	147	177	828	2,133
Transfers	-	-	-	-
<b>Total Business-Type Activities</b>	<u>147</u>	<u>177</u>	<u>828</u>	<u>2,133</u>
<b>Total Primary Government</b>	<u>\$ 61,959,716</u>	<u>\$ 60,716,927</u>	<u>\$ 63,905,991</u>	<u>\$ 64,867,491</u>
<b>Changes in Net Position</b>				
Governmental activities	\$ 154,355	\$ 326,885	\$ (1,147,078)	\$ 118,811
Business-type activities	15,179	(23,370)	11,696	(45,949)
<b>Total Primary Government</b>	<u>\$ 169,534</u>	<u>\$ 303,515</u>	<u>\$ (1,135,382)</u>	<u>\$ 72,862</u>

Source: Seguin Independent School District's Audit Reports



Fiscal Year					
2018	2019	2020	2021	2022	2023
60,900	60,900	79,400	81,900	111,261	106,725
60,900	60,900	79,400	81,900	111,261	106,725
26,004,327	19,248,581	19,552,395	20,430,104	20,028,067	12,791,825
\$ (64,368,037)	\$ (71,014,592)	\$ (80,581,907)	\$ (73,400,175)	\$ (73,891,382)	\$ (85,730,799)
3,874	993	17,784	(86,264)	(28,638)	(5,591)
\$ (64,364,163)	\$ (71,013,599)	\$ (80,564,123)	\$ (73,486,439)	\$ (73,920,020)	\$ (85,736,390)
\$ 33,417,192	\$ 35,513,821	\$ 35,249,098	\$ 35,654,313	\$ 37,052,374	\$ 42,043,000
11,709,599	12,384,811	14,003,280	14,260,742	15,798,361	18,676,061
22,287,771	20,705,009	24,664,507	24,312,952	28,992,532	26,727,873
709,653	1,074,239	1,219,250	113,934	207,840	2,632,641
497,703	469,112	498,965	346,147	1,120,045	3,230,219
-	-	-	-	-	12,938
-	-	-	-	395,722	-
\$ 68,621,918	\$ 70,146,992	\$ 75,635,100	\$ 74,688,088	\$ 83,566,874	\$ 93,322,732
4,778	8,012	5,331	333	626	9,865
-	-	-	-	-	(12,938)
4,778	8,012	5,331	333	626	(3,073)
\$ 68,626,696	\$ 70,155,004	\$ 75,640,431	\$ 74,688,421	\$ 83,567,500	\$ 93,319,659
\$ 4,253,881	\$ (867,600)	\$ (4,946,807)	\$ 1,287,913	\$ 9,675,492	\$ 7,591,933
8,652	9,005	23,115	(85,931)	(28,012)	(8,664)
\$ 4,262,533	\$ (858,595)	\$ (4,923,692)	\$ 1,201,982	\$ 9,647,480	\$ 7,583,269

# SEGUIN INDEPENDENT SCHOOL DISTRICT

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

Last Ten Years

(modified accrual basis of accounting)

		Fiscal Year			
		2014	2015	2016	2017
<b>General Fund</b>					
Nonspendable	\$	168,447	\$ 161,189	\$ 182,121	\$ 196,150
Restricted		-	-	-	7,281,222
Committed		252,982	736,383	-	-
Assigned		12,062,390	13,917,167	494,135	665,000
Unassigned		18,500,402	17,320,612	11,860,481	19,391,476
<b>Total General Fund</b>	<b>\$</b>	<b>30,984,221</b>	<b>32,135,351</b>	<b>12,536,737</b>	<b>27,533,848</b>
<b>All Other Governmental Funds</b>					
Nonspendable	\$	-	\$ -	\$ -	\$ 12,701
Restricted		55,309,054	46,960,534	64,478,982	22,332,807
<b>Total All Other Governmental Funds</b>	<b>\$</b>	<b>55,309,054</b>	<b>46,960,534</b>	<b>64,478,982</b>	<b>22,332,807</b>

