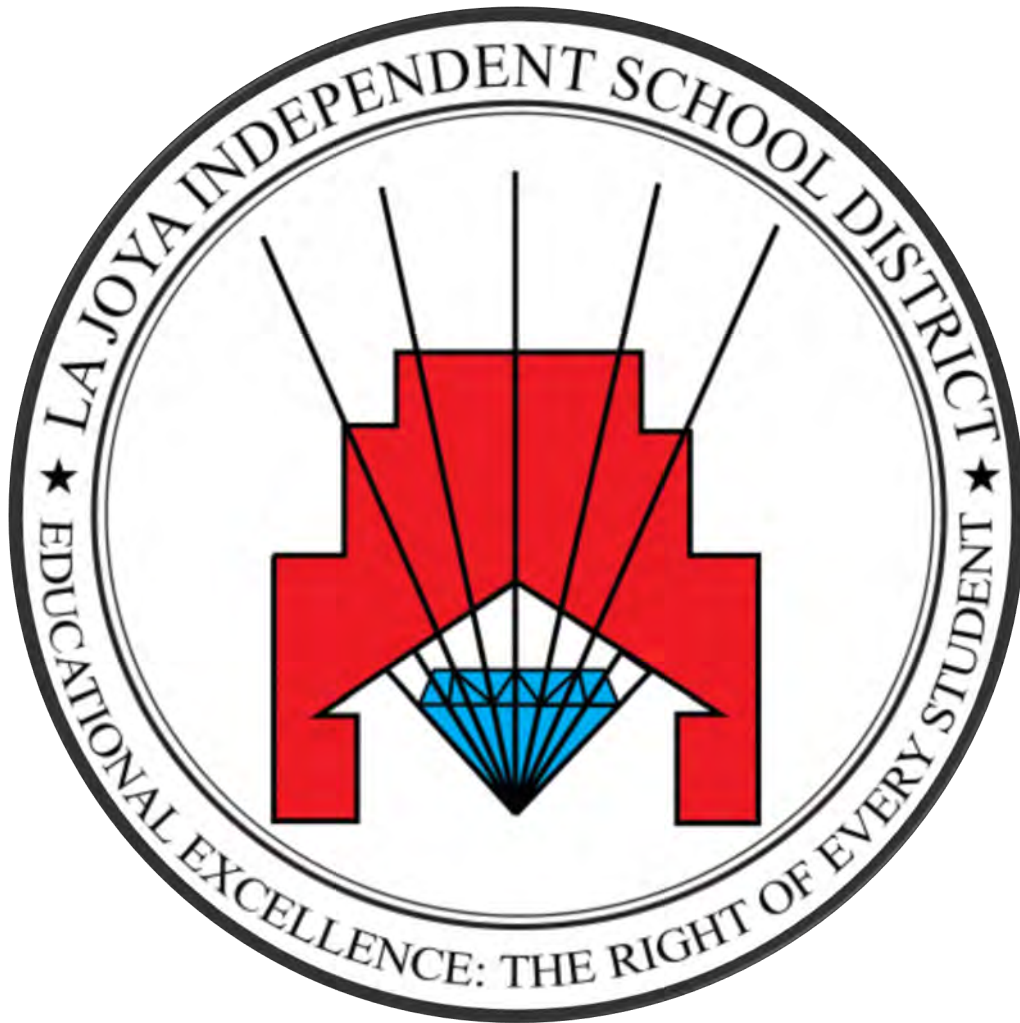


# LA JOYA

## INDEPENDENT SCHOOL DISTRICT



### COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE TEN MONTHS ENDED JUNE 30, 2021

201 E. EXPRESSWAY 83, LA JOYA TX, 78560



LA JOYA  
INDEPENDENT SCHOOL DISTRICT  
201 E. EXPRESSWAY 83  
LA JOYA, TEXAS 78560

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE TEN MONTHS ENDED  
JUNE 30, 2021

Prepared by:

