

**EAGLE PASS
INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
AUGUST 31, 2022**

EAGLE PASS ISD
ANNUAL FINANCIAL AND COMPLIANCE REPORT
FOR THE YEAR ENDED AUGUST 31, 2022

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CERTIFICATE OF BOARD

Eagle Pass

Independent School District
Name of School District

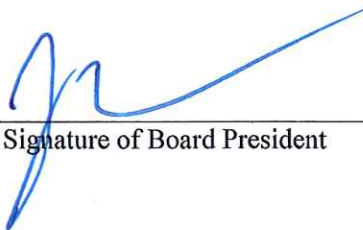
Maverick
County

159901
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) ☒ approved ☐ disapproved for the year ended August 31, 2022 at a meeting of the Board of Trustees of such school district on the 13th day of December, 2022.



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)

LEAL & CARTER, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Frank J. Leal, CPA
Roberto Carter, CPA

16011 University Oak
San Antonio, Texas 78249-1409
Telephone : (210) 696-6206
Facsimile : (210) 492-6209

Independent Auditor's Report

To the Board of Trustees
Eagle Pass ISD (the District)
Eagle Pass, Texas

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended August 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended August 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities 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 know information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements (cont.)

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 GAS and *Government Auditing Standards*, we

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and Texas Retirement System Information on pages 7 through 16, page 23 and pages 29 through 36, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 combining and individual nonmajor fund financial statements 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 a required part 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 GAAS. In our opinion, the combining and individual nonmajor fund financial statements and 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 Texas Education Agency required schedules J-1 through J-4 but does not include the basic financial statements and our auditor's 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 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 December 1, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

Seal & Carter, P.C.

San Antonio, Texas
December 1, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

The annual financial report of Eagle Pass Independent School District (the District) is presented in three sections, management's discussion and analysis (this part), basic financial statements, and required supplementary information. This section of the District's annual financial report presents our discussion and analysis of the financial performance during the fiscal year ending August 31, 2022. Please read it in conjunction with the District's financial section, which follows.

Overview of the Basic Financial Statements

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.
- * *Proprietary fund* statements offer *short- and long-term* financial information about the activities the government operates like *businesses*.
- * *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

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

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. Net assets-the difference between the District's assets and liabilities is one way to measure the District's financial health or position.

Government-wide Statements (cont.)

- * Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- * To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's tax base.

The government-wide financial statements of the District include the *Governmental activities*. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services, and general administration. Property taxes and grants finance most of these activities.

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 accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- * Some funds are required by State law and by bond covenants.
- * The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has three 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 government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, then explain the relationship (or differences) between them.
- * *Proprietary funds*-Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information.
 - * We use *internal service funds* to report activities that provide supplies and services for the District's other programs and activities-such as the District's Self Insurance Fund.
- * *Fiduciary funds*-The District is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that because of a trust agreement-can be used only for the trust beneficiaries. 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 assets and a statement of changes in fiduciary net assets. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

Financial Highlights

* The District's combined net position was \$23,645,862 at August 31, 2022.

* During the year, the District's revenues were \$201,336,903 as reflected below:

	<u>Governmental Activities</u>	
	<u>Current</u>	<u>Prior</u>
	<u>Year</u>	<u>Year</u>
a) Taxes	\$ 30,626,080	\$ 30,317,953
b) State Aid	114,375,743	120,611,933
c) Federal Aid	54,035,285	42,657,354
d) Investment Earnings	571,606	58,918
e) Charges for Services	1,011,056	987,837
f) Other	717,133	20,976,354
Total	<u>\$ 201,336,903</u>	<u>\$ 215,610,350</u>

* During the year, the District's expenses were \$174,458,839 as reflected below:

	<u>Governmental Activities</u>	
	<u>Current</u>	<u>Prior</u>
	<u>Year</u>	<u>Year</u>
a) Instruction and instructional related	\$ 95,133,143	\$ 89,922,093
b) Instructional leadership/school administration	10,491,953	9,943,751
c) Guidance, social work, health, transportation	14,577,108	12,830,410
d) Food services	12,148,905	11,902,511
e) Extracurricular activities	6,467,503	6,043,337
f) General administration	6,078,998	5,117,214
g) Plant maintenance and security	19,681,175	20,612,789
h) Data processing services	639,547	679,397
i) Community services	1,304,193	1,721,081
j) Debt services	4,821,161	4,455,001
k) Capital Outlay	2,232,343	12,079,038
l) Payments to fiscal agent/member districts - shared	114,714	176,295
m) Other Intergovernmental charges	768,096	634,023
Total Expenses	<u>\$ 174,458,839</u>	<u>\$ 176,056,940</u>

* The general fund reported a fund balance this year of \$67,885,891 an increase of \$15,587,669 from the prior year.

- * The District's combined net position was 23,645,862 at August 31, 2022, as reflected below:

	Governmental Activities	
	Current	Prior
	Year	Year
Current and other assets	\$ 116,818,547	\$ 87,039,722
Capital and non-current assets	<u>69,903,367</u>	<u>74,722,357</u>
Total Assets	<u>\$186,721,914</u>	<u>161,792,079</u>
Deferred Outflows of Resources	<u>\$ 24,310,990</u>	<u>23,609,916</u>
Current liabilities	\$ 21,012,107	\$ 19,047,166
Long term liabilities	<u>110,260,161</u>	<u>132,861,668</u>
Total Liabilities	<u>\$ 131,272,268</u>	<u>\$ 151,908,834</u>
Deferred Inflows of Resources	<u>\$ 56,114,774</u>	<u>\$ 39,852,013</u>
Net Position:		
Invested in capital assets net of	\$ 25,384,672	\$ 26,740,166
Restricted	18,548,194	7,694,487
Unrestricted	<u>(20,287,004)</u>	<u>(40,823,505)</u>
Total Net Position	<u>\$ 23,645,862</u>	<u>\$ (6,388,852)</u>

- * Property tax rates decreased \$ 0.00075 per \$100 for the past year. The tax base increased during the past year by \$51,956,812. The tax levy increased \$716,450.
- * State aid decreased for the year by \$6,236,190.
- * Federal aid increased for the year by \$11,377,931.
- * Deferred Outflows of Resources increased for the year by \$701,074 (per GASB 68 & 75 implementation and reduction of bond refunding deferred charge).
- * Deferred Inflows of Resources increased for the year by \$16,262,761 (Per GASB 68 & 75 implementation).
- * Long Term Liabilities decreased for the year by \$22,601,507 (per GASB 68 & 75 implementation).
- * Total Net Position increased \$30,034,714 from the prior year (per GASB 68 & 75 implementation).
- * Operating transfers between all fund types netted to \$0.

Capital Assets and Debt Administration

Capital Assets

Capital assets for the District at the end of the fiscal year August 31, 2022 amounted to \$69,903,367. It is the District's policy to charge off as a current expenditure any purchases less than \$5,000. The total capital assets recorded were land and its improvements, buildings, equipment and vehicles as reflected below:

	<u>Governmental Activities</u>	
	<u>Current</u>	<u>Prior</u>
	<u>Year</u>	<u>Year</u>
Land	\$ 6,431,095	\$ 6,431,095
Buildings and improvements	173,229,418	171,269,117
Furniture and equipment	19,888,495	18,325,517
Construction in progress	<u>7,527,361</u>	<u>8,071,430</u>
Totals at historical cost	207,076,369	204,097,159
Total accumulated depreciation	<u>(137,173,001)</u>	<u>(129,374,802)</u>
Net capital assets	<u>\$ 69,903,367</u>	<u>\$ 74,722,357</u>

Debt Administration

Total Debt for the District at the end of fiscal year August 31, 2022 amounted to \$44,631,934. The District's Debt decreased by \$3,377,176 which was primarily attributable to bond payments in fiscal year 2022.

	<u>Governmental Activities</u>	
	<u>Current</u>	<u>Prior</u>
	<u>Year</u>	<u>Year</u>
Bonds payable	\$ 40,300,000	\$ 43,366,000
Compensated absences	615,129	501,890
Unamortized bond premium/discount	<u>3,716,805</u>	<u>4,141,220</u>
Total	<u>\$ 44,631,934</u>	<u>\$ 48,009,110</u>

Budgetary and District Highlights

The Eagle Pass Independent School District's (EPISD) initiative is to continue strengthening the quality of instructional and support services. This requires adjusting operations in an effort to ensure a more effective use of resources at all organizational levels, while at the same time complying with federal/state laws and regulations that impact our school district. EPISD is committed to improve the quality of education for our students and offer each and every student the best educational opportunities possible. Our purpose is to empower students through a strong instructional program that enables them to meet the demands of the 21st century.

The District's environment reflects the culture of our students and how we feel about their culture: from the print-rich environment to the way we communicate with students. We expect all students to succeed. Eagle Pass Independent School District values student's language, heritage, family, and most importantly students, because they are valued as a person. With our academic initiatives currently underway, our financial decision-making is to plan for the future of our students.

District's Financial Operation

In 2021-22, Eagle Pass Independent School District had expenditures of more than 174 million dollars. The District's revenue funding sources were as follows: 16% from other local and intermediate sources, 57% from state sources, and 27% from federal government sources.

Staff

Eagle Pass Independent School District takes pride in its administrative, instructional, and support staff. Ongoing training and a dedicated team of professionals make for an ideal learning situation for students. In the 2021-22 school year, the District employed a total staff of approximately 2,337 employees, where teachers accounted for more than 17%.

Academic Standards and Performance Status

Eagle Pass Independent School District (EPISD) emphasizes student progress and performance by enforcing accountability efforts to strengthen instructional methods and their content. EPISD met all academic standards for the district and all campuses based on the new state accountability requirements for 2021-22 school year.

Financial Standards and Performance Status

In 2021-22, Eagle Pass Independent School District earned a rating of “Superior” under Texas’ Schools FIRST (Financial Integrity Rating System of Texas). The Superior Rating demonstrates the quality of Eagle Pass Independent School District’s financial management and reporting system.

This is the fifteenth year of the Schools FIRST, which was developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature of 1999. The primary goal of Schools FIRST is to achieve quality amongst the complexity of accounting associated with Texas’ School Finance System. This System shows if districts are making the most of taxpayers’ dollars. School districts are accountable not only for student learning, but also for achieving these results cost-effectively and efficiently.

District Initiatives and Programs

The District’s Initiative has been to implement a well-rounded program of instruction to meet the academic needs of all students. A variety of specialized academic programs are designed to enable and inspire all students to achieve academic excellence preparing them for college, career and life.

Some examples of these programs are:

Renaissance Learning - This program allows students to select their own reading materials and acquire points for awards. Their knowledge of reading comprehension is tested using a computer-based system. Teachers get detailed and objective data to target instruction and ensure success for each student regardless of level, from emergent reader to college prep.

Extended Day, Week, and Year Programs - These are after-school, Saturday, accelerated supplemental instruction and summer programs that provide additional educational assistance to individual students determined to need help in meeting the challenging State academic standards, as well as credit accruals.

Gifted & Talented, Pre-Advanced Placement, & Advanced Placement - These programs offer courses with a challenging curriculum for college-bound students and possible advanced college credits

Inclusive Education Program - This program provides maximum extended education services to students with disabilities in the least restrictive environment at all of the District’s schools.

At-Risk Population

Eagle Pass Independent School District continues the development and implementation of “At Risk” Programs to reduce disparity in performance on assessment instruments or disparity in the rates of high school completion between educationally disadvantaged students, at-risk students, and all other students.

These programs concentrate on increasing academic achievement and reducing the dropout rate for these students by providing accelerated supplemental programs and services.

The District’s variety of programs includes tutorials, summer programs, Reading Intervention Programs, an optional extended year program, extended school year services, and individualized instruction for students. At-Risk Students also receive special services by using technology, which enhances learning and provides supplemental instruction. These services include instructional computer labs, Edgenuity, BrainPop, STEMscopes, Flocabulary, Edpuzzle, Nessy Learning, Istation, Renaissance Learning, Imagine Learning, MobyMax and IXL Learning to support instruction and enhance existing programs.

Career and Technology Education Programs

The Eagle Pass Independent School District prepares student through Career and Technology Education (CTE) programs for post-secondary employment by offering the following certification programs, dual credit enrollment courses and articulated courses with post-secondary institutions:

<u>Certifications</u>	<u>Dual Credit Courses</u>	<u>Articulated Courses</u>
Equine Management & Evaluation	Certified Nurse Assistant	Accounting I
Culinary Meat Selection	Certified Medical Assistant	Automotive Technology I & II
Quality Counts	Phlebotomy Technician	Business Management
OSHA -10 hr. General Industry	Electrocardiography Tech	Bus. Info. Management I & II
Texas Hunter Education		Prin. of Info. Technology
Veterinary Medical Application		Child Development
You Tube Creative Essentials		Engineering Science
Certified Nurse Assistant (CNA)		Digital Electronics
Fundamentals Animal Science		Lifetime Nutrition & Wellness
Start Safe, Stay Safe, Workplace Training		Instructional Practice

Career and Technology Education Programs (cont.)