Source: Seguin Independent School District's Audit Reports

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 188,900	\$ 172,718	\$ 218,557	\$ 291,899	\$ 262,840	\$ 255,117
1,858,398	331,070	1,096,450	525,823	468,865	468,865
-	-	-	-	-	-
1,114,850	-	620,000	-	-	-
25,905,913	30,877,094	29,802,591	30,872,224	35,839,125	34,495,713
<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>	<u>\$ 35,219,695</u>
\$ 23,866	\$ 26,624	\$ 21,256	\$ 21,256	\$ -	\$ -
11,887,315	11,626,448	31,536,749	31,536,749	33,678,188	63,861,580
<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>	<u>\$ 63,861,580</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			
	2014	2015	2016	2017
<b>Revenues</b>				
Local and intermediate sources	\$ 38,066,231	\$ 39,639,149	\$ 42,557,005	\$ 44,463,585
State program revenues	24,354,075	26,024,654	27,060,928	25,625,555
Federal program revenues	9,168,794	9,023,032	9,097,674	9,785,803
<b>Total Revenues</b>	<b>71,589,100</b>	<b>74,686,835</b>	<b>78,715,607</b>	<b>79,874,943</b>
<b>Expenditures</b>				
Instruction	34,773,496	37,687,373	37,041,830	36,702,212
Instructional resources and media services	952,465	964,178	919,469	930,425
Curriculum and staff development	1,458,121	1,557,683	1,696,274	1,626,310
Instructional leadership	1,083,731	1,169,302	1,484,633	1,484,540
School leadership	3,964,229	4,102,850	4,087,715	4,159,065
Guidance, counseling, and evaluation services	2,020,264	2,245,443	2,239,862	2,031,772
Social work services	528,214	576,257	556,109	644,955
Health services	539,040	547,662	542,586	536,973
Student transportation	2,693,468	2,089,876	2,559,205	2,557,219
Food service	4,025,460	3,993,581	4,266,025	4,639,767
Curriculum/extracurricular activities	1,814,731	2,017,058	2,164,695	3,532,369
General administration	1,616,490	1,708,359	1,945,469	2,020,476
Plant maintenance and operations	4,929,218	6,167,756	6,191,032	6,365,275
Security and monitoring services	464,106	262,345	367,906	529,532
Data processing services	1,280,957	1,428,410	1,971,985	1,745,675
Community services	136,843	126,358	96,425	52,006
Principal on long-term debt	2,710,073	2,165,212	1,585,996	5,149,928
Interest on long-term debt	3,382,484	6,350,527	7,886,855	6,105,430
Bond issuance costs and fees	527,883	3,392	1,028,862	121,351
Capital outlay	1,908,542	6,098,457	40,864,360	35,702,738
Payments related to SSA's	231,429	140,658	109,809	66,270
Other intergovernmental charges	407,583	418,607	444,400	490,257
<b>Total Expenditures</b>	<b>71,448,827</b>	<b>81,821,344</b>	<b>120,051,502</b>	<b>117,194,545</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>140,273</b>	<b>(7,134,509)</b>	<b>(41,335,895)</b>	<b>(37,319,602)</b>
<b>Other Financing Sources (Uses)</b>				
Refunding bonds issued	-	-	40,420,000	-
Capital-related debt issued (regular bonds)	44,770,000	-	37,065,000	10,000,000
Sale of real or personal property	-	-	-	-
Transfers in	600,000	200,000	21,840,912	8,333,980
Premium or discount on issuance of bonds	2,663,579	-	8,375,294	-
Transfer out	(637,569)	(262,881)	(21,920,986)	(8,150,741)
Other sources	-	-	-	-
Other uses	-	-	(46,524,491)	-
<b>Total Other Financing Sources (Uses)</b>	<b>47,396,010</b>	<b>(62,881)</b>	<b>39,255,729</b>	<b>10,183,239</b>
<b>Net Change in Fund Balances</b>	<b>\$ 47,536,283</b>	<b>\$ (7,197,390)</b>	<b>\$ (2,080,166)</b>	<b>\$ (27,136,363)</b>