Administration and Finance Department

Dr. Gisela Saenz, Superintendent

Joel Trevino, Chief Financial Officer



LA JOYA INDEPENDENT SCHOOL DISTRICT  
ANNUAL FINANCIAL REPORT  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

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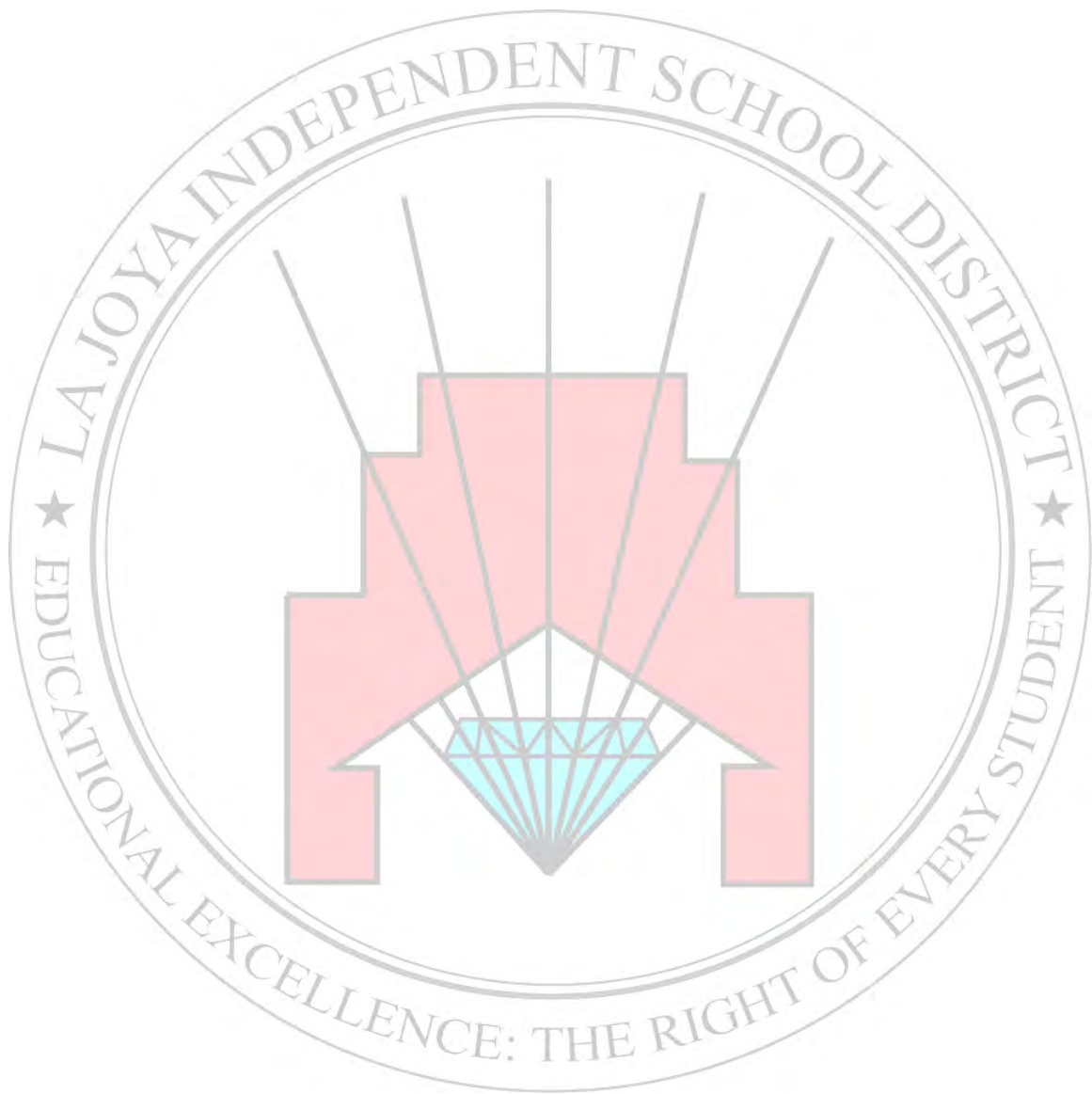
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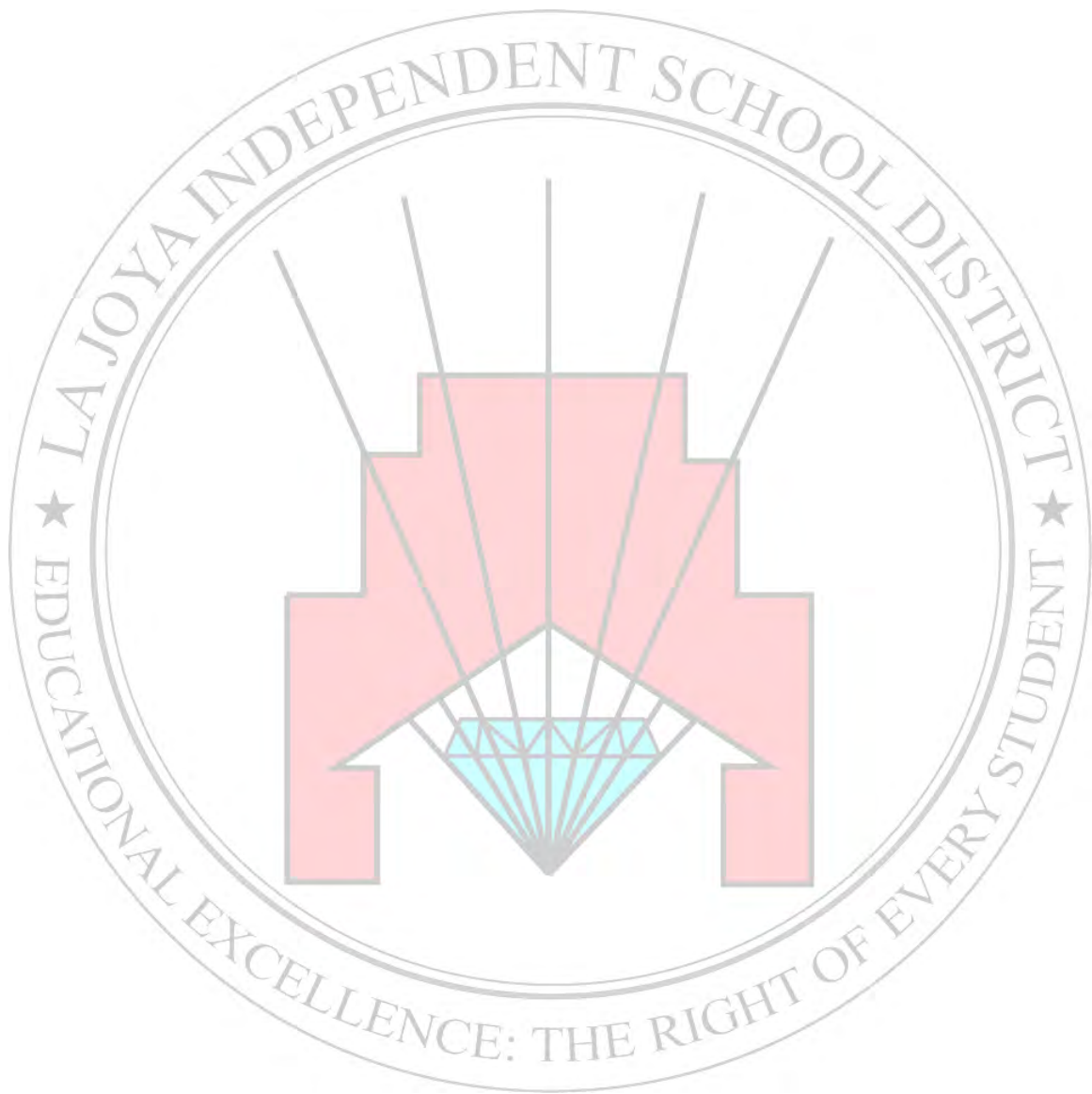