Emergency Medical Technician	Practicum Education & Training
Certified Electrocardiography Technician	Practicum Human Services
Texas Food Handler	Practicum Marketing
Cosmetologist Operators License	Practicum Business Management
SW-Professional Communications	Digital Media
Business Office Technology	
Career Preparedness	
Cyber Safety Awareness	
Basic Life Support (CPR & AED)	
CompTia A+	
CompTia IT Fundamentals	
Non Commissioned-Security Officer Level II	
AWS-D1.1 welding	
U.S. Small Business Administration	
Automotive Fluids 101-Motor Oil 101	
TABC Seller Certification	
Accounting Basic	
Adobe Photo Shop	

In addition, the Eagle Pass Independent School District program prepares students for post-secondary employment through work-based cooperative programs. The CTE program also gives students a hands-on-experience through courses in Agriculture, Construction Technology, Business/Marketing/Finance, Arts/Audio-Video Technology/Communications, Hospitality & Tourism, Manufacturing, Information Technology, Transportation, Distribution & Logistics, Health Science, Human Services, Education & Training, Information Technology, Law Public Service, STEM.

Staff Development

Eagle Pass Independent School District coordinates and provides research-based, job-embedded staff development to address challenging State academic standards, School Improvement, Career and Technology, End of Course assessments, and mental wellness.

The following are some of the training offered over the past and current school year:

Best Practices in Reading Comprehension	Math-Sharon Wells (Grades 2-5)
ESC-20- T-TESS and T-PESS Training	Pearlized Math
Herman Method	
Esperanza Training	RTI Strategies & Implementation
Foundation Skills in Reading K-3rd	Texas Reading Academy
First Ed Resources (Reading)	
HMH Foundation 1-2	
ESC 20 Standards Based IEP Process	
Nonviolent Crisis Intervention	

Videoconference

The District's H.323 Videoconference System has increased the use of the District's facilities for our high school. High school students are able to enjoy visiting art museums from other cities without having to leave campus. Also, district staff has utilized the Videoconference System to interview teacher candidates from other cities. This has increased the efficiency of the District's operations for both instructional and administrative purposes.

Contacting the District's Financial Management

This Financial Report is designed for customers, investors, and creditors with a general overview of the District's finances. Its purpose is to demonstrate the District's accountability for the funds it receives. If you have questions about this report or need additional financial information, you may contact the District's Business and Finance Department.

EAGLE PASS ISD
STATEMENT OF NET POSITION
AUGUST 31, 2022

EXHIBIT A-1

Data Control Codes	Primary Government
	Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 98,851,848
1220 Property Taxes - Delinquent	7,044,833
1230 Allowance for Uncollectible Taxes	(3,448,821)
1240 Due from Other Governments	13,241,711
1267 Due from Fiduciary Funds	508
1290 Other Receivables, Net	407,030
1300 Inventories	661,438
1490 Other Current Assets	60,000
Capital Assets:	
1510 Land	6,431,095
1520 Buildings, Net	49,640,483
1530 Furniture and Equipment, Net	6,304,429
1580 Construction in Progress	7,527,360
1000 Total Assets	186,721,914
DEFERRED OUTFLOWS OF RESOURCES	
1705 Deferred Outflow Related to TRS Pension	14,566,706
1706 Deferred Outflow Related to TRS OPEB	9,744,284
1700 Total Deferred Outflows of Resources	24,310,990
LIABILITIES	
2110 Accounts Payable	4,281,068
2120 Short Term Debt Payable	1,767,003
2150 Payroll Deductions and Withholdings	1,181,883
2160 Accrued Wages Payable	6,163,809
2177 Due to Fiduciary Funds	2,321
2180 Due to Other Governments	6,885,364
2200 Accrued Expenses	502,695
2300 Unearned Revenue	227,964
Noncurrent Liabilities:	
2501 Due Within One Year: Loans, Note, Leases, etc.	2,561,129
Due in More than One Year:	
2502 Bonds, Notes, Loans, Leases, etc.	42,070,805
2540 Net Pension Liability (District's Share)	21,385,509
2545 Net OPEB Liability (District's Share)	44,242,718
2000 Total Liabilities	131,272,268
DEFERRED INFLOWS OF RESOURCES	
2605 Deferred Inflow Related to TRS Pension	24,070,838
2606 Deferred Inflow Related to TRS OPEB	32,043,936
2600 Total Deferred Inflows of Resources	56,114,774
NET POSITION	
3200 Net Investment in Capital Assets and Right-to-Use Lease Assets	25,384,672
Restricted:	
3820 Restricted for Federal and State Programs	2,797,643
3850 Restricted for Debt Service	1,159,149
3860 Restricted for Capital Projects	13,784,729
3890 Restricted for Other Purposes	806,673
3900 Unrestricted	(20,287,004)
3000 Total Net Position	\$ 23,645,862

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

EAGLE PASS ISD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	1	3	4	6	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Gov. Governmental Activities	
Primary Government:					
GOVERNMENTAL ACTIVITIES:					
11 Instruction	\$ 84,703,987	\$ 324,408	\$ 22,662,525	\$ (61,717,054)	
12 Instructional Resources and Media Services	1,562,401	10,138	(48,719)	(1,600,982)	
13 Curriculum and Instructional Staff Development	5,776,483	5,070	2,324,656	(3,446,757)	
21 Instructional Leadership	3,067,941	5,070	1,018,806	(2,044,065)	
23 School Leadership	6,915,341	30,414	(378,379)	(7,263,306)	
31 Guidance, Counseling, and Evaluation Services	6,168,373	10,138	2,789,949	(3,368,286)	
32 Social Work Services	426,120	-	148,245	(277,875)	
33 Health Services	1,979,918	5,070	(127,634)	(2,102,482)	
34 Student (Pupil) Transportation	4,800,755	10,138	(258,638)	(5,049,255)	
35 Food Services	12,331,220	33,706	12,549,001	251,487	
36 Extracurricular Activities	8,802,433	211,625	70,694	(8,520,114)	
41 General Administration	5,725,156	15,207	(292,024)	(6,001,973)	
51 Facilities Maintenance and Operations	16,702,483	55,758	2,824,118	(13,822,607)	
52 Security and Monitoring Services	2,912,232	5,070	(190,407)	(3,097,569)	
53 Data Processing Services	647,049	10,138	-	(636,911)	
61 Community Services	1,302,085	-	722,534	(579,551)	
72 Debt Service - Interest on Long-Term Debt	1,329,746	-	-	(1,329,746)	
73 Debt Service - Bond Issuance Cost and Fees	1,000	-	-	(1,000)	
81 Capital Outlay	880,751	-	-	(880,751)	
93 Payments Related to Shared Services Arrangements	114,714	-	-	(114,714)	
99 Other Intergovernmental Charges	768,096	-	-	(768,096)	
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 166,918,284	\$ 731,950	\$ 43,814,727	(122,371,607)	
General Revenues:					
Taxes:					
MT Property Taxes, Levied for General Purposes				28,419,653	
DT Property Taxes, Levied for Debt Service				2,619,488	
GC Grants and Contributions not Restricted				117,728,695	
IE Investment Earnings				571,606	
MI Miscellaneous Local and Intermediate Revenue				718,996	
E1 Extraordinary Item - resource				2,485,424	
TR Total General Revenues & Extraordinary Items				152,543,862	
CN Change in Net Position				30,172,255	
NB Net Position - Beginning				(6,388,852)	
PA Prior Period Adjustment				(137,541)	
NE Net Position - Ending				\$ 23,645,862	

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

EAGLE PASS ISD
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2022

Data Control Codes	10 General Fund	Other Funds	Total Governmental Funds
ASSETS			
1110 Cash and Cash Equivalents	\$ 91,295,118	\$ 4,296,786	\$ 95,591,904
1220 Property Taxes - Delinquent	6,420,166	624,667	7,044,833
1230 Allowance for Uncollectible Taxes	(3,255,165)	(193,656)	(3,448,821)
1240 Due from Other Governments	8,665,441	4,576,270	13,241,711
1260 Due from Other Funds	3,477,260	13,331,472	16,808,732
1290 Other Receivables	3,361	2,547	5,908
1300 Inventories	661,438	-	661,438
1000 Total Assets	<u>\$ 107,267,619</u>	<u>\$ 22,638,086</u>	<u>\$ 129,905,705</u>
LIABILITIES			
2110 Accounts Payable	\$ 3,778,559	\$ 297,154	\$ 4,075,713
2150 Payroll Deductions and Withholdings Payable	1,181,883	-	1,181,883
2160 Accrued Wages Payable	6,163,809	-	6,163,809
2170 Due to Other Funds	18,453,623	4,462,036	22,915,659
2180 Due to Other Governments	6,695,288	190,076	6,885,364
2300 Unearned Revenue	3,108,565	406,948	3,515,513
2000 Total Liabilities	<u>39,381,727</u>	<u>5,356,214</u>	<u>44,737,941</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3410 Inventories	503,907	-	503,907
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	762,415	2,035,228	2,797,643
3480 Retirement of Long-Term Debt	-	1,159,149	1,159,149
Committed Fund Balance:			
3510 Construction	-	13,784,729	13,784,729
3545 Other Committed Fund Balance	-	302,766	302,766
3600 Unassigned Fund Balance	66,619,570	-	66,619,570
3000 Total Fund Balances	<u>67,885,892</u>	<u>17,281,872</u>	<u>85,167,764</u>
4000 Total Liabilities and Fund Balances	<u>\$ 107,267,619</u>	<u>\$ 22,638,086</u>	<u>\$ 129,905,705</u>

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

EAGLE PASS ISD
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AUGUST 31, 2022

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$ 85,167,764
1 The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.	7,351,127
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$204,097,159 and the accumulated depreciation was (\$129,374,802). In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to decrease net position.	26,713,247
3 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2022 capital outlays and debt principal payments is to increase net position.	6,332,083
4 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68. At the beginning of the year, the net position related to TRS was a Deferred Resource Outflow in the amount of \$16,586,653, a Deferred Resource Inflow in the amount of \$6,953,884 and a net pension liability in the amount of \$44,441,220. The combination of the beginning of the year amounts and the changes during the year resulted in a decrease in net position.	(30,889,641)
5 The District participates in the TRS-Care plan for retirees through TRS. The District's share of the TRS plan resulted in a net OPEB liability of \$44,242,718, a deferred outflow of \$9,744,284 and a deferred inflow of \$32,043,936. This resulted in a decrease in net position.	(66,542,370)
6 The 2022 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.	(7,660,658)
7 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.	3,174,310
19 Net Position of Governmental Activities	\$ 23,645,862

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

EAGLE PASS ISD
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

EXHIBIT C-3

Data Control Codes	10 General Fund	Other Funds	Total Governmental Funds
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 30,003,028	\$ 2,922,846	\$ 32,925,874
5800 State Program Revenues	111,764,964	2,610,779	114,375,743
5900 Federal Program Revenues	16,623,497	37,411,787	54,035,284
5020 Total Revenues	158,391,489	42,945,412	201,336,901
EXPENDITURES:			
Current:			
0011 Instruction	60,586,109	26,969,019	87,555,128
0012 Instructional Resources and Media Services	1,494,563	51,421	1,545,984
0013 Curriculum and Instructional Staff Development	3,515,405	2,516,624	6,032,029
0021 Instructional Leadership	2,114,508	1,117,973	3,232,481
0023 School Leadership	7,187,390	72,080	7,259,470
0031 Guidance, Counseling, and Evaluation Services	3,460,216	2,994,653	6,454,869
0032 Social Work Services	276,087	164,801	440,888
0033 Health Services	2,061,867	9,995	2,071,862
0034 Student (Pupil) Transportation	5,609,490	-	5,609,490
0035 Food Services	12,059,050	89,855	12,148,905
0036 Extracurricular Activities	6,272,607	194,895	6,467,502
0041 General Administration	6,078,998	-	6,078,998
0051 Facilities Maintenance and Operations	13,018,739	3,427,066	16,445,805
0052 Security and Monitoring Services	3,221,893	13,478	3,235,371
0053 Data Processing Services	639,547	-	639,547
0061 Community Services	533,935	770,259	1,304,194
Debt Service:			
0071 Principal on Long-Term Liabilities	431,000	2,635,000	3,066,000
0072 Interest on Long-Term Liabilities	150,011	1,604,150	1,754,161
0073 Bond Issuance Cost and Fees	400	600	1,000
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	2,232,343	2,232,343
Intergovernmental:			
0093 Payments to Fiscal Agent/Member Districts of SSA	114,714	-	114,714
0099 Other Intergovernmental Charges	768,096	-	768,096
6030 Total Expenditures	129,594,625	44,864,212	174,458,837
1100 Excess (Deficiency) of Revenues Over (Under)	28,796,864	(1,918,800)	26,878,064
OTHER FINANCING SOURCES (USES):			
7912 Sale of Real and Personal Property	1,252	-	1,252
7915 Transfers In	15,537,302	9,923,837	25,461,139
8911 Transfers Out (Use)	(28,747,748)	-	(28,747,748)
7080 Total Other Financing Sources (Uses)	(13,209,194)	9,923,837	(3,285,357)
EXTRAORDINARY ITEMS:			
7919 Extraordinary Item - Resource	-	2,485,424	2,485,424
1200 Net Change in Fund Balances	15,587,670	10,490,461	26,078,131
0100 Fund Balance - September 1 (Beginning)	52,298,222	6,791,411	59,089,633
3000 Fund Balance - August 31 (Ending)	\$ 67,885,892	\$ 17,281,872	\$ 85,167,764