Debt service as a percentage of noncapital expenditures*	9.52%	11.25%	13.26%	13.96%
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\* 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					
2018	2019	2020	2021	2022	2023
\$ 47,844,766	\$ 50,907,466	\$ 52,047,017	\$ 51,116,748	\$ 54,185,795	\$ 65,322,342
25,900,825	24,556,643	30,077,996	28,884,661	27,776,117	25,906,787
9,739,154	10,797,168	10,099,179	13,613,389	25,850,978	22,405,963
83,484,745	86,261,277	92,224,192	93,614,798	107,812,890	113,635,092
39,645,181	36,983,744	40,690,074	42,262,210	44,750,713	47,987,522
908,777	932,398	1,070,973	1,116,480	1,001,116	1,084,899
1,737,144	1,506,991	1,383,321	1,329,407	1,317,595	1,570,996
1,684,851	1,659,700	2,081,479	1,820,217	2,853,290	2,928,096
4,166,415	4,311,731	4,913,668	4,777,161	5,621,467	5,957,753
2,113,764	2,436,997	2,887,756	3,159,158	3,545,715	3,787,902
649,160	783,014	976,419	1,286,262	1,413,518	1,445,381
523,396	551,138	627,308	723,498	781,947	1,055,267
2,778,722	2,829,565	2,937,754	2,757,952	3,217,457	3,149,839
4,407,152	4,801,851	4,792,523	4,340,584	4,880,528	5,751,470
2,797,949	2,328,461	2,094,870	1,998,831	2,494,529	2,712,748
1,969,606	2,237,282	2,151,276	2,071,836	2,592,648	2,959,938
6,363,124	7,155,660	7,766,254	7,354,513	7,501,142	7,798,184
453,902	480,344	633,954	1,210,801	648,504	1,339,929
1,706,174	1,690,327	1,655,876	1,582,186	2,392,418	3,254,024
79,862	101,331	37,070	70,704	128,969	200,109
5,550,837	5,727,660	8,335,000	8,440,000	10,070,000	13,160,000
6,513,516	6,645,780	6,112,939	5,729,612	5,897,051	5,641,750
7,650	9,500	362,012	827,528	11,500	445,173
7,687,372	849,452	14,922,956	10,709,590	20,077,809	12,260,705
102,277	113,358	102,028	248,054	231,277	21,549
535,178	571,553	611,853	610,684	634,239	719,992
92,382,009	84,707,837	107,147,363	104,427,268	122,063,432	125,233,226
(8,897,264)	1,553,440	(14,923,171)	(10,812,470)	(14,250,542)	(11,598,134)
-	-	-	44,769,951	-	-
-	-	31,565,000	27,665,000	-	39,860,000
-	-	126,000	281,968	900,239	-
4,443,686	1,187,275	-	-	-	-
		3,493,820	9,095,693	-	570,391
(4,446,536)	(1,187,275)	-	-	-	-
-	501,272	-	-	-	-
-	-	-	(50,696,424)	-	-
(2,850)	501,272	35,184,820	31,116,188	900,239	40,430,391
\$ (8,900,114)	\$ 2,054,712	\$ 20,261,649	\$ 20,303,718	\$ (13,350,303)	\$ 28,832,257
14.25%	14.77%	16.06%	16.00%	15.67%	17.04%

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

	Fiscal Year			
	2014	2015	2016	2017
<b>School District</b>				
Maintenance and operations	\$ 1.04000	\$ 1.04000	\$ 1.04000	\$ 1.06000
Debt service	0.24000	0.27500	0.37000	0.36000
<b>District Total</b>	<b>\$ 1.28000</b>	<b>\$ 1.31500</b>	<b>\$ 1.41000</b>	<b>\$ 1.42000</b>
Guadalupe County	\$ 0.39990	\$ 0.39410	\$ 0.38510	\$ 0.38510
City of Seguin	0.51730	0.52440	0.52560	0.54120
<b>Total Direct and Overlapping Rates</b>	<b>\$ 2.19720</b>	<b>\$ 2.23350</b>	<b>\$ 2.32070</b>	<b>\$ 2.34630</b>

Rates are per \$100 of assessed valuation  
Source: Guadalupe County Appraisal District

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 1.06000	\$ 1.06000	\$ 0.99000	\$ 0.97640	\$ 0.8996	\$ 0.8646
0.36000	0.36000	0.38500	0.38500	0.3850	0.3850
<u>\$ 1.42000</u>	<u>\$ 1.42000</u>	<u>\$ 1.37500</u>	<u>\$ 1.36140</u>	<u>\$ 1.2846</u>	<u>\$ 1.2496</u>
\$ 0.37799	\$ 0.38190	\$ 0.38190	\$ 0.38540	\$ 0.3799	\$ 0.3799
0.54120	0.54120	0.54120	0.54120	0.5412	0.5412
<u>\$ 2.33919</u>	<u>\$ 2.34310</u>	<u>\$ 2.29810</u>	<u>\$ 2.28800</u>	<u>\$ 2.2057</u>	<u>\$ 2.1707</u>





**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		
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
2023	\$ 4,146,803,810	\$ 4,318,547,915	\$ 1,327,799,562	\$ 8,922,584,016	\$ 1.2496

\*Per \$100 of assessed value

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

Source: Guadalupe Appraisal District



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## PRINCIPAL PROPERTY TAX PAYERS - EXHIBIT L-7