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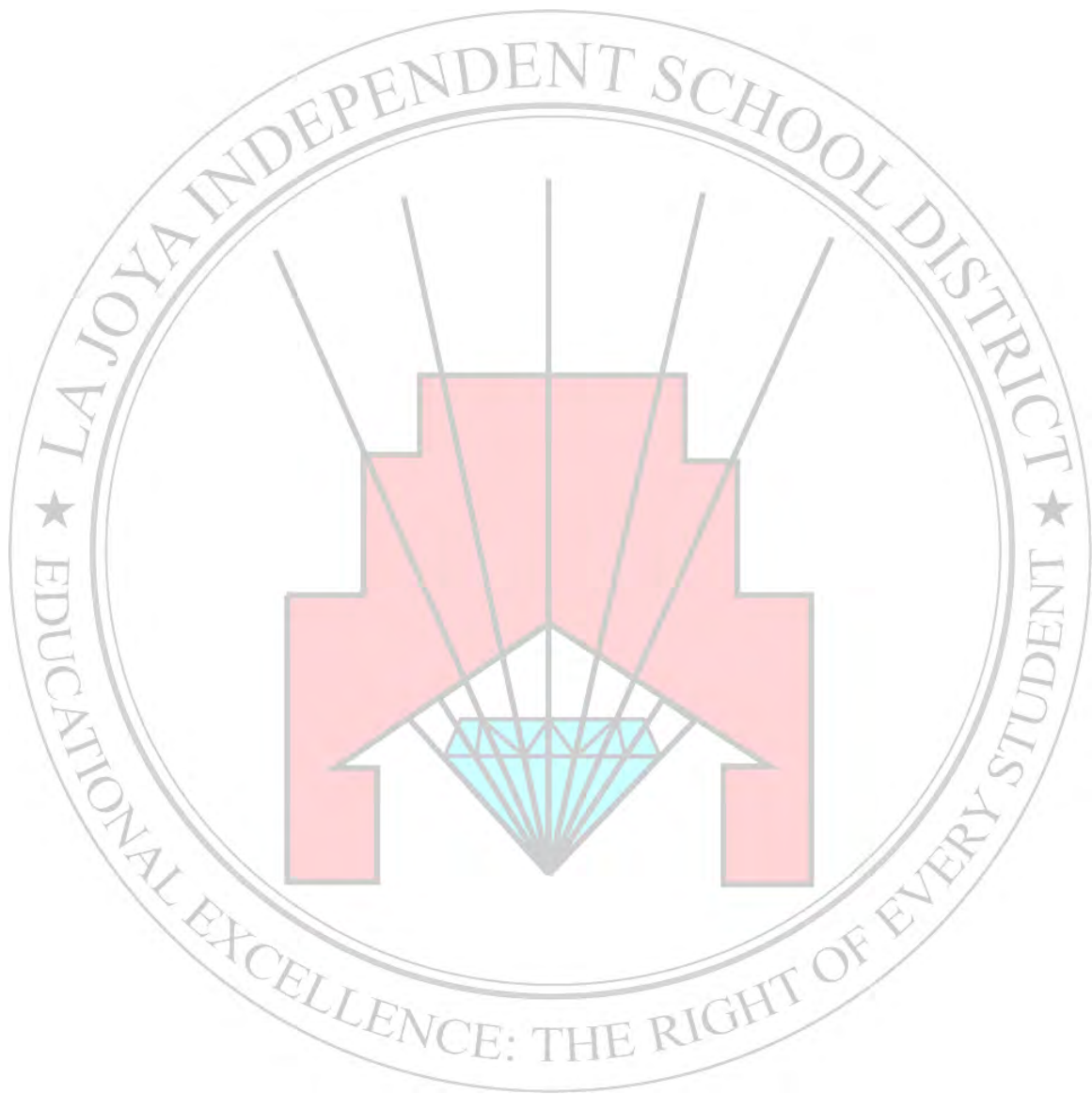