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

EAGLE PASS ISD
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2022

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ 26,078,131
The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, to appropriate functions in other funds. The net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase net position.	1,371,817
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2022 capital outlays and debt principal payments is to decrease net position.	6,469,624
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position.	(7,660,658)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to decrease net position.	250,697
Current year changes due to GASB 68 increased revenues in the amount of \$4,016,757 but also increased expenditures in the amount of \$3,870,814. The net effect on the change in the ending net position was a increase in the amount of \$1,236,852.	1,382,795
Current year changes due to GASB 75 increased revenues in the amount of \$950,679 but also increased expenditures in the amount of \$928,144. The net effect on the change in the ending net position was a increase in the amount of \$2,257,314.	2,279,849
Change in Net Position of Governmental Activities	\$ 30,172,255

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

EAGLE PASS ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 29,752,907	\$ 29,752,907	\$ 30,003,028	\$ 250,121
5800 State Program Revenues	117,356,795	122,053,570	111,764,964	(10,288,606)
5900 Federal Program Revenues	12,098,097	12,098,097	16,623,497	4,525,400
5020 Total Revenues	159,207,799	163,904,574	158,391,489	(5,513,085)
EXPENDITURES:				
Current:				
0011 Instruction	82,443,897	82,168,884	60,586,109	21,582,775
0012 Instructional Resources and Média Services	1,700,301	1,696,601	1,494,563	202,038
0013 Curriculum and Instructional Staff Development	3,684,528	3,734,301	3,515,405	218,896
0021 Instructional Leadership	2,453,849	2,524,197	2,114,508	409,689
0023 School Leadership	7,697,324	7,570,655	7,187,390	383,265
0031 Guidance, Counseling, and Evaluation Services	3,583,769	3,989,024	3,460,216	528,808
0032 Social Work Services	503,994	503,994	276,087	227,907
0033 Health Services	2,309,341	2,309,341	2,061,867	247,474
0034 Student (Pupil) Transportation	5,617,439	5,617,439	5,609,490	7,949
0035 Food Services	13,090,703	13,090,703	12,059,050	1,031,653
0036 Extracurricular Activities	6,821,459	6,849,203	6,272,607	576,596
0041 General Administration	6,217,984	6,217,984	6,078,998	138,986
0051 Facilities Maintenance and Operations	16,049,859	16,066,984	13,018,739	3,048,245
0052 Security and Monitoring Services	3,725,246	3,560,083	3,221,893	338,190
0053 Data Processing Services	785,213	785,213	639,547	145,666
0061 Community Services	818,328	961,531	533,935	427,596
Debt Service:				
0071 Principal on Long-Term Liabilities	583,012	431,000	431,000	-
0072 Interest on Long-Term Liabilities	-	150,012	150,011	1
0073 Bond Issuance Cost and Fees	-	2,000	400	1,600
Capital Outlay:				
0081 Facilities Acquisition and Construction	156,786	156,786	-	156,786
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	185,000	185,000	114,714	70,286
0099 Other Intergovernmental Charges	800,000	800,000	768,096	31,904
6030 Total Expenditures	159,228,032	159,370,935	129,594,625	29,776,310
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,233)	4,533,639	28,796,864	24,263,225
OTHER FINANCING SOURCES (USES):				
7912 Sale of Real and Personal Property	-	20,233	1,252	(18,981)
7915 Transfers In	24,116,832	24,096,599	15,537,302	(8,559,297)
8911 Transfers Out (Use)	(24,096,599)	(28,793,374)	(28,747,748)	45,626
7080 Total Other Financing Sources (Uses)	20,233	(4,676,542)	(13,209,194)	(8,532,652)
1200 Net Change in Fund Balances	-	(142,903)	15,587,670	15,730,573
0100 Fund Balance - September 1 (Beginning)	52,298,222	52,298,222	52,298,222	-
3000 Fund Balance - August 31 (Ending)	\$ 52,298,222	\$ 52,155,319	\$ 67,885,892	\$ 15,730,573

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

EAGLE PASS ISD
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2022

	Governmental Activities -
	Total Internal Service Funds
<hr/>	
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 3,259,944
Due from Other Funds	6,105,114
Other Receivables	401,122
Other Current Assets	60,000
	<hr/>
Total Assets	9,826,180
	<hr/>
LIABILITIES	
Current Liabilities:	
Accounts Payable	205,355
Short Term Debt Payable	1,767,003
Accrued Expenses	502,695
	<hr/>
Total Liabilities	2,475,053
	<hr/>
NET POSITION	
Unrestricted Net Position	7,351,127
	<hr/>
Total Net Position	\$ 7,351,127
	<hr/> <hr/>

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

EAGLE PASS ISD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

	Governmental Activities -
	Total Internal Service Funds
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 21,334,680
Total Operating Revenues	<u>21,334,680</u>
OPERATING EXPENSES:	
Professional and Contracted Services	1,231,266
Other Operating Costs	<u>22,018,206</u>
Total Operating Expenses	<u>23,249,472</u>
Income Before Transfers	(1,914,792)
Transfer In	<u>3,286,609</u>
Change in Net Position	1,371,817
Total Net Position September 1 (Beginning)	<u>5,979,310</u>
 Total Net Position August 31 (Ending)	 <u><u>\$ 7,351,127</u></u>

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

EAGLE PASS ISD
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

EXHIBIT D-3

	Governmental Activities -
	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from User Charges	\$ 21,845,715
Cash Payments for Insurance Claims	(678,374)
Cash Payments for Other Funds	(368,995)
Cash Payments for Other Operating Expenses	(22,360,433)
Net Cash Used for Operating Activities	(1,562,087)
<u>Cash Flows from Non-Capital Financing Activities:</u>	
Operating Transfer In	3,286,609
Net Increase in Cash and Cash Equivalents	1,724,522
Cash and Cash Equivalents at Beginning of Year	1,535,422
Cash and Cash Equivalents at End of Year	\$ 3,259,944
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>	
<u>Used for Operating Activities:</u>	
Operating Income (Loss):	\$ (1,914,792)
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Receivables	511,035
Decrease (increase) in Due From Other Funds	(368,995)
Increase (decrease) in Accounts Payable	(9,899)
Increase (decrease) in Accrued Expenses	220,564
Net Cash Used for Operating Activities	\$ (1,562,087)

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

EAGLE PASS ISD
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2022

	Private Purpose Trust Fund	Custodial Fund
ASSETS		
Cash and Cash Equivalents	\$ 23,912	\$ 184,130
Due from Other Funds	-	2,321
Other Receivables	-	2,052
Total Assets	<u>23,912</u>	<u>\$ 188,503</u>
LIABILITIES		
Due to Other Funds	-	508
Total Liabilities	<u>-</u>	<u>508</u>
NET POSITION		
Restricted for Other Purposes	-	187,995
Unrestricted Net Position	<u>23,912</u>	<u>-</u>
Total Net Position	<u>\$ 23,912</u>	<u>\$ 187,995</u>

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

EAGLE PASS ISD
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

	Private Purpose Trust Fund	Custodial Fund
ADDITIONS:		
Received from Student Groups	\$ -	\$ 230,871
Earnings from Temporary Deposits	-	564
Contributions, Gifts and Donations	20,000	4,508
Total Additions	<u>20,000</u>	<u>235,943</u>
DEDUCTIONS:		
Supplies and Materials	-	194,145
Other Deductions	23,500	28,320
Total Deductions	<u>23,500</u>	<u>222,465</u>
Change in Fiduciary Net Position	(3,500)	13,478
Total Net Position September 1 (Beginning)	<u>27,412</u>	<u>174,517</u>
Total Net Position August 31 (Ending)	<u><u>\$ 23,912</u></u>	<u><u>\$ 187,995</u></u>

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

EAGLE PASS ISD
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2022

	FY 2022 Plan Year 2021	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019
District's Proportion of the Net Pension Liability (Asset)	0.083975188%	0.07824272%	0.082746008%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 21,385,509	\$ 41,905,205	\$ 43,013,962
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	28,311,425	68,289,298	64,460,259
Total	<u>\$ 49,696,934</u>	<u>\$ 110,194,503</u>	<u>\$ 107,474,221</u>
District's Covered Payroll	\$ 94,480,527	\$ 97,324,311	\$ 91,516,868
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	22.63%	43.06%	47.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.79%	75.54%	75.24%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2021 for year 2022, August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

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

FY 2019 Plan Year	FY 2018 Plan Year	FY 2017 Plan Year	FY 2016 Plan Year	FY 2015 Plan Year 2014
0.080433911%	0.079539206%	0.078667574%	0.0816808%	0.0504808%
\$ 44,272,777	\$ 25,432,353	\$ 29,727,307	\$ 28,873,076	13,484,119
70,535,869	43,024,847	53,085,904	51,089,234	44,664,264
\$ 114,808,646	\$ 68,457,200	\$ 82,813,211	\$ 79,962,310	\$ 58,148,383
\$ 87,756,935	\$ 85,966,204	\$ 81,675,235	\$ 82,042,534	82,290,181
50.45%	29.58%	36.40%	35.19%	16.39%
73.74%	82.17%	78.00%	78.43%	83.25%

EAGLE PASS ISD
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2022

	2022	2021	2020
Contractually Required Contribution	\$ 4,016,757	\$ 3,870,814	\$ 3,228,183
Contribution in Relation to the Contractually Required Contribution	(4,016,757)	(3,870,814)	(3,228,183)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 95,452,753	\$ 94,480,527	\$ 97,324,311
Contributions as a Percentage of Covered Payroll	4.21%	4.10%	7.70%

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

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

2019		2018		2017		2016		2015	
\$	2,893,993	\$	6,759,757	\$	6,619,562	\$	6,090,958	\$	5,496,853
	(2,893,993)		(6,759,757)		(6,619,562)		(6,090,958)		(5,496,853)
\$	-	\$	-	\$	-	\$	-	\$	-
\$	91,516,868	\$	87,756,935	\$	81,675,235	\$	82,042,534	\$	82,290,181
	7.70%		7.70%		8.10%		7.42%		6.68%

EAGLE PASS ISD
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2022

	FY 2022 Plan Year 2021	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.114694304%	0.112976193%	0.115568155%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 44,242,718	\$ 42,947,353	\$ 54,653,595
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	59,275,383	57,710,947	72,622,405
Total	<u>\$ 103,518,101</u>	<u>\$ 100,658,300</u>	<u>\$ 127,276,000</u>
District's Covered Payroll	\$ 94,480,527	\$ 97,324,311	\$ 91,516,868
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	46.83%	44.13%	59.72%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.18%	4.99%	2.66%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. The amounts reported for FY 2022 are for measurement date August 31, 2021. The amounts reported for FY 2021 are for the measurement date of August 31, 2020. The amounts for FY 2020 are for the measurement date August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

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

FY 2019 Plan Year		FY 2018 Plan Year	
0.114552425%		0.112870117%	
\$	57,197,074	\$	49,082,980
	70,370,109		62,987,526
\$	127,567,183	\$	112,070,506
\$	87,756,935	\$	85,966,204
	65.18%		57.10%
	1.57%		0.91%

EAGLE PASS ISD
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2022

	2022	2021	2020
Contractually Required Contribution	\$ 950,679	\$ 928,144	\$ 858,632
Contribution in Relation to the Contractually Required Contribution	(950,679)	(928,144)	(858,632)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 95,452,753	\$ 94,480,527	\$ 97,324,311
Contributions as a Percentage of Covered Payroll	1.00%	0.98%	0.88%

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

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

2019		2018	
\$	819,144	\$	790,248
	(819,144)		(790,248)
\$	-	\$	-
\$	91,516,868	\$	87,756,935
	0.90%		0.90%

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Eagle Pass Independent School District (the “District”) is a public educational agency operating under the applicable laws and regulations of the State of Texas. 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 and other authoritative sources identified in *Statement of Auditing Standards No. 69* of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency’s *Financial Accountability System Resource Guide* (the “Resource Guide”) and the requirements of contracts and grants of agencies from which it receives funds.

Pensions. The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposed 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.

A. REPORTING ENTITY

The Board of Trustees (the “Board”) is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by the Governmental Accounting Standards Board (“GASB”) in its Statement No. 14, “The Financial Reporting Entity.” There are no component units included within the reporting entity.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the Eagle Pass Independent School District nonfiduciary activities with most of the interfund activities removed. *Governmental activities* include programs supported primarily by taxes, State foundation funds, grants, and other intergovernmental revenues. *Business-type activities* include operations that rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. Direct expenses are those that are clearly identifiable with a specific program. Depreciation expense, an indirect cost, is allocated to the functional expenses in the statement of activities on the basis of payroll expenditures. There are no other allocations of indirect costs. The “charges for services” column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include tuition paid by students not residing in the district, school lunch charges, etc. The “grants and contributions” column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If revenue is not a program revenue, it is a general revenue used to support all of the District’s functions. Taxes are always general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Fund Balance Sheet and the Proprietary Fund Statement of Net Assets and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Assets. All interfund transactions between governmental funds and between governmental funds and internal service funds are eliminated on the government-wide statements. Interfund activities between governmental funds and fiduciary funds remain as due to/due from on the government-wide Statement of Activities.