Current Year and Nine Years Ago

Property Tax Payer	2023			2014		
	Taxable Value	Rank	% of Total Taxable Value	Taxable Value	Rank	% of Total Taxable Value
Structural Metals Inc	\$ 206,410,866	1	2.31%	\$ 68,542,026	2	2.59%
Caterpillar Inc	132,563,327	2	1.49%	82,071,816	1	3.10%
Niagara Bottling LLC	68,872,199	3	0.77%	-		0.00%
Teijin Automotive Tech Texas LLC	52,492,734	4	0.59%	-		0.00%
Texas Petroleum Investment Co	47,589,031	5	0.53%	57,293,929	4	2.16%
8th Street Properties LLC	32,266,599	6	0.36%	-		0.00%
United Alloy Texas LLC	26,195,650	7	0.29%	-		0.00%
Mack (Oak Hollow I) LLC	25,066,700	8	0.28%	-		0.00%
Tyson Foods, Inc	24,329,462	9	0.27%	10,613,564	8	0.40%
Union Pacific Railroad Co.	21,515,173	10	0.24%	-		0.00%
Subtotal	<u>\$ 637,301,741</u>		<u>7.14%</u>	<u>\$ 218,521,335</u>		<u>8.25%</u>
Other Taxpayers	<u>8,285,282,275</u>		<u>92.86%</u>	<u>2,431,021,105</u>		<u>91.75%</u>
Total taxable assessed value*	<u><u>\$ 8,922,584,016</u></u>		<u>100.00%</u>	<u><u>\$ 2,649,542,440</u></u>		<u>100.00%</u>

\*Taxable assessed value is net exemptions

Source: Guadalupe Appraisal District



# 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
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%	\$ 1,147,029	\$ 52,181,606	99.84%
2023*	\$ 57,355,875	\$ 59,020,573	102.90%	\$ -	\$ 59,020,573	102.90%

Source: Guadalupe County Property Appraiser and District records

\*Note: Overcollection in FY2023 is related to post levy adjustments done by the Appraiser.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

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

Last Ten Years

	Fiscal Year			
	2014	2015	2016	2017
<b>Assessed Value</b>				
All property	\$ 2,522,366,920	\$ 2,844,181,113	\$ 2,991,776,217	\$ 3,147,947,544
<b>Net Bonded Debt</b>				
Gross bonded debt	\$ 126,079,479	\$ 120,580,291	\$ 158,837,450	\$ 162,804,097
Less debt service funds	7,998,127	7,535,272	8,808,617	7,172,910
<b>Total Net Bonded Debt</b>	<b>\$ 118,081,352</b>	<b>\$ 113,045,019</b>	<b>\$ 150,028,833</b>	<b>\$ 155,631,187</b>
<b>Ratio of Net Bonded Debt     To Assessed Value</b>	4.68%	3.97%	5.01%	4.94%
<b>Average Daily Attendance (ADA)</b>	7,419	7,459	7,492	7,425
<b>Ratio of Net Bonded Debt     Per ADA</b>	\$ 15,916	\$ 15,156	\$ 20,025	\$ 20,960
<b>Percentage of Personal Income</b>	0.06%	0.06%	0.08%	0.07%
<b>Population</b>	139,841	147,250	147,250	155,265
<b>Net Bonded Debt     Per Capita</b>	\$ 844	\$ 768	\$ 1,019	\$ 1,002

Source: Guadalupe Appraisal District and The County Information Program, Texas Association of Counties

Fiscal Year					
2018	2019	2020	2021	2022	2023
<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>	<u>\$ 5,621,482,745</u>
\$ 156,098,003	\$ 148,898,392	\$ 161,809,858	\$ 181,034,809	\$ 182,756,950	\$ 164,289,809
7,855,444	8,968,967	11,017,436	10,332,942	12,761,789	14,771,033
<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>	<u>\$ 149,518,776</u>
4.39%	3.89%	3.96%	4.30%	3.81%	2.66%
7,467	7,366	7,226	6,899	7,064	7,239
\$ 19,853	\$ 18,997	\$ 20,868	\$ 24,743	\$ 24,065	\$ 20,655
0.07%	0.06%	0.06%	0.07%	0.06%	0.05%
159,659	163,694	166,847	172,706	177,036	182,760
\$ 928	\$ 855	\$ 904	\$ 988	\$ 960	\$ 818

# SEGUIN INDEPENDENT SCHOOL DISTRICT

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

Last Ten Years

	Fiscal Year			
	2014	2015	2016	2017
<b>Primary Government</b>				
<b>Governmental Activities:</b>				
General obligation bonds	\$ 126,079,479	\$ 120,580,291	\$ 158,837,450	\$ 162,804,097
<b>Total Primary Government</b>	<u>\$ 126,079,479</u>	<u>\$ 120,580,291</u>	<u>\$ 158,837,450</u>	<u>\$ 162,804,097</u>
<b>Personal Income</b>	\$ 1,824,414,000	\$ 1,961,339,200	\$ 1,866,185,000	\$ 2,104,146,000
<b>Debt as a Percentage of Personal Income</b>	6.91%	6.15%	8.51%	7.74%
<b>Population (Seguin ISD)</b>	46,106	48,548	48,548	51,191
<b>Debt Per Capita</b>	\$ 2,735	\$ 2,484	\$ 3,272	\$ 3,180