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ANNUAL FINANCIAL REPORT  
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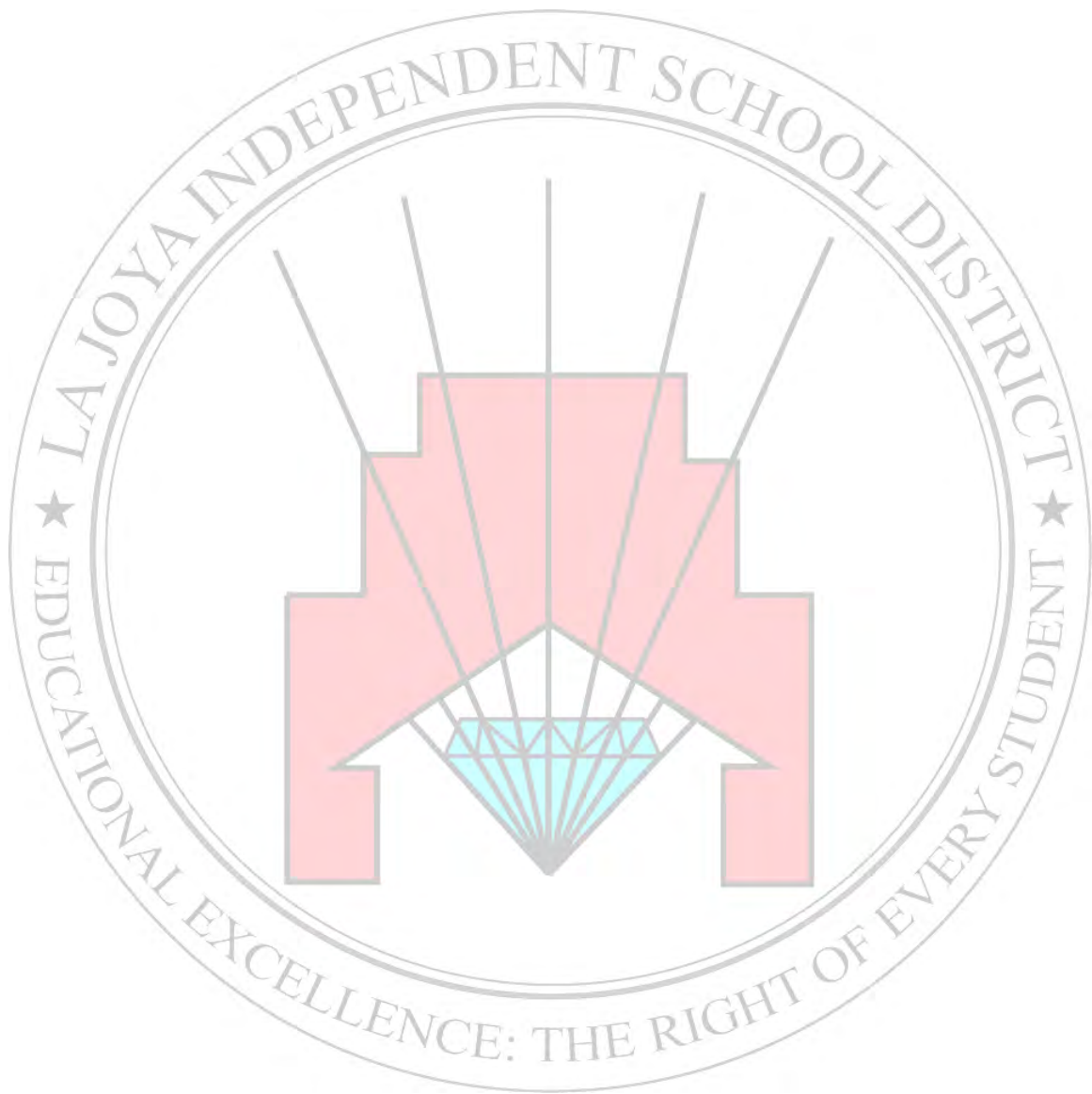
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## **INTRODUCTORY SECTION**