The fund financial statements provide reports on the financial condition and results of operations for three fund categories - governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in government-wide statements. The District considers some governmental funds major and reports their financial condition and results of operations in a separate column.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are nonoperating.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The District considers all revenues available if they are collectible within 60 days after year end.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible to accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

The Proprietary Fund Types and Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless these pronouncements conflict or contradict GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Assets. The fund equity is segregated into invested in capital assets net of related debt, restricted net assets, and unrestricted net assets.

D. FUND ACCOUNTING

The District reports the following major governmental funds:

1. **The General Fund** - The general fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
2. **Capital Projects Fund** - The proceeds from long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund.

Additionally, the District reports the following fund type(s):

Governmental Funds:

1. **Special Revenue Funds** - The District accounts for resources restricted to, or designated for, specific purposes by the District or a grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a Special Revenue Fund, and sometimes unused balances must be returned to the grantor at the close of specified project periods.
2. **Debt Service Fund** - The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund.

Proprietary Funds:

1. **Internal Service Funds** - Operating revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis are accounted for in an internal service fund. All other activity considered non-operating. The District's Internal Service Funds are the self-funded workers' compensation fund and medical insurance fund.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Fiduciary Funds:

1. **Private Purpose Trust Fund** - This fund is used to account for contributions for scholarships received from various individuals and organizations. This District's private purpose trust fund is its scholarship fund.
2. **Custodial Funds** - The District accounts for resources held for others in a custodial capacity in agency funds. The District's Agency Funds is the Student Activity Account.

E. OTHER ACCOUNTING POLICIES

1. For purposes of the statement of cash flows for proprietary and similar fund-types, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.
2. Inventories of supplies on the balance sheet are stated at moving average cost and they include consumable maintenance, instructional, office, athletic, and transportation items. Supplies are recorded as expenditures when they are consumed.
Inventories of food commodities are recorded at market values supplied by the Texas Department of Human Services. Although commodities are received at no cost, their fair market value is supplied by the Texas Department of Human Services and recorded as inventory and deferred revenue when received. When requisitioned, inventory and deferred revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount.
3. Due to the short term maturities of its investments, (less than ninety days), the District records its investments in treasury bills, governmental agencies and external investment pools at fair value. Investments in certificates of deposits are recorded at cost.
4. Deferred revenue accounted for on the balance sheet of the general fund relates to uncollected property taxes less the amount of doubtful accounts and the remainder relates to excess funds received from the Texas Education Agency over earned amounts.
5. The District provides risk management obligations through commercial insurance policies, interlocal cooperatives, and self-funded workman's & unemployment compensation plans. The District retains partial risk of loss for the self-funded, worker's & unemployment compensation programs. The District provides a modified self-funded health insurance plan and has no liability or obligation to make up losses in a subsequent year.
6. 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

7. The Data Control Codes refer to the account code structure prescribed by TEA in the *Financial Accountability System Resource Guide*. Texas Education Agency requires school districts to display these codes in the financial statements filed with the Agency in order to insure accuracy in building a Statewide data base for policy development and funding plans.
8. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net assets. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognized bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

9. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the government.

Since Internal Service Funds support the operations of governmental funds, they are consolidated with governmental funds in the governmental-wide financial statements.

10. Capital assets; which include land, buildings, furniture and equipment are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings, furniture and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30
Improvements	30
Land improvements	12 - 15
Vehicles	5 - 10
Office equipment	5 - 7
Equipment	7 - 15

11. In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

12. When the District incurs an expense for which it may use either restricted or unrestricted assets, it uses the restricted assets first unless unrestricted assets will have to be returned because they were not used.
13. In the government-wide financial statements interest expense has been calculated based on the last interest payment date prior to year-end and is not in default at August 31, 2022.
14. The District has a policy to record prepaid assets of any material unused balance as a reduction in expense and an increase in prepaid assets. Prepaid assets are then expensed pro-rata over months outstanding.
15. The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS-Care Plan has been determined using the flow of economic resource 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 other post-employment benefits, 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.
16. The District's cash and cash equivalents include cash on hand and time demand deposits with local banks and the District's investment in the local government investment pool ("LGIP").

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY DATA

The Board of Trustees adopts an "appropriated budget" for the General Fund, Debt Service Fund and the Food Service Fund which is included in the General Fund. The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures. The General Fund Budget report appears in Exhibit C-5 and the other two reports are in Exhibit J4 and J5.

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

1. Prior to August 20th the District prepares a budget for the next succeeding fiscal year beginning September 1st. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten days' public notice of the meeting must be given.
2. Prior to September 1, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – continued

A. BUDGETARY DATA

fiscal year end. Because the District has a policy of careful budgetary control, several amendments were necessary during the year.

4. Each budget is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. DEPOSITS AND INVESTMENTS

The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the **Depository Contract Law**. The depository bank pledges approved securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance. The Depository Contract Law recognizes a Letter of Credit as an approved security. The District agreed to accept a \$12,000,000 letter of credit to secure funds from the District's depository bank.

At August 31, 2022, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$7,179,145. The bank balance for these accounts was \$8,252,418. The District's cash deposits at August 31, 2022, and during the year ended August 31, 2022 were entirely covered by FDIC insurance and a letter of credit which names the District as beneficiary.

In addition, as of August 31, 2022, the District has the following funds on deposit with fiscal agents but were not covered by the depository agreement. The funds were entirely covered by FDIC insurance at the fiscal agent's bank.

Tristar Risk Management, reserve account to pay claims	\$60,000
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The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

A. DEPOSITS AND INVESTMENTS - continued

Both cash deposits and investments held at a financial institution can be categorized according to three levels of risk.

These three levels of risk are:

- Category 1 - Cash or Investments that are insured, registered or held by the District or by its agent in the District's name.
- Category 2 - Cash or Investments that are uninsured and unregistered held by the counter-party's trust department or agent in the District's name.
- Category 3 - Uninsured and unregistered investments held by the counterparty, its trust department, or its agent, but not in the District's name.

Based on these three levels of risk, all of the District's cash deposits are classified as Category 1. The District's investments at August 31, 2022 consist of deposits into public funds investment pools. The funds in the investment pools are not subject to categorization.

The District's temporary investments at August 31, 2022, are shown below:

Name	Carrying Amount	Fair Value	Custodial Risk Category*	Credit Quality Rating
Public Funds Investment Pool - Lone Star Investment Pool	\$91,672,701	\$91,672,701	N/A	AAA

Copies of the Lone Star Investment Pool separately issued financial statements may be obtained directly from them.

* Custodial Risk Assessment is not required for external investment pools.

Investment Accounting Policy

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments, which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts. As indicated above, the District's investment in "Lone Star" a local Government Investment Pool (an "LGIP") permits it's participants to access their funds on a daily basis without penalties. Consequently, the District's LGIP investment is treated as "cash and cash equivalents" for its cash flow reporting purposes. LGIP's are not subject to federal deposit insurance as their portfolios are restricted to specified investments. Accordingly, the District's LGIP investment does not have deposit insurance.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

A. DEPOSITS AND INVESTMENTS – continued

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the District's investing activities are managed under the custody of the District's Investment Officer. Investing is performed in accordance with investment policies adopted by the School Board, with State Statutes and with the District's policies.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer.

Local Government Investment Pools

Local Government Investment Pools in Texas ("Pools") are established under the authority of the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the market value of its underlying portfolio within one half of one percent of the value of its shares.

The District's investments in Pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one, which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

B. PROPERTY TAXES

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the school fiscal year.

C. DELINQUENT TAXES RECEIVABLE

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

C. DELINQUENT TAXES RECEIVABLE- continued

without specific statutory authority from the Texas Legislature.

The tax rates levied for the year ended August 31, 2022, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$1.05110 and \$0.09531 per \$100 valuation, respectively, for a total of \$1.14641 per \$100 valuation.

D. INTERFUND BALANCES AND TRANSFERS

Interfund balances at August 31, 2022 consisted of the following amounts and are attributable to payroll and disbursement clearing activities.

	Due From Other Funds	Due to Other Funds
General Fund	\$ 3,477,259	\$ 18,453,623
Other Non-Major Funds	13,331,472	4,462,036
Total Governmental Funds	<u>16,808,731</u>	<u>22,915,659</u>
Proprietary Funds	6,105,114	-
Fiduciary Funds	2,321	507
Total	<u><u>\$ 22,916,166</u></u>	<u><u>\$ 22,916,166</u></u>

Interfund transfers are necessary to record resources for interfund activities which otherwise have inadequate resources such as the athletic fund, transportation fund, gifted and talented, special education, instructional technology, state compensatory, career and technology, MAMA patrol and other special revenue funds for construction projects. A transfer was also made to properly reflect employee benefit activities.

E. DUE FROM OTHER GOVERNMENTS AND OTHER RECEIVABLES

The District receives entitlements from the State through the School Foundation and the Per Capita Programs. In addition to the State programs, the District participates in a variety of other Federal and State programs from which the funds are passed through TEA or other agencies. Amounts due from other governments and other receivables for the year are summarized below.

Due from Other Governments

Fund	State Entitlements	Federal Grants	Other Governments	Total
General Fund	\$ 8,665,441	-	\$ -	\$ 8,665,441
Special Revenue Funds	101,733	4,440,603	33,934	\$ 4,576,270
Debt Service Fund	-	-	-	\$ -
Total	<u>\$ 8,767,174</u>	<u>\$ 4,440,603</u>	<u>\$ 33,934</u>	<u>\$ 13,241,711</u>

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

E. DUE FROM OTHER GOVERNMENTS AND OTHER RECEIVABLES- continued

Other Receivables

Other receivables as of August 31, 2022, for the District's major and non-major funds consist of sundry revenues collectible within one year. The amounts are comprised as follows:

	General Fund	Non Major Governmental Fund	Internal Service Fund	Total
Other	3,361	2,547	401,122	407,030
	\$ 3,361	\$ 2,547	\$ 401,122	\$ 407,030

F. CAPITAL ASSET ACTIVITY

Capital asset activity for the year ended August 31, 2022, was as follows:

	Beginning Balance	Additions	Deletions	Adj	Transfers		Ending Balance
					In	Out	
<u>Nondepreciable Capital Assets</u>							
Land	\$ 6,431,095	-	-	-	-	-	\$ 6,431,095
Construction in Progress	8,071,430	1,416,232	-	-	-	(1,960,302)	7,527,360
Total Nondepreciable Assets	14,502,525	1,416,232	-	-	-	(1,960,302)	13,958,455
<u>Depreciable Capital Assets</u>							
Buildings & Improvements	171,269,117	-	-	-	1,960,302	-	173,229,419
Vehicles, Furniture & Equipment	18,325,517	1,562,977	-	-	-	-	19,888,494
Total Depreciable Assets	189,594,634	1,562,977	-	-	1,960,302	-	193,117,913
Total	204,097,159	2,979,209	-	-	1,960,302	(1,960,302)	207,076,368
<u>Less Accumulated Depreciation for:</u>							
Buildings	116,823,884	6,627,511		137,541	-	-	123,588,936
Vehicles, Furniture & Equipment	12,550,918	1,033,147	-	-	-	-	13,584,065
Total Accumulated Depreciation	129,374,802	7,660,658	-	137,541	-	-	137,173,001
<u>Capital Assets</u>	\$ 74,722,357	\$ (4,681,449)	\$ -	\$ (137,541)	\$ 1,960,302	\$ (1,960,302)	\$ 69,903,367

Depreciation expense was charged to governmental activities as follows:

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

F. CAPITAL ASSET ACTIVITY – continued

Instructional	2,464,586.22
Instructional Resources and Media Services	149,340.24
Curriculum & Instructional Staff Development	69,043.08
Instructional Leadership	1,874.69
School Leadership	180,426.74
Guidance,Counseling & Evaluation Services	117,272.87
Social Work Services	9,912.18
Health Services	55,859.61
Student (Pupil) Transportation	482,826.13
Food Services	318,619.35
Co-curricular/Extracurricular Activities	2,595,675.40
General Administration	6,545.92
Plant Maintenance & Operations	1,031,583.25
Security & Monitoring	97,310.27
Data Processing	148.16
Community Services	79,633.51
	<u>\$ 7,660,658</u>

G. LONG-TERM LIABILITIES

Loan and capital lease indebtedness of the District is reflected in the General Long-Term Debt Account Group, and current requirements for principal and interest expenditures are accounted for in the General Fund.