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: U.S. Census Bureau and the County Information Program, Texas Association of Counties



Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 156,098,003	\$ 148,898,392	\$ 161,809,858	\$ 193,497,237	\$ 182,756,950	\$ 164,289,809
<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>	<u>\$ 164,289,809</u>
\$ 2,319,260,000	\$ 2,321,785,605	\$ 2,366,487,180	\$ 2,449,601,820	\$ 2,883,709,042	\$ 3,144,760,640
6.73%	6.41%	6.84%	7.90%	6.34%	5.22%
52,639	53,970	55,009	56,941	58,369	60,256
\$ 2,965	\$ 2,759	\$ 2,942	\$ 3,398	\$ 3,131	\$ 2,727



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## LEGAL DEBT MARGIN INFORMATION - EXHIBIT L-11

Last Ten Years

### Legal Debt Margin Calculation for Fiscal Year 2023

Assessed value	\$ 5,621,482,745
Debt limit (percentage of 2022-2023 school year assessed value)*	10.00%
Maximum legal debt	562,148,275
Amount of debt applicable to debt limit**	164,289,809
<b>Legal Debt Margin</b>	<b>\$ 397,858,466</b>

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

\*\* Does not include 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
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	\$ 150,190,657	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	\$ 181,034,809	\$ 216,306,975	45.56%
2022	\$ 446,368,075	\$ 182,756,950	\$ 263,611,125	40.94%
2023	\$ 562,148,275	\$ 164,289,809	\$ 397,858,466	29.23%



**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
***DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT - EXHIBIT L-12***  
As of June 30, 2023

<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	\$ 99,191,247	100.00%	99,191,247
Subtotal, overlapping debt			\$ 103,751,659
<b>District Direct Debt</b>	\$ 164,289,809	100.00%	164,289,809
<b>Total Direct and Overlapping Debt</b>			<u>\$ 268,041,468</u>
<b>Population (District)</b>			60,256
<b>Per Capita Debt-Direct and Overlapping</b>			<u>\$ 4,448</u>

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.

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire burden borne by the property taxpayers should be taken into account.

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## DEMOGRAPHIC STATISTICS - EXHIBIT L-13

Last Ten Years

### Population Information

<b>Fiscal Year</b>	<b>Estimated Population</b>	<b>Land Area*</b>	<b>Density Per Square Mile</b>	<b>Population Change</b>
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%
2023	60,256	711	242	3.1%

Source: Texas Association of Counties

\* Data only available for FY 2022 and 2023

<b>Guadalupe County</b>					
<b>Personal Income*</b> <i>(in Thousands)</i>	<b>Population*</b> <i>(Persons)</i>	<b>Per Capita Personal*</b> <b>Income</b>	<b>Total Unemployment</b>	<b>Percentage Unemployed County</b>	<b>Percentage Unemployed State</b>
\$ 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%	8.3%	10.1%
\$ 2,449,601,820	56,941	\$ 45,797	5.2%	5.1%	5.9%
\$ 2,883,709,042	58,369	\$ 49,405	3.6%	3.7%	4.1%
\$ 3,144,760,640	60,256	\$ 49,405	3.5%	3.5%	4.1%

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





# SEGUIN INDEPENDENT SCHOOL DISTRICT

## PRINCIPAL EMPLOYERS - EXHIBIT L-14

Current Year and Nine Years Ago

2023			2014		
Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
Caterpillar, Inc.	2,000	3.44%	Texas Power Systems/CAT	1,206	2.74%
Vitesco Technologies/Continental	1,500	2.58%	Seguin ISD	1,085	2.47%
Seguin ISD	1,045	1.80%	Continental AG	1,002	2.28%
CMC Steel	900	1.55%	Tyson Foods	850	1.93%
Guadalupe Regional Medial Center	765	1.32%	CMC Steel	847	1.93%
Tyson Foods	750	1.29%	Guadalupe Regional Medial Center	667	1.52%
Guadalupe County	650	1.12%	Guadalupe County	573	1.30%
Texas Lutheran University	440	0.76%	Wal-Mart Super Center	400	0.91%
City of Seguin	429	0.74%	City Of Seguin	338	0.77%
HEB	400	0.69%	Texas Lutheran University	314	0.71%
<b>Total</b>	<b>8,879</b>			<b>7,282</b>	
<b>Total City of Seguin Employment</b>	<b>58,147</b>			<b>43,985</b>	