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**La Joya**  
**Independent School District**  
**Administration and Finance**

201 E. Expressway 83  
La Joya, Texas 78560  
Tel (956) 323-2051 Fax (956) 580-5008

**Board of Trustees**

Oscar "Coach" Salinas, *President*  
Armin Garza, *Vice-President*  
Dr. Alda T. Benavides, *Secretary*  
Dr. Nereyda Cantu, *Member*  
Alejandro "Alex" Cantu, *Member*  
Mary T. Hernandez, *Member*  
Esperanza "Espie" Ochoa, *Member*

November 17, 2021

Oscar "Coach" Salinas, President  
Members of the Board of Trustees  
La Joya Independent School District  
201 East Expressway 83  
La Joya, Texas 78560

Dear Mr. Salinas, Members of the Board, and Citizens of La Joya ISD:

State law requires that all public school districts publish within one-hundred fifty days of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the La Joya Independent School District (District) for the ten months ended June 30, 2021.

During the 2020-2021 fiscal year, La Joya ISD Management team along with support from the School Board of Trustees, made the decision to change fiscal year end from August 31<sup>st</sup> to June 30<sup>th</sup>.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statement in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designated to provide, reasonable rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Noel Garza, CPA, PC, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the ten months ended June 30, 2021 are free of material mis-statement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the ten months ended June 30, 2021 are fairly presented in conformity with GAAP. The independent auditor's report is presented as a component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "uniform guidance" designated to meet the special needs of federal grantor agencies. The standards governing uniform

guidance engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditors' reports on the internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in the Federal Awards Section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The District, formerly known as Tabasco Independent School District, is a political subdivision of the State of Texas and governed and operating as an independent school district under the laws thereof. The first schools were established during the 1800s to provide educational opportunities for the people living in western Hidalgo County who did not have access to existing educational institutions. One of the first of these schoolhouses was built in Havana in 1849 when citizens from the towns and villages of Abram-Perezville (Ojo de Agua), Penitas, Tabasco (now La Joya), Havana, Los Ebanos and Cuevitas established a place of learning. The District, originally chartered by the State on or about 1926, encompasses 225 square miles in western Hidalgo County, Texas. It is the third largest district in Hidalgo County, Texas.

The District is governed by a seven-member Board of Trustees (Board) composed of District residents, and elected by voters of the district. The Board is responsible for managing and governing the schools of the District, including adopting goals and objectives for District taxes, electing school personnel as recommended by the superintendent, setting salary schedules, adopting District policies and setting directions for curriculum, and reporting to the public on the District's progress. The District's Superintendent of Schools and staff assist the Board with financial and administrative matters and oversee the day-to-day operations of the District.

The District provides a full range of educational services appropriate to levels pre-k3 through twelve. During the 2020-2021 school year, the District served 26,660 students. These include regular and enriched academic education, special education for students with disabilities, occupational education, bilingual instruction for those with limited English proficiency and specialized instruction for disadvantaged students. These basic programs are supplemented by additional offerings in the fine arts and athletics.

The 38 school sites that serve the students of La Joya ISD were built as early as 1960 to the four most recent schools in 2010. The district is constantly monitoring buildings to assess whether improvements need to be made. The district has a seven-year plan to address the maintenance of all buildings.

## **District Mission:**

La Joya Independent School District is committed to providing Educational Excellence through rigor, relevance, relationships and personal responsibility. We are the integral part of learning where students become successful and productive contributors to our global society. We embrace, with passion, the commitment to continuous improvement, collaboration and accountability that will allow our students to imprint the world.