Bonded indebtedness of the District is reflected in the General Long-Term Account Group and current requirements for principal and interest expenditures are accounted for in the Debt Service Fund.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

G. LONG-TERM LIABILITIES - continued

A summary of changes in long-term liabilities for the year ended August 31, 2022 is as follows:

Description	Interest Rates Payable	Amount Original Issue	Amount Outstanding 09/01/21	Issued	Retired/ Refunded	Amount Outstanding 08/31/22	Due Within One Year
Unlimited Tax Refunding Bonds, Series 2015 , Matures 8/2022	3.00%	\$ 9,345,000	1,180,000	-	1,180,000	-	-
Unlimited Tax Refunding Bond, Series 2016, Matures 8/2038	3.00% - 5.00%	40,060,000	35,720,000	-	1,455,000	34,265,000	1,505,000
Maintenance Tax Note, Series 2109, Matures 8/2034	2.32%	6,887,000	6,466,000	-	431,000	6,035,000	441,000
Total Bonds Payable			43,366,000	-	3,066,000	40,300,000	1,946,000
Compensated Absences			501,890	615,129	501,890	615,129	615,129
TOTAL			\$ 43,867,890	\$ 615,129	\$ 3,567,890	\$ 40,915,129	\$ 2,561,129

Debt service requirements for bonds payable are as follows:

Year Ended August 31,	General Obligations		Total Requirements
	Principal	Interest	
2023	1,946,000	1,650,562	3,596,562
2024	2,022,000	1,580,131	3,602,131
2025	2,092,000	1,506,844	3,598,844
2026	2,188,000	1,414,626	3,602,626
2027	2,264,000	1,335,052	3,599,052
2027 - 2031	12,887,000	5,096,501	17,983,501
2032 - 2036	13,996,000	2,257,447	16,253,447
2037 - 2040	2,905,000	116,200	3,021,200
Total	\$ 40,300,000	\$ 14,957,363	\$ 55,257,363

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

G. LONG-TERM LIABILITIES - continued

Reconciliation to Government-wide Financial Statement

Total bonded indebtedness per notes above	\$ 40,300,000
Total compensated absences per notes above	615,129
Add unamortized bond premium/discount	<u>3,716,805</u>
Long-term Debt Per Government-Wide Financial Statements, per Exhibit A-1	<u>\$ 44,631,934</u>

A summary of bond discounts premiums and accumulated amortization are as follows:

Description	Original Amount	9/1/2021	Additions (Deletions)	Current Year Amortization	Unamortized Premium/ Discount 8/31/2022
Series 2015 Premium	(633,816)	(62,062)	-	41,293	(20,769)
Series 2016 Premium	(6,033,393)	(4,079,158)	-	383,122	(3,696,036)
Total	<u>\$(6,667,209)</u>	<u>\$(4,141,220)</u>	<u>\$ -</u>	<u>\$ 424,415</u>	<u>\$(3,716,805)</u>

H. COMMITMENTS UNDER LEASES

Commitments under operating (noncapitalized) lease agreements for facilities and equipment provide for minimum future rental payments as of August 31, 2022, as follows:

Year Ending <u>August 31,</u> 2022	\$ 714,609
Thereafter	<u>-</u>
Total Minimum Rentals	<u>\$ 714,609</u>
Rental Expenditures in Fiscal Year 2022	<u>\$ 714,609</u>

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

I. ACCUMULATED UNPAID VACATION AND SICK LEAVE BENEFITS

The State of Texas has created a minimum personal leave program consisting of five days per year leave with no limit on accumulation and transferability among districts for every teacher regularly employed in Texas public schools.

Each district's local Board of Education is required to establish a leave plan. Local school districts may provide additional leave beyond the state minimum. Eagle Pass Independent School District provides an additional seven days per employee which is cumulative up to forty-five days. Personal leave is not vested, therefore, upon resignation, termination or nonrenewal of contract, accumulated personal leave is not paid.

	COMPENSATED ABSENCES
BALANCE SEPTEMBER 1, 2021	\$ 501,890
ADDITIONS-NEW ENTRANTS AND SALARY INCREMENTS	\$ 615,129
DEDUCTIONS-PAYMENTS TO PARTICIPANTS	\$ (501,890)
BALANCE AUGUST 31, 2022	\$ 615,129

J. DEFINED BENEFIT PENSION PLAN

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

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

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

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

J. DEFINED BENEFIT PENSION PLAN - continued

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

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2015 thru 2020. It also added a 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees effective for fiscal year 2015 as discussed in Note 1 of the TRS 2015 CAFR. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2016 and 2020.

Contribution Rates

	<u>2021</u>	<u>2022</u>
Member	7.70%	8.00%
Non-Employer-Contributing-Entity (State)	7.50%	7.50%
Employers	7.50%	7.50%
Eagle Pass ISD 2022 Employer Contributions		\$4,016,757
Eagle Pass ISD 2022 Member Contributions		\$7,636,150
Eagle Pass ISD 2021 NECE On-Behalf Contributions		\$4,744,212

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

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

J. DEFINED BENEFIT PENSION PLAN - continued

As the non-employer contributing entity for public education, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers including public 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 source, a privately sponsored source, from non-educational and general, or local funds.

In addition to the employer contributions listed above, there are two additional surcharges an employer is subject to.

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.
- When a school district or charter school does not contribute to the Federal Old-Age Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

Actuarial Assumptions. The total pension liability in the August 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Discount Rate	7.25%
Long-term expected Investment Rate of Return*	7.25%
Inflation Rate	2.30%
Salary Increases*	3.05% to 9.05%
Benefit Changes during the year	None
Ad hoc post-employment benefit changes	None

The active mortality rates were based on 90 percent of the RP 2014 Employee Mortality Tables for males and females. The post-retirement mortality rates were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

J. DEFINED BENEFIT PENSION PLAN - continued

Discount Rate. The discount rate used to measure the total pension liability was 7.25%. This single discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2021 are summarized below:

Asset Class	Target Allocation	Long- Term Expected Geometric Real Rate of Return	Expected Contribution to Long-Term Portfolio Return*
Global Equity			
U.S.	18.0%	3.6%	0.94%
Non-U.S. Developed	13.0%	4.4%	0.83%
Emerging Markets	9.0%	4.6%	0.74%
Private Equity	14.0%	6.3%	1.36%
Stable Value			
Government Bonds	16.0%	(0.2)%	(0.01) %
Absolute Return	0.0%	1.1%	0.00%
Stable Value Hedge Funds	5.0%	2.2%	0.12%
Real Return			
Real Estate	15.0%	4.5%	1.00%
Energy and Natural Resources	6.0%	4.7%	0.35%
Commodities	0.0%	1.7%	0.00%
Risk Parity			
Risk Parity	8.0%	2.8%	0.28%
Asset Allocation Leverage			
Cash	2.0%	(0.7)%	(0.01)%
Asset Allocation Leverage	(6.0)	(0.5)	0.03
Inflation Expectation			2.20%
Volatility Drag			(0.95)%
Total	100%		6.90%

* The Expected Contribution to Returns incorporates the volatility drag resulting from the conversion between Arithmetic and Geometric mean returns.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

J. DEFINED BENEFIT PENSION PLAN - continued

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.25%) in measuring the 2021 Net Pension Liability.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
EPISD's proportionate share of the net pension liability:	\$ 46,730,730	\$ 21,385,509	\$ 822,840

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

At August 31, 2022, Eagle Pass ISD reported a liability of \$21,385,509 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Eagle Pass ISD.

The amount recognized by Eagle Pass ISD as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with Eagle Pass ISD were as follows:

District's Proportionate share of the collective net pension liability	\$ 21,385,509
State's proportionate share that is associated with the District	<u>28,311,425</u>
Total	<u>\$ 49,696,934</u>

The net pension liability was measured as of August 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2021 thru August 31, 2022.

At August 31, 2022 the employer's proportion of the collective net pension liability was .0839751877% which was an increase of .0057324677% from its proportion measured as of August 31, 2021.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

J. DEFINED BENEFIT PENSION PLAN - continued

Changes Since the Prior Actuarial Valuation – There were no changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period.

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

For the year ended August 31, 2022, Eagle Pass ISD recognized pension expense of \$2,747,148 and revenue of \$113,186 for support provided by the State.

At August 31, 2022, Eagle Pass ISD reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$35,788	\$1,505,557
Changes in actuarial assumptions	7,559,359	3,295,232
Difference between projected and actual investment earnings	-	17,931,471
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	2,954,802	1,338,578
Total as of August 31, 2021 measurement date	10,549,949	24,070,838
Contributions paid to TRS subsequent to the measurement date	4,016,757	-
Total	\$ 14,566,706	\$ 24,070,838

The net amounts of the employer's balances of deferred outflows and inflows of resources related to Pensions will be recognized in pension expense as follows

Year ended August 31:	Pension Expense Amount
2023	\$ (2,245,686)
2024	(2,389,598)
2025	(3,941,846)
2026	(5,221,879)
2027	188,345
Thereafter	\$ 89,775

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

K. MEDICARE PART D - ON BEHALF PAYMENTS

The Medicare Prescription Drug, Improvement and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance program (TRS-Care) to receive drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care Participants. Payments made on behalf to Eagle Pass Independent School District for the fiscal years 2020, 2021 and 2022 were \$459,443, \$420,016, and \$389,041 respectively.

L. HEALTH CARE COVERAGE

The District sponsors a modified self-insurance plan to provide health care benefits to staff members and their dependents. Transactions related to the plan are accounted for in the Health Insurance Fund (the "Fund"), an internal service fund of the District. Partial staff member contributions are required for personal coverage and total staff member contributions are required for coverage of dependents. The District obtained excess loss insurance which limited annual claims paid from the Fund for the year ended August 31, 2022, to \$250,000 for any individual participant and an aggregate limit equal to \$1,000,000. The District has no liability or obligation to make up losses in a subsequent year. As of August 31, 2022, the plan had no unfunded liability with respect to the District.

M. UNEARNED & UNAVAILABLE REVENUE

Unearned revenue at year end consisted of the following:

	General Fund	Special Revenue Fund	Debt Service Fund	Governmental Fund Subtotal	Proprietary Fund	Total
Unavailable Tax Revenue	2,912,978	-	406,948	3,319,926	-	\$ 3,319,926
State Entitlements Grants	-	-	-	-	-	\$ -
Federal Grants	157,531	-	-	157,531	-	\$ 157,531.00
Athletic Receipts	38,056	-	-	38,056	-	\$ 38,056.00
Total	\$ 3,108,565	\$ -	\$ 406,948	\$ 3,515,513	\$ -	\$ 3,515,513

M1. PRIOR PERIOD ADJUSTMENTS

A prior period adjustment of \$(137,541) was made to correct fixed assets for FY 2022.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

N. REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

During the current year, revenues from local and intermediate sources consisted of the following:

	Governmental Funds				Proprietary Funds			Total
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Governmental Fund Subtotal	Expendable Trust Fund	Internal Service Fund	
Property Taxes	28,037,644	-	2,588,436	-	30,626,080	-	-	30,626,080
Penalties, Interest and Other Tax Related Income	897,053	-	84,243	-	981,296	-	-	981,296
Investment Income	550,808	-	20,798	-	571,606	-	1,828	573,434
Food Sales	33,706	-	-	-	33,706	-	-	33,706
Co-curricular Income	191,350	-	-	-	191,350	-	-	191,350
Rent	-	-	-	-	-	-	-	-
Scholarship Contribution	-	-	-	-	-	20,000	-	20,000
Income from Sales	-	229,369	-	-	229,369	-	-	229,369
Quasi External Revenue	-	-	-	-	-	-	21,332,852	21,332,852
Other	292,468	-	-	-	292,468	-	-	292,468
	30,003,029	229,369	2,693,477	-	32,925,875	20,000	21,334,680	54,280,555

O. REVENUES FROM STATE PROGRAMS

	General Fund	Capital Fund	Non-Major Governmental Fund	Total
School Program Act Entitlement	\$ 98,742,791	\$ -	\$ -	\$ 98,742,791
Per Capita Apportionment	6,763,906	-	-	\$ 6,763,906
Special Education Services	-	-	-	\$ -
State Program Revenue	123,352	-	2,610,779	\$ 2,734,131
TRS On Behalf	6,134,915	-	-	\$ 6,134,915
	\$ 111,764,964	\$ -	\$ 2,610,779	\$ 114,375,743

P. LITIGATION

The District is a defendant in various lawsuits for claims filed against it. In the opinion of the District's council, the resolution of these matters will not have a material adverse effect on the financial condition of the District; and therefore, no loss contingency has been recorded.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

Q. CONTINGENCIES

The District participates in numerous State and Federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2022 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements of such contingencies.

R. RELATED ORGANIZATIONS

The Maverick County Appraisal District is a “related organization” of the District as defined by *Government Accounting Standards Board Statement No. 14*, and amendments thereto. Three of the members of the Board of the Appraisal District are appointed by Eagle Pass Independent School District.