Source: Seguin Economic Development

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

	Fiscal Year			
	2014	2015	2016	2017
<b><u>Governmental Activities</u></b>				
Instruction	628	617	617	600
Instructional Resources and media services	12	12	12	12
Curriculum and staff development	16	20	20	17
Instructional leadership	15	19	19	18
School leadership	70	70	70	69
Guidance, counseling, and evaluation services	32	32	32	26
Social work services	9	8	8	11
Health services	14	13	13	12
Student transportation	77	76	76	71
Food services	72	67	67	71
Extracurricular activities	6	4	4	6
General administration	17	18	18	19
Facilities maintenance and operations	83	88	88	80
Security and monitoring services	4	4	4	5
Data processing services	12	12	12	11
Community services	12	12	12	7
<b>Total District Positions</b>	<b>1,079</b>	<b>1,072</b>	<b>1,072</b>	<b>1,035</b>

Fiscal Year					
2018	2019	2020	2021	2022	2023
597	592	602	592	626	649
12	12	12	12	12	11
19	14	10	9	10	10
20	20	23	22	33	28
68	70	74	71	76	79
29	30	32	37	40	39
7	11	11	15	17	15
12	12	12	13	13	13
76	76	88	61	60	64
68	67	70	61	64	66
7	6	4	4	6	7
18	19	20	20	22	22
82	88	86	80	75	77
5	5	4	9	7	10
12	12	11	12	16	17
2	2	1	2	2	2
1,034	1,036	1,060	1,020	1,078	1,109

# SEGUIN INDEPENDENT SCHOOL DISTRICT

## OPERATING STATISTICS - EXHIBIT L-16

Last Ten Years

	Fiscal Year			
	2014	2015	2016	2017
<b>Average Daily Attendance</b>	7,419	7,459	7,492	7,425
<b>Operating Expenditures</b>	\$ 53,380,021	\$ 54,725,032	\$ 57,560,636	\$ 58,528,169
Cost per pupil	\$ 7,195	\$ 7,337	\$ 7,683	\$ 7,883
Percentage change	8.04%	1.97%	4.72%	2.60%
<b>Government-wide Expenses</b>	\$ 502,101	\$ 418,607	\$ 444,400	\$ 3,200,117
Cost per pupil	\$ 68	\$ 56	\$ 59	\$ 431
Percentage change	-52.31%	-17.08%	5.69%	626.60%
<b>Teaching Staff</b>	474	489	486	478
Pupils to teacher	16	15	15	16
<b>Percentage of Students Economically Disadvantaged</b>	68.87%	67.67%	65.89%	66.26%

Source: Texas Education Agency

Fiscal Year					
2018	2019	2020	2021	2022	2023
7,467	7,366	7,226	6,899	7,064	7,239
\$ 60,456,630	\$ 59,345,095	\$ 62,858,114	\$ 63,402,641	\$ 62,438,594	\$ 72,058,983
\$ 8,097	\$ 8,057	\$ 8,699	\$ 9,190	\$ 8,839	\$ 9,954
2.71%	-0.49%	7.97%	5.65%	-3.82%	12.62%
\$ 3,660,111	\$ 2,063,740	\$ 2,356,250	\$ 2,897,435	\$ 2,814,947	\$ 4,776,986
\$ 490	\$ 280	\$ 326	\$ 420	\$ 398	\$ 660
13.73%	-42.84%	16.39%	28.80%	-5.12%	65.60%
465	464	471	466	485	480
16	16	15	15	15	15
67.12%	71.00%	70.64%	67.36%	68.29%	73.35%



# SEGUIN INDEPENDENT SCHOOL DISTRICT

## TEACHER BASE SALARIES - EXHIBIT L-17

Last Ten Years

Fiscal Year	Minimum Salary*	Maximum Salary*	Region Average Salary	Statewide Average Salary
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
2023	\$ 54,000	\$ 72,992	\$ 58,649	\$ 60,716

\* 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





# 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
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%
2023	7,655	7,239	2.48%	94.57%

Source: Texas Education Agency

# SEGUIN INDEPENDENT SCHOOL DISTRICT

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

Last Ten Years

	Fiscal Year			
	2014	2015	2016	2017
<b>Elementary</b>				
Koennecke (1986)				
Square feet	53,206	53,206	53,206	53,206
Capacity	562	562	562	562
Enrollment	546	533	533	535
Ball (1976)				
Square feet	51,805	51,805	51,805	51,805
Capacity	449	449	449	449
Enrollment	245	263	263	490
Jefferson (1974)				
Square feet	53,087	53,087	53,087	53,087
Capacity	584	584	584	584
Enrollment	406	393	393	421
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	356	350	350	347
Patlan (1987)				
Square feet	53,206	53,206	53,206	53,206
Capacity	562	562	562	562
Enrollment	462	467	467	462
Rodriguez (2010)				
Square feet	67,000	67,000	67,000	67,000
Capacity	650	650	650	650
Enrollment	547	548	548	526
Seagert (1930)				
Square feet	67,547	67,547	67,547	67,547
Capacity	600	600	600	600
Enrollment	522	489	489	-