Eagle Pass Independent School District is one of the taxing units served by the Maverick County Appraisal District. The Appraisal District is charged with the appraisal process of Maverick County which includes, among other things, discovery and adding new real and personal properties to the appraisal rolls, administer all exemptions and open land applications, gather and check ownership data, utilize current sale data and prepare ownership maps for the entire County. The Eagle Pass Independent School District is responsible for assessing and collecting advalorem property tax based on appraised values, exemptions, and ownership information provided by the Appraisal District.

Board representation of the Appraisal District Board is relative to total taxable values of the taxing units served. The Eagle Pass Independent School District is represented by three of the five Board members on the Appraisal Board of Directors. Additionally, the School District funds 51.76% of the Appraisal District’s budget. Each taxing unit’s contributions to the operating budget is based on the relative size of the total tax levy of all taxing units.

Taxing Unit	Percentage of Contribution	Amount of Contribution
Eagle Pass Independent School District	51.76%	\$ 711,364
Maverick County	26.15%	359,393
Hospital District	7.51%	103,214
City of Eagle Pass	14.58%	200,380
2022 Budget of Maverick County Appraisal District	100%	\$ 1,374,351

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

S. WORKERS' COMPENSATION SELF-INSURANCE

The Eagle Pass Independent School District established a limited risk management program for workers' compensation effective December 1, 1990. Premiums are paid into the Internal Service Fund by General and Special Revenue funds and are available to pay claims, claim reserves and administrative costs of the program. During fiscal year ended August 31, 2022 a total of \$271,262 was incurred in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$400,000 for any one event up to a maximum limit of \$1,000,000. Claims payable of \$502,695 include claims incurred but not reported have been accrued as a liability based upon the District's actuary's estimate. Obligations for claims under this program are accrued based on estimates of the aggregate liability for claims made and claims incurred but not reported. Changes in fund's claims payable for the year ended August 31, 2022 and 2021 were:

	2022	2021
Claims payable, beginning balance	\$ 412,989	\$ 443,164
Current year claims and changes in estimates of claims incurred but not reported	\$ 360,967	\$ 103,970
Claims Payments	\$ (271,262)	\$ (134,145)
Claims payable, ending balance	<u>\$ 502,695</u>	<u>\$ 412,989</u>

T. FUND EQUITY

Beginning with fiscal year 2014, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance—amounts that are not in nonspendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance—amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., School Board). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.
- Assigned fund balance—amounts the District intends to use for a specific purpose. Intent can be expressed by the School Board or by an official or body to which the School Board delegates the authority.
- Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the general fund.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

T. FUND EQUITY - continued

Beginning fund balances for the District's governmental funds have been restated to reflect the above classifications. The School Board establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the School Board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

As of August 31, 2022 fund balances are composed of the following:

Fund Number	Category/Description	General Fund	Non-Major Other Funds	Total Governmental Funds
	<u>Non-Spendable</u>			
101	Inventories	\$ -	-	\$ -
199	Inventories	503,907	-	503,907
199	Prepaid Items	-	-	-
	<u>Restricted</u>			
101	Federal/State Programs	613,381	-	613,381
166	Federal/State Programs	84,552	-	84,552
170	Federal/State Programs	135,771	-	135,771
174	Federal/State Programs	-	-	-
178	Federal/State Programs	(71,289)	-	(71,289)
242	Federal/State Programs	-	2,033,291	2,033,291
266	Federal/State Programs	-	-	-
397	Federal/State Programs	-	1,937	1,937
429	Federal/State Programs	-	-	-
518	Restirement of Long Term Debt	-	1,159,149	1,159,149
	<u>Committed</u>			
616	Board Action Construction	-	11,299,305	11,299,305
618	Board Action Construction	-	2,485,424	2,485,424
461	Board Action CAF	-	302,766	302,766
	<u>Unassigned</u>			
175	Available for Legal Expenditures	220,951	-	220,951
199	Available for Legal Expenditures	66,398,619	-	66,398,619
	Total Fund Balances	\$ 67,885,892	\$ 17,281,873	\$ 85,167,764

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

II. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

T. FUND EQUITY - continued

GASB 54 doesn't apply to Proprietary Funds and Fiduciary Funds, which had unrestricted fund balances at year-end of \$7,351,127 and \$23,912, respectively.

U1. GENERAL FUND FEDERAL SOURCE REVENUES

Program or Source	CFDA Number	Amount
Air Force Jr. ROTC	12.357	85,915
Impact Aid	84.041	
School Breakfast Program	10.553	4,633,668
National School Lunch Program (NSLP)	10.555	6,617,501
NSLP Equipment Grant	10.579	-
NSLP Training Grant	10.560	-
Commodity Supplemental Food	10.555	848,191
Emergency Operational Cost Reimbursement Program	10.555	-
PEBT Local Level Admin Cost Grant	10.542	5,814
Supply Chain Asst. Grant	10.555	376,947
TMHP Medicaid Payment (SHARS)	-	851,599
Summer School LEP	84.369A	25,068
Coronavirus Relief Fund (CRF) Cares Act (TDEM)	21.019	-
Indirect Cost:		
School Breakfast Program	10.553	265,708
National School Lunch Program (NSLP)	10.555	311,288
Summer Feeding Program	10.559	6,654
ESSA Title I, Part A	84.010A	237,717
ESSA Title I, Part C	84.011A	13,798
IDEA-B Formula	84.027A	81,839
ESSA Title III, Part A ELA	84.365A	17,745
ESSA Title III, Part A Immigrant	84.365A	-
ESSA Title II, Part A	84.367A	28,774
Perkins V: Strengthening CTE	84.048A	10,509
ESSA Title V, B, SP2, Rural & Low Income	84.358B	13,427
ESSA Title IV, Part A Subpart 1	84.424A	17,270
School Health Support Grant	93.323	442
Elementary & Secondary (ESSER)	84.425D	-
CRRSA ESSER II	84.425D	898,890
ARP ESSER III	84.425U	1,271,331
IDEA-B Formula ARP	84.27X	3,401
Total		16,623,497

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

U2. RELATED PARTY TRANSACTIONS

In the ordinary course of business, the District had transactions with a Board Member in Fiscal Year 2022. All TEA requirements for conflict of interest rules and regulations have been complied with. Payments for construction related services to related parties were \$1,623,876.

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

V. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

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

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

Benefits Provided. TRS-Care provides a basic health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible retirees and their dependents not enrolled in Medicare may pay premiums to participate in one of two optional insurance plans with more comprehensive benefits (TRS-Care 2 and TRS-Care 3). Eligible retirees and dependents enrolled in Medicare may elect to participate in one of the two Medicare health plans for an additional fee. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for the average retiree with Medicare Parts A&B coverage, with 20 to 29 years of service for the basic plan and the two optional plans.

TRS-Care Monthly Premium Rates

	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree or Surviving Spouse	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1,020	999

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

V. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (continued)

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

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

Contribution Rates

	<u>2021</u>	<u>2022</u>
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private Funding Remitted by Employers	1.25%	1.25%
EPISD's 2022 FY Employer Contributions	\$	950,679
EPISD's 2022 FY Member Contributions	\$	620,460
2021 Measurement Year NECE On-Behalf Contributions	\$	1,200,471

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

Actuarial Assumptions. The total OPEB liability in the August 31, 2021 actuarial valuation was determined using the following actuarial assumptions: [Actuarial Assumptions can be found in the 2021 TRS CAFR, Note 9].

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

V. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (continued)

The actuarial valuation of TRS-Care is similar to the actuarial valuations performed for the pension plan, except that the OPEB valuation is more complex. All of the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in OPEB valuation were identical to those used in the respective TRS pension valuation. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.

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

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2021 TRS pension actuarial valuation:

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Salary Increases
Rates of Disability Incidence	

Additional Actuarial Methods and Assumptions:

Valuation Date:	August 31, 2020 rolled forward to August 31, 2021
Actuarial Cost Method:	Individual Entry Age Normal
Inflation:	2.30%
Discount Rate:	1.95%
Aging Factors:	Based on Plan Specific Experience
Expenses:	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Salary Increases:	3.05% - 9.05%
Election Rates: Normal Retirement:	Normal retirement: 65% participation prior to age 65 and 40% participation after age 65, and 25% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad-hoc Post Employment Benefit Changes:	None

Discount Rate. A single discount rate of 1.95% was used to measure the total OPEB liability. There was a change of .38 percent in the discount rate since the previous year. The Discount Rate can be found in the 2021 TRS CAFR on page 83. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

V. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (continued)

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.95%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (0.95%)	Discount Rate (1.95%)	1% Increase in Discount Rate (2.95%)
EPISD's proportionate share of the Net OPEB Liability:	\$ 53,366,913	\$ 44,242,718	\$ 37,061,680

Healthcare Cost Trend Rates Sensitivity Analysis - The following presents the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
EPISD's proportionate share of the Net OPEB Liability:	\$ 35,835,136	\$ 44,242,718	\$ 55,523,606

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At August 31, 2022, Eagle Pass ISD reported a liability of \$ 44,242,718 for its proportionate share of the TRS'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 Eagle Pass ISD were as follows:

EPISD's Proportionate share of the collective net OPEB liability	\$ 44,242,718
State's proportionate share that is associated with the District	<u>59,275,383</u>
Total	<u>\$ 103,518,101</u>

The Net OPEB Liability was measured as of August 31, 2021 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2020 thru August 31, 2021.

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

V. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (continued)

At August 31, 2021 the employer's proportion of the collective Net OPEB Liability was 0.1146943039% which was an increase of .0017181113% from its proportion measured as of August 31, 2020.

Changes in Actuarial Assumptions 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: **[These can be found in the TRS CAFR on page 83.]**

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

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

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

Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions or applicable law.

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

For the year ended August 31, 2022, Eagle Pass ISD recognized OPEB expense of \$3,516,884 and revenue of \$2,187,714 for support provided by the State.

At August 31, 2022, Eagle Pass ISD reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experience	\$1,904,858	\$21,416,571
Changes in actuarial assumptions	4,900,401	9,356,516
Net Difference between projected and actual investment earnings	48,034	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	1,940,312	1,270,849
Total as of August 31, 2021 measurement date	\$8,793,605	\$32,043,936
Contributions paid to TRS subsequent to the measurement date	950,679	-
Total	\$9,744,284	\$32,043,936

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2022

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - continued

V. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (continued)

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

Year ended August 31:	OPEB Expense Amount
2023	\$ (4,545,542)
2024	(4,546,625)
2025	(4,546,329)
2026	(3,381,742)
2027	(1,805,097)
Thereafter	(4,424,996)

W. COVID-19 FINANCIAL STATEMENT IMPACT

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The extent of the impact of COVID-19 on the District's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the District's employees and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact the District's financial statements is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

X. Extraordinary Item

The Eagle Pass Independent School District received \$2,485,424 in an award resulting from successful litigation for defective construction on some of its facilities. That award was net of attorney fees and related litigation costs. School district counsel opined that applicable state education statutes permit use of that net award for any related facility repairs and related operating expenses. Based upon that advice, the litigation award is reported as an extraordinary item within the both the government-wide financial statements and the fund financial statements.

EAGLE PASS ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2022

Data Control Codes		206 ESSA, IX, A Homeless Children Ed.	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ 3,583	\$ 1,416	\$ 2,700
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	-	1,005,777	81,396	386,634
1260	Due from Other Funds	-	(148,813)	-	32,435
1290	Other Receivables	-	-	-	-
1000	Total Assets	<u>\$ -</u>	<u>\$ 860,547</u>	<u>\$ 82,812</u>	<u>\$ 421,769</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ 125,089	\$ 66	\$ 2,750
2170	Due to Other Funds	-	735,458	82,746	419,019
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	<u>-</u>	<u>860,547</u>	<u>82,812</u>	<u>421,769</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
3480	Retirement of Long-Term Debt	-	-	-	-
Committed Fund Balance:					
3510	Construction	-	-	-	-
3545	Other Committed Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 860,547</u>	<u>\$ 82,812</u>	<u>\$ 421,769</u>

225 IDEA - Part B Preschool	242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II, A Training and Recruiting	263 Title III, A English Lang. Acquisition	270 ESEA V, B, 2 Rural & Low Income	272 Medicaid Admin. Claim MAC	281 ESSER II CRRSA Act Supplemental
\$ -	\$ 40,689	\$ -	\$ 1,742	\$ 13,837	\$ 3,164	\$ 1,066	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	231,076	226	364,157	33,934	-
-	2,021,973	-	-	99,499	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 2,062,662</u>	<u>\$ -</u>	<u>\$ 232,818</u>	<u>\$ 113,562</u>	<u>\$ 367,321</u>	<u>\$ 35,000</u>	<u>\$ -</u>
\$ -	\$ 1	\$ -	\$ -	\$ 13,562	\$ -	\$ -	\$ -
-	29,370	-	232,818	100,000	367,321	35,000	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	29,371	-	232,818	113,562	367,321	35,000	-
-	2,033,291	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	2,033,291	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 2,062,662</u>	<u>\$ -</u>	<u>\$ 232,818</u>	<u>\$ 113,562</u>	<u>\$ 367,321</u>	<u>\$ 35,000</u>	<u>\$ -</u>