Fiscal Year					
2018	2019	2020	2021	2022	2023
53,206	53,206	53,206	53,206	53,206	53,206
562	562	562	562	562	562
515	539	569	586	511	550
51,805	51,805	51,805	51,805	51,805	51,805
449	449	449	449	449	449
536	492	436	234	345	439
53,087	53,087	53,087	53,087	53,087	53,087
584	584	584	584	584	584
403	363	351	347	380	386
25,306	25,306	-	-	-	-
300	300	-	-	-	-
-	-	-	-	-	-
54,957	54,957	54,957	54,957	54,957	54,957
490	490	490	490	490	490
347	337	320	316	307	314
53,206	53,206	53,206	53,206	53,206	53,206
562	562	562	562	562	562
462	419	454	439	446	443
67,000	67,000	67,000	67,000	67,000	67,000
650	650	650	650	650	650
544	551	540	525	492	475
67,547	67,547	67,547	67,547	64,547	64,547
600	600	600	600	600	600
-	-	64	70	88	70

# SEGUIN INDEPENDENT SCHOOL DISTRICT

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

Last Ten Years

	Fiscal Year			
	2014	2015	2016	2017
Vogel (1991)				
Square feet	53,206	53,206	53,206	53,206
Capacity	562	562	562	562
Enrollment	439	464	464	425
Weinert (1974)				
Square feet	46,375	46,375	46,375	46,375
Capacity	540	540	540	540
Enrollment	548	558	558	520
<b>Middle School</b>				
Barnes (2004)				
Square feet	150,000	150,000	150,000	150,000
Capacity	700	700	700	700
Enrollment	534	530	530	813
Briesemeister (1975)				
Square feet	103,606	103,606	103,606	103,606
Capacity	700	700	700	700
Enrollment	535	527	527	787
Burges (1950)				
Square feet	17,114	17,114	17,114	17,114
Capacity	120	120	120	120
Enrollment	21	29	29	31
<b>High School</b>				
Learning Center (1964)				
Square feet	21,968	21,968	21,968	21,968
Capacity	125	125	125	125
Enrollment	153	134	134	103
Seguin High School				
Square feet	289,914	289,914	289,914	420,774
Capacity	2,500	2,500	2,500	2,450
Enrollment	1,849	1,892	1,892	1,949
<b>Total Square Footage</b>	1,175,297	1,175,297	1,175,297	1,306,157
<b>Total Capacity</b>	10,094	10,094	10,094	10,044
<b>Total Enrollment</b>	7,710	7,725	7,725	7,935

Source: District records and Texas Education Agency

Fiscal Year					
2018	2019	2020	2021	2022	2023
53,206	53,206	53,206	53,206	53,206	53,206
562	562	562	562	562	562
409	405	382	275	374	401
46,375	46,375	46,375	46,375	46,375	46,375
540	540	540	540	540	540
513	475	477	443	456	479
150,000	150,000	150,000	150,000	150,000	150,000
700	700	700	700	700	700
863	876	852	873	853	797
103,606	103,606	103,606	103,606	103,606	103,606
700	700	700	700	700	700
807	778	767	727	720	725
17,114	17,114	17,114	-	-	-
120	120	120	-	-	-
26	-	-	-	-	-
21,968	21,968	21,968	-	-	-
125	125	125	-	-	-
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
1,962	1,985	1,926	2,049	2,065	2,101
1,306,157	1,306,157	1,280,851	1,241,769	1,238,769	1,238,769
10,044	10,044	9,744	9,499	9,499	9,499
8,023	7,849	7,678	7,409	7,529	7,655



## ***COMPLIANCE SECTION***







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

To the Board of Trustees 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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 7, 2023.

**Report on Internal Control Over Financial Reporting**

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

The logo for Belt Harris Pechacek, LLP features the names 'BELT', 'HARRIS', and 'PECHACEK' in a stylized, serif font, with 'LLP' in a smaller, sans-serif font to the right. The letters are dark blue or black.