EAGLE PASS ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2022

Data Control Codes		282 ESSER III ARP Act	284 IDEA B Formula ARP Act	285 IDEA B Preschool ARP Act	289 Other Federal Special Revenue Funds
ASSETS					
1110	Cash and Cash Equivalents	\$ 100,440	\$ 2,512	\$ -	\$ 2,993
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	2,011,010	73,602	-	286,725
1260	Due from Other Funds	-	-	-	-
1290	Other Receivables	-	-	-	-
1000	Total Assets	<u>\$ 2,111,450</u>	<u>\$ 76,114</u>	<u>\$ -</u>	<u>\$ 289,718</u>
LIABILITIES					
2110	Accounts Payable	\$ 83,671	\$ 33,732	\$ -	\$ 4,575
2170	Due to Other Funds	2,027,779	42,382	-	285,143
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	<u>2,111,450</u>	<u>76,114</u>	<u>-</u>	<u>289,718</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
3480	Retirement of Long-Term Debt	-	-	-	-
Committed Fund Balance:					
3510	Construction	-	-	-	-
3545	Other Committed Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 2,111,450</u>	<u>\$ 76,114</u>	<u>\$ -</u>	<u>\$ 289,718</u>

385 Visually Impaired SSVI	397 Advanced Placement Incentives	410 State Instructional Materials	429 Other State Special Revenue Funds	461 Campus Activity Funds	Total Nonmajor Special Revenue Funds	518 Debt Service Fund	616 Capital Projects Fund
\$ -	\$ 1,937	\$ 3,267	\$ -	\$ 302,766	\$ 482,112	\$ 1,329,250	\$ -
-	-	-	-	-	-	624,667	-
-	-	-	-	-	-	(193,656)	-
-	-	101,733	-	-	4,576,270	-	-
-	-	-	-	-	2,005,094	-	11,326,378
-	-	-	-	-	-	2,547	-
<u>\$ -</u>	<u>\$ 1,937</u>	<u>\$ 105,000</u>	<u>\$ -</u>	<u>\$ 302,766</u>	<u>\$ 7,063,476</u>	<u>\$ 1,762,808</u>	<u>\$ 11,326,378</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 263,446	\$ 6,635	\$ 27,073
-	-	105,000	-	-	4,462,036	-	-
-	-	-	-	-	-	190,076	-
-	-	-	-	-	-	406,948	-
-	-	105,000	-	-	4,725,482	603,659	27,073
-	1,937	-	-	-	2,035,228	-	-
-	-	-	-	-	-	1,159,149	-
-	-	-	-	-	-	-	11,299,305
-	-	-	-	302,766	302,766	-	-
-	1,937	-	-	302,766	2,337,994	1,159,149	11,299,305
<u>\$ -</u>	<u>\$ 1,937</u>	<u>\$ 105,000</u>	<u>\$ -</u>	<u>\$ 302,766</u>	<u>\$ 7,063,476</u>	<u>\$ 1,762,808</u>	<u>\$ 11,326,378</u>

EAGLE PASS ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2022

Data Control Codes		618 Capital Projects Fund	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS				
1110	Cash and Cash Equivalents	\$ 2,485,424	\$ 2,485,424	\$ 4,296,786
1220	Property Taxes - Delinquent	-	-	624,667
1230	Allowance for Uncollectible Taxes	-	-	(193,656)
1240	Due from Other Governments	-	-	4,576,270
1260	Due from Other Funds	-	11,326,378	13,331,472
1290	Other Receivables	-	-	2,547
1000	Total Assets	<u>\$ 2,485,424</u>	<u>\$ 13,811,802</u>	<u>\$ 22,638,086</u>
LIABILITIES				
2110	Accounts Payable	\$ -	\$ 27,073	\$ 297,154
2170	Due to Other Funds	-	-	4,462,036
2180	Due to Other Governments	-	-	190,076
2300	Unearned Revenue	-	-	406,948
2000	Total Liabilities	<u>-</u>	<u>27,073</u>	<u>5,356,214</u>
FUND BALANCES				
Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	-	-	2,035,228
3480	Retirement of Long-Term Debt	-	-	1,159,149
Committed Fund Balance:				
3510	Construction	2,485,424	13,784,729	13,784,729
3545	Other Committed Fund Balance	-	-	302,766
3000	Total Fund Balances	<u>2,485,424</u>	<u>13,784,729</u>	<u>17,281,872</u>
4000	Total Liabilities and Fund Balances	<u>\$ 2,485,424</u>	<u>\$ 13,811,802</u>	<u>\$ 22,638,086</u>

EAGLE PASS ISD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes	206 ESSA, IX, A Homeless Children Ed.	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	9,055	6,778,691	392,829	2,324,958
5020 Total Revenues	9,055	6,778,691	392,829	2,324,958
EXPENDITURES:				
Current:				
0011 Instruction	-	1,974,821	-	1,381,537
0012 Instructional Resources and Media Services	-	51,421	-	-
0013 Curriculum and Instructional Staff Development	-	1,753,697	-	6,103
0021 Instructional Leadership	-	955,066	52,878	59,585
0023 School Leadership	-	475	-	-
0031 Guidance, Counseling, and Evaluation Services	-	1,764,471	93,194	877,733
0032 Social Work Services	-	958	163,843	-
0033 Health Services	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0051 Facilities Maintenance and Operations	-	1,831	734	-
0052 Security and Monitoring Services	-	-	-	-
0061 Community Services	9,055	275,951	82,180	-
Debt Service:				
0071 Principal on Long-Term Liabilities	-	-	-	-
0072 Interest on Long-Term Liabilities	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	9,055	6,778,691	392,829	2,324,958
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
EXTRAORDINARY ITEMS:				
7919 Extraordinary Item - Resource	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-	-
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

225 IDEA - Part B Preschool	242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	270 ESEA V, B,2 Rural & Low Income	272 Medicaid Admin. Claim MAC	281 ESSER II CRRSA Act Supplemental
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29,807	52,500	298,448	817,944	503,788	383,248	52,546	9,613,113
29,807	52,500	298,448	817,944	503,788	383,248	52,546	9,613,113
29,807	-	290,286	611,101	192,455	331,001	52,546	9,613,113
-	-	-	-	-	-	-	-
-	-	7,875	133,018	2,200	15,499	-	-
-	-	287	50,157	-	-	-	-
-	-	-	23,668	-	11,825	-	-
-	-	-	-	-	7,354	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	7,541	-	-
-	89,855	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	10,028	-	-
-	-	-	-	309,133	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
29,807	89,855	298,448	817,944	503,788	383,248	52,546	9,613,113
-	(37,355)	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(37,355)	-	-	-	-	-	-
-	2,070,646	-	-	-	-	-	-
\$ -	\$ 2,033,291	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EAGLE PASS ISD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes	282 ESSER III ARP Act	284 IDEA B Formula ARP Act	285 IDEA B Preschool ARP Act	289 Other Federal Special Revenue Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	13,628,658	100,162	-	2,426,040
5020 Total Revenues	13,628,658	100,162	-	2,426,040
EXPENDITURES:				
Current:				
0011 Instruction	9,955,203	94,838	-	1,790,029
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	-	590,437
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	1,526	-	-	34,586
0031 Guidance, Counseling, and Evaluation Services	227,927	5,324	-	5,084
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	2,454
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	25,561	-	-	-
0051 Facilities Maintenance and Operations	3,324,501	-	-	-
0052 Security and Monitoring Services	-	-	-	3,450
0061 Community Services	93,940	-	-	-
Debt Service:				
0071 Principal on Long-Term Liabilities	-	-	-	-
0072 Interest on Long-Term Liabilities	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	13,628,658	100,162	-	2,426,040
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
EXTRAORDINARY ITEMS:				
7919 Extraordinary Item - Resource	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-	-
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

385 Visually Impaired SSVI	397 Advanced Placement Incentives	410 State Instructional Materials	429 Other State Special Revenue Funds	461 Campus Activity Funds	Total Nonmajor Special Revenue Funds	518 Debt Service Fund	616 Capital Projects Fund
\$ -	\$ -	\$ -	\$ -	229,369	229,369	2,693,477	-
5,729	1,596	697,137	69,582	-	774,044	1,836,735	-
-	-	-	-	-	37,411,787	-	-
5,729	1,596	697,137	69,582	229,369	38,415,200	4,530,212	-
5,729	-	590,537	56,016	-	26,969,019	-	-
-	-	-	-	-	51,421	-	-
-	1,195	6,600	-	-	2,516,624	-	-
-	-	-	-	-	1,117,973	-	-
-	-	-	-	-	72,080	-	-
-	-	-	13,566	-	2,994,653	-	-
-	-	-	-	-	164,801	-	-
-	-	-	-	-	9,995	-	-
-	-	-	-	-	89,855	-	-
-	-	-	-	169,334	194,895	-	-
-	-	100,000	-	-	3,427,066	-	-
-	-	-	-	-	13,478	-	-
-	-	-	-	-	770,259	-	-
-	-	-	-	-	-	2,635,000	-
-	-	-	-	-	-	1,604,150	-
-	-	-	-	-	-	600	-
-	-	-	-	-	-	-	2,232,343
5,729	1,195	697,137	69,582	169,334	38,392,119	4,239,750	2,232,343
-	401	-	-	60,035	23,081	290,462	(2,232,343)
-	-	-	-	-	-	-	9,923,837
-	-	-	-	-	-	-	-
-	401	-	-	60,035	23,081	290,462	7,691,494
-	1,536	-	-	242,731	2,314,913	868,687	3,607,811
\$ -	\$ 1,937	\$ -	\$ -	302,766	2,337,994	1,159,149	11,299,305

EAGLE PASS ISD
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes	618 Capital Projects Fund	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES:			
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ 2,922,846
5800 State Program Revenues	-	-	2,610,779
5900 Federal Program Revenues	-	-	37,411,787
5020 Total Revenues	-	-	42,945,412
EXPENDITURES:			
Current:			
0011 Instruction	-	-	26,969,019
0012 Instructional Resources and Media Services	-	-	51,421
0013 Curriculum and Instructional Staff Development	-	-	2,516,624
0021 Instructional Leadership	-	-	1,117,973
0023 School Leadership	-	-	72,080
0031 Guidance, Counseling, and Evaluation Services	-	-	2,994,653
0032 Social Work Services	-	-	164,801
0033 Health Services	-	-	9,995
0035 Food Services	-	-	89,855
0036 Extracurricular Activities	-	-	194,895
0051 Facilities Maintenance and Operations	-	-	3,427,066
0052 Security and Monitoring Services	-	-	13,478
0061 Community Services	-	-	770,259
Debt Service:			
0071 Principal on Long-Term Liabilities	-	-	2,635,000
0072 Interest on Long-Term Liabilities	-	-	1,604,150
0073 Bond Issuance Cost and Fees	-	-	600
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	2,232,343	2,232,343
6030 Total Expenditures	-	2,232,343	44,864,212
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2,232,343)	(1,918,800)
OTHER FINANCING SOURCES (USES):			
7915 Transfers In	-	9,923,837	9,923,837
EXTRAORDINARY ITEMS:			
7919 Extraordinary Item - Resource	2,485,424	2,485,424	2,485,424
1200 Net Change in Fund Balance	2,485,424	10,176,918	10,490,461
0100 Fund Balance - September 1 (Beginning)	-	3,607,811	6,791,411
3000 Fund Balance - August 31 (Ending)	\$ 2,485,424	\$ 13,784,729	\$ 17,281,872

EAGLE PASS ISD
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
AUGUST 31, 2022

	753 Self Funded Workers Compensation	775 Self Funded Health/Dental Insurance	776 Self Funded Unemployment Insurance	Total Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ (60)	\$ 3,260,004	\$ -	\$ 3,259,944
Due from Other Funds	2,275,022	3,286,609	543,483	6,105,114
Other Receivables	-	401,122	-	401,122
Other Current Assets	60,000	-	-	60,000
Total Assets	2,334,962	6,947,735	543,483	9,826,180
LIABILITIES				
Current Liabilities:				
Accounts Payable	24,623	180,732	-	205,355
Short Term Debt Payable	-	1,767,003	-	1,767,003
Accrued Expenses	502,695	-	-	502,695
Total Liabilities	527,318	1,947,735	-	2,475,053
NET POSITION				
Unrestricted Net Position	1,807,644	5,000,000	543,483	7,351,127
Total Net Position	\$ 1,807,644	\$ 5,000,000	\$ 543,483	\$ 7,351,127

EAGLE PASS ISD
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2022

	753 Self Funded Workers Compensation	775 Self Funded Health/Dental Insurance	776 Self Funded Unemployment Insurance	Total Internal Service Funds
OPERATING REVENUES:				
Local and Intermediate Sources	\$ 240,312	\$ 21,063,110	\$ 31,258	\$ 21,334,680
Total Operating Revenues	240,312	21,063,110	31,258	21,334,680
OPERATING EXPENSES:				
Professional and Contracted Services	474,074	678,374	78,818	1,231,266
Other Operating Costs	-	22,018,206	-	22,018,206
Total Operating Expenses	474,074	22,696,580	78,818	23,249,472
Income (Loss) Before Transfers	(233,762)	(1,633,470)	(47,560)	(1,914,792)
Transfer In	-	3,286,609	-	3,286,609
Change in Net Position	(233,762)	1,653,139	(47,560)	1,371,817
Total Net Position - September 1 (Beginning)	2,041,406	3,346,861	591,043	5,979,310
Total Net Position - August 31 (Ending)	\$ 1,807,644	\$ 5,000,000	\$ 543,483	\$ 7,351,127

EAGLE PASS ISD
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

	753 Self Funded Workers Compensation	775 Self Funded Health/Dental Insurance	776 Self Funded Unemployment Insurance	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>				
Cash Received from User Charges	\$ 240,312	\$ 21,574,145	\$ 31,258	\$ 21,845,715
Cash Payments for Insurance Claims	-	(678,374)	-	(678,374)
Cash Payments for Other Funds	123,695	(540,250)	47,560	(368,995)
Cash Payments for Other Operating Expenses	(364,067)	(21,917,548)	(78,818)	(22,360,433)
Net Cash Used For Operating Activities	(60)	(1,562,027)	-	(1,562,087)
<u>Cash Flows from Non-Capital Financing Activities:</u>				
Operating Transfer In	-	3,286,609	-	3,286,609
Net Increase (Decrease) in Cash and Cash Equivalents	(60)	1,724,582	-	1,724,522
Cash and Cash Equivalents at Beginning of Year	-	1,535,422	-	1,535,422
Cash and Cash Equivalents at End of Year	\$ (60)	\$ 3,260,004	\$ -	\$ 3,259,944
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>				
<u>Used for Operating Activities:</u>				
Operating Income (Loss):	\$ (233,762)	\$ (1,633,470)	\$ (47,560)	\$ (1,914,792)
Effect of Increases and Decreases in Current Assets and Liabilities:				
Decrease (increase) in Receivables	-	511,035	-	511,035
Decrease (increase) in Due From Other Funds	123,695	(540,250)	47,560	(368,995)
Increase (decrease) in Accounts Payable	20,301	(30,200)	-	(9,899)
Increase (decrease) in Accrued Expenses	89,706	130,858	-	220,564
Net Cash Used for Operating Activities	\$ (60)	\$ (1,562,027)	\$ -	\$ (1,562,087)

EAGLE PASS ISD
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED AUGUST 31, 2022

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2013 and prior years	Various	Various	\$ Various
2014	1.040050	0.11711	1,944,257,563
2015	1.040050	0.11412	2,067,174,624
2016	1.040050	0.12186	2,058,999,199
2017	1.040050	0.11538	2,096,604,439
2018	1.170050	0.01038	2,207,624,106
2019	1.170050	0.09079	2,280,381,998
2020	1.068350	0.09325	2,429,174,356
2021	1.051850	0.09479	2,532,014,880
2022 (School year under audit)	1.051100	0.09531	2,583,971,692
1000 TOTALS			

(10) Beginning Balance 9/1/2021		(20) Current Year's Total Levy		(31) Maintenance Collections		(32) Debt Service Collections		(40) Entire Year's Adjustments		(50) Ending Balance 8/31/2022	
\$	2,489,214	\$	-	\$	73,203	\$	8,922	\$	(3,350)	\$	2,403,739
	155,544		-		22,612		2,568		(121)		130,243
	162,998		-		30,254		3,368		(127)		129,249
	197,066		-		40,619		4,852		(128)		151,467
	271,121		-		65,993		7,403		781		198,506
	360,058		-		90,067		895		2,487		271,583
	555,123		-		148,297		11,894		2,756		397,688
	851,794		-		256,885		23,112		(19,706)		552,091
	1,466,519		-		544,459		52,042		(77,680)		792,338
	-		31,342,926		26,811,974		2,475,786		(37,237)		2,017,929
\$	6,509,437	\$	31,342,926	\$	28,084,363	\$	2,590,842	\$	(132,325)	\$	7,044,833

EAGLE PASS ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
		Original	Final		
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 299,551	\$ 299,551	\$ 96,932	\$ (202,619)
5800	State Program Revenues	50,669	50,669	14,380	(36,289)
5900	Federal Program Revenues	10,908,633	10,908,633	12,482,121	1,573,488
5020	Total Revenues	11,258,853	11,258,853	12,593,433	1,334,580
EXPENDITURES:					
Current:					
0035	Food Services	12,688,203	12,688,203	12,059,050	629,153
0051	Facilities Maintenance and Operations	158,356	158,356	22,946	135,410
0052	Security and Monitoring Services	25,980	25,980	12,720	13,260
6030	Total Expenditures	12,872,539	12,872,539	12,094,716	777,823
1100	Excess (Deficiency) of Revenues Over Expenditures	(1,613,686)	(1,613,686)	498,717	2,112,403
OTHER FINANCING SOURCES (USES):					
7915	Transfers In	1,613,686	1,613,686	-	(1,613,686)
1200	Net Change in Fund Balances	-	-	498,717	498,717
0100	Fund Balance - September 1 (Beginning)	114,664	114,664	114,664	-
3000	Fund Balance - August 31 (Ending)	\$ 114,664	\$ 114,664	\$ 613,381	\$ 498,717

EAGLE PASS ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
		Original	Final		
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 2,682,971	\$ 2,682,971	\$ 2,693,477	\$ 10,506
5800	State Program Revenues	1,760,791	1,760,791	1,836,735	75,944
5020	Total Revenues	4,443,762	4,443,762	4,530,212	86,450
EXPENDITURES:					
Debt Service:					
0071	Principal on Long-Term Liabilities	4,241,150	2,635,000	2,635,000	-
0072	Interest on Long-Term Liabilities	-	1,604,150	1,604,150	-
0073	Bond Issuance Cost and Fees	-	2,000	600	1,400
6030	Total Expenditures	4,241,150	4,241,150	4,239,750	1,400
1200	Net Change in Fund Balances	202,612	202,612	290,462	87,850
0100	Fund Balance - September 1 (Beginning)	868,687	868,687	868,687	-
3000	Fund Balance - August 31 (Ending)	\$ 1,071,299	\$ 1,071,299	\$ 1,159,149	\$ 87,850

EAGLE PASS ISD
STATE COMPENSATORY EDUCATION AND BILINGUAL EDUCATION PROGRAM EXPENDITURES
FOR THE YEAR ENDED AUGUST 31, 2022

Section A: Compensatory Education Programs

AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	17462249
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	9990594

Section B: Bilingual Education Programs

AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	3047959
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25,35)	1748826

LEAL & CARTER, P.C.

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

To the Board of Trustees
Eagle Pas ISD (the District)
Eagle Pass, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended August 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 1, 2022.

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) to determine 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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 determination of financial statement amounts. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Seal & Carter, P.C.

San Antonio, Texas
December 1, 2022,

LEAL & CARTER, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Roberto Carter, CPA

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San Antonio, Texas 78248-1408
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To Board of Trustees
Eagle Pass ISD
Eagle Pass, Texas

Report on Compliance for Each Major Federal Program

Opinion on each Major Federal Program

We have audited Eagle Pass ISD's compliance with the types of compliance requirements identified as subject to an audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Eagle Pass ISD's major federal programs for the year ended August 31, 2022. Eagle Pass ISD's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Eagle Pass ISD complied in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Eagle Pass ISD 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 Eagle Pass ISD's compliance with the compliance requirements referred to above.

Responsibility 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 Eagle Pass ISD's federal programs.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
 - Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Eagle Pass ISD'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 Eagle Pass ISD'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 Eagle Pass ISD's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Seal & Carter, P.C.

San Antonio, Texas
December 1, 2022

EAGLE PASS ISD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2022

SECTION I - SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: *unmodified*

Internal control over financial reporting:

Material weakness identified? *No*

Significant deficiencies identified? *No*

Noncompliance material to financial statements noted? *No*

Federal Awards

Internal control over major programs:

Material weakness (es) identified? *No*

Significant deficiencies identified? *No*

Type of auditor's report issued on compliance
for major programs:

unmodified

Any audit findings disclosed that are required to
be reported in accordance with
2 CFR section 200.516 (a)?

No

Federal major programs:

84.425	Education Stabilization Fund Under The Coronavirus Aid, Relief, And Economic Security
84.010	Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA)
84.027	Special Education Grants to States (IDEA, Part B)
84.173	Special Education Preschool Grants (IDEA Preschool)

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?

Yes

EAGLE PASS ISD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2022

SECTION II – FINDINGS - FINANCIAL STATEMENT AUDIT

NONE

***SECTION III – FINDINGS AND QUESTIONED COST – MAJOR FEDERAL AWARD PROGRAMS
AUDIT***

NONE

EAGLE PASS ISD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2022

There were no prior audit findings reported in 2021.

EAGLE PASS ISD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2022

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal Assistance Listing No.	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF DEFENSE			
<u>Direct Programs</u>			
JROTC	12.357		\$ 85,915
Total Direct Programs			85,915
TOTAL U.S. DEPARTMENT OF DEFENSE			85,915
U.S. DEPARTMENT OF EDUCATION			
<u>Passed Through Federal Communication Commission</u>			
Emergency Connectivity Fund	32.009		538,087
Schools & Libraries Program	32.004		858,310
Total Passed Through Federal Communication Commission			1,396,397
<u>Passed Through Region 20 ESC</u>			
Texas Education for Homeless Children & Youth	84.196A	295662206	9,055
Total Passed Through Region 20 ESC			9,055
<u>Passed Through Texas Education Agency</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	22610101159901	7,016,408
ESEA, Title I, Part C - Migratory Children	84.011A	22615001159901	406,627
*IDEA - Part B, Formula	84.027A	226600011599016600	2,406,797
*IDEA - Part B, Formula ARP	84.027X	225350011599015350	103,563
*IDEA - Part B, Preschool	84.173A	226610011599016610	29,807
Career and Technical - Basic Grant	84.048A	22420006159901	308,957
ESSA Title IV, Part A, Subpart 1	84.424A	22680101159901	525,436
ESEA, Title V, Part B,2 - Rural & Low Income Prog.	84.358B	22696001159901	396,675
Title III, Part A - English Language Acquisition	84.365A	22671001159901	521,534
ESEA, Title II, Part A, Teacher Principal Training	84.367A	22694501159901	846,718
Elementary Secondary School Emergency Relief II	84.425D	21521001159901	10,512,003
ESSER III - ARP School Emergency Relief	84.425U	21528001159901	14,899,989
Total Assistance Listing Number 84.425			25,411,992
School Health Support Grant	93.323	39352201	521,919
Summer School LEP	84.369A	69552002	25,068
Total Passed Through Texas Education Agency			38,521,501
TOTAL U.S. DEPARTMENT OF EDUCATION			39,926,953
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Passed Through Texas Health and Human Services Commission</u>			
Medicaid Administrative Claiming Program - MAC	93.778	HHS000537900177	52,546
Total Passed Through Texas Health and Human Services Commission			52,546
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			52,546
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the Texas Department of Agriculture</u>			
*School Breakfast Program	10.553		4,899,377
*National School Lunch Program - Cash Assistance	10.555		6,541,385
*National School Lunch Prog. - Non-Cash Assistance	10.555		848,191
Supply Chain Assistance Grant	10.555	6TX300400	376,947
Total Assistance Listing Number 10.555			7,766,523

EAGLE PASS ISD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2022

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
PEBT Local Level Admin Cost Grant	10.542		5,814
*Summer Feeding Program - Cash Assistance	10.559		57,875
*Non Cash Assistance - Summer Feeding Program	10.559		1,279
Total Assistance Listing Number 10.559			59,154
Total Child Nutrition Cluster			12,730,868
Total Passed Through the Texas Department of Agriculture			12,730,868
TOTAL U.S. DEPARTMENT OF AGRICULTURE			12,730,868
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 52,796,282

*Clustered Programs

Schedule does not include federal revenues from SHARS \$851,599

EAGLE PASS ISD

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEARENDED AUGUST 31, 2022

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended August 31, 2022. The information in this Schedule is presented in accordance with 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

NOTE B- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. For all Federal programs, the District uses the fund types specified in Texas Education Agency's ***Financial Accountability System Resource Guide***. Special revenue funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund which is a Governmental Fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. All federal grant funds with the exception of the Impact Aid and indirect cost revenues were accounted for in a Special Revenue Fund, which is a Governmental Fund type.

The modified accrual basis of accounting is used for the Governmental Fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

3. The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance of Federal Funds, Part 3, Compliance Supplement.
4. Expenditures for the US Department of Defense (ROTC), and the Medicaid Administrative Claiming program are not specifically attributable to a federal revenue source and are shown on this schedule in an amount equal to revenue earned.
5. The District has elected to not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

SCHOOLS FIRST QUESTIONNAIRE

Eagle Pass ISD

Fiscal Year 2022

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?	No
SF3	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If there was a warrant hold not cleared in 30 days, then not timely.)	Yes
SF4	Was the school district issued a warrant hold? (Yes even if cleared within 30 days.)	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 school 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 in effect at the fiscal year end?	Yes
SF8	Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year end.	