Belt Harris Pechacek, LLP  
*Certified Public Accountants*  
Houston, Texas  
November 7, 2023



## 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, 2023. 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, 2023.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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



Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
November 7, 2023

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
***SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS***  
**For the Year Ended June 30, 2023**

**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, 2023

### I. SUMMARY OF AUDITORS' 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*

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulation (CFR) Part 200.516(a)? No

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 qualify as low-risk auditee? Yes

#### *Major Program Information and Audit Findings*

Identification of major programs:

Assistance Listing (AL) Number(s)	Name of Federal Program or Cluster	Number of Audit Findings
10.553/10.555/10.559	Child Nutrition Cluster	0
	Elementary and Secondary School	
84.425U	Emergency Relief (ARP ESSER)	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.

**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - (Page 1 of 2) - EXHIBIT K-1**  
For the Year Ended June 30, 2023

(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	84.010A	22610101094901	\$ 115,296
ESEA Title I, Part A	84.010A	23610101094901	1,954,147
Title I, Part D, Subpart 2	84.010A	22610103094901	4,606
Title I, Part D, Subpart 2	84.010A	23610103094901	41,967
School Action Fund - Planning	84.010A	226101647110005	192,438
Migrant Education State Grant Program	84.011A	22615001094901	427
IDEA B, Formula Grant*	84.027A	226600010949016000	156,160
IDEA B, Formula Grant*	84.027A	236600010949016600	1,422,234
IDEA B, Discretionary - Residential*	84.027A	H027A220008	216,877
IDEA B, (High Cost Pool)*	84.027A	H027A210008	325,545
IDEA B, Preschool*	84.173A	226610010949016610	937
IDEA B, Preschool*	84.173A	236610010949016610	30,504
Title III, Part A	84.365A	22671001094901	2,506
Title III, Part A	84.365A	23671001094901	94,154
Perkins V: Strengthening CTE for 21st Century	84.048A	22420006094901	491
Perkins V: Strengthening CTE for 21st Century	84.048A	23420006094901	99,859
Title IV, Part B 21st Century Learning	84.287A	226950307110037	133,598
Title IV, Part B 21st Century Learning	84.287A	236950307110037	1,429,345
Title II, Part A, Supporting Effective Instruction	84.367A	22694501094901	26,154
Title II, Part A, Supporting Effective Instruction	84.367A	23694501094901	384,236
Title IV, Part A, Subpart 1	84.424A	226801010940901	13,516
IDEA B, Formula - ARP*	84.027X	225350020949015350	317,353
IDEA B, Preschool - ARP*	84.173X	225360020949015360	15,390
Title IV, Part A, Subpart 1	84.424A	236801010940901	166,624
Education for Homeless Children and Youth	84.196A	214600057110064	12,173
COVID-19 - Education Stabilization Fund (ESSER)	84.425D	21521001094901	2,975
Coronavirus Response and Relief Supplemental Appropriations Act ESSER II	84.425D	21521001094901	1,527,818
COVID-19 - Texas COVID Acceleration Support - ESSER III	84.425U	21528042094901	156,863
COVID-19 - American Rescue Plan (ARP) ESSER III	84.425U	21528001094901	3,759,543
School Climate Transformation	84.184G	S184G190293	167,242
School Climate Transformation	84.184G	S184G190293	545,703
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>13,316,681</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Passed Through State Department of Education			
School Breakfast Programs*	10.553	806780706	1,511,038
National School Lunch*	10.555	806780706	3,660,265
Child and Adult Food Care Program	10.558	806780706	487,292
Summer Food Service Program*	10.559	806780706	100,510
USDA Commodities	10.565	806780706	361,938
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b>6,121,043</b>



**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - (Page 2 of 2) - EXHIBIT K-1**  
For the Year Ended June 30, 2023

(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 HEALTH AND HUMAN SERVICES</b>			
Passed through Community Council of South Central Texas Headstart Program	93.600	2022-CCSCT/SISD	\$ 279,822
Passed through Texas Health and Human Services Commission Medicaid Administrative Claims	93.778	HHS000537900040	57,500
Passed Through State Department of Education School Health Support	93.323	HHS001114100001	265,906
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<u>603,228</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u><u>\$ 20,040,952</u></u>
<i>* Indicates clustered program under OMB Compliance Supplement</i>			
		Federal revenue per SEFA	\$ 20,040,952
		ERATE	335,363
		Junior ROTC	108,770
		SHARS	1,920,878
		C-2 Federal revenue	<u><u>\$ 22,405,963</u></u>

The accompanying notes are an integral part of this schedule.



**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 receive any PPE donations funded by federal assistance funds during the reporting year.



**SEGUIN INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF REQUIRED RESPONSES TO**  
**SELECTED SCHOOL FIRST INDICATORS - EXHIBIT L-1**  
**For the Year Ended June 30, 2023**

<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.)  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.	Yes
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><u>\$ 7,484,883</u></u>