## **District Philosophy:**

La Joya Independent School District is dedicated to the belief that in order for all students to attain mastery of the instructional goals, there must be a district-wide commitment to constant renewal according to the most effective practices and procedures in the most current research findings. In order to operationalize this philosophy in the most comprehensive and organized manner, the district has adopted The Quality District Model. The district's Mission Statement, Foundation Beliefs and Desired Exit Behaviors: Student Learner Outcomes, exemplify this philosophy.

### **District Foundation Beliefs:**

The La Joya Independent School District operates from the vision statement that “Educational Excellence is the Right of Every Student.” This position demands that every adult in the organization will act purposefully to create conditions for every student to receive maximum educational services.

Our mission statement is based on a series of foundation beliefs regarding learning and teaching as a reciprocal relationship. These include:

1. We believe all students will learn given sufficient time and appropriate support.
2. We believe schools control all of the variables that influence student success. The task of schools is to alter the learning environment to provide conditions for success.
3. We believe the manner in which students view themselves will have a direct impact on their success. Therefore, one of our most significant roles is to intentionally enhance students’ view of themselves as learners and worthwhile persons.
4. We believe all pupils have unique skills and talents. Our task is to identify them and nurture their development.
5. We believe any artificial grouping, which places pupils in situations where learning expectations and opportunities are automatically limited, is not acceptable.
6. We believe all pupils can acquire critical learning skills and understand at higher cognitive levels.
7. We believe students proficient in a language other than English are empowered through their first language.
8. We believe the role of the teacher is that of advocate. All adversarial relationships need to be eliminated.
9. We believe students will be more successful when learning experiences are relevant.
10. We believe all of our professional behaviors need to be intentionally aligned with the most recent research regarding teaching, learning and individual behavior.
11. We believe the learning process is an open experience with no mysteries or surprises. The curriculum, the teaching process, and the assessment will be clear to students at all times.
12. We believe a pupil’s rate of learning does not determine the success of the learner.
13. We believe all students should be provided all skills necessary to graduate college, career and workforce ready.
14. We believe state of the art technology should be integrated into the lives of students to enhance their learning and prepare them for the 21<sup>st</sup> Century.
15. We believe our role is to instill in students the values of hard work, honesty, commitment to excellence, courage, self-discipline and perseverance.
16. We believe educators should equip and empower families to help support their children and ensure their success in school and in life.

### **District Purpose:**

1. All students will successfully master the essential basic skills.
2. All students will exit as self-directed learners.
3. All students will learn how to learn.
4. All students will leave with their self-esteem intact.
5. All students will graduate college, career, and/or work force ready.

### **Desired Exit Behaviors: Student Learner Outcomes:**

1. **Demonstrate personal qualities such as:**
  - Positive self-esteem
  - Respect for self and others
  - Sociability

- Self-management
  - Integrity and honesty
  - Civic responsibilities
2. **Demonstrate a high level of personal confidence in English and Spanish proficiency in the four language domains:**
    - Listening
    - Speaking
    - Reading
    - Writing
  3. **Demonstrate the essential college and career readiness skills for success in today's global economy which includes:**
    - Creativity and innovation
    - Critical thinking and problem solving
    - Communication and collaboration
  4. **Demonstrate life and career skills including:**
    - Flexibility and adaptability
    - Initiative and self-direction
    - Productivity and accountability
    - Leadership and responsibility
  5. **Exhibit a range of essential and critical thinking skills through the use of:**
    - Information literacy
    - Media literacy
    - ICT (Information, Communications and Technology) Literacy
  6. **Develop and maintain:**
    - Personal safety
    - Healthy lifestyle
    - Physical well-being

## **District Achievements**

For school year 2020-2021 the District received an A=SUPERIOR rating on the School FIRST (Financial Integrity Rating System of Texas) financial accountability system based on 2019-2020 financial data. The rating system was established during the 77<sup>th</sup> Legislative session and school districts received the first rating in 2003 for the fiscal year 2001-2002.

On December 10, 2020 The Texas Education Agency announced that A-F ratings would be paused for 2020-2021 school year due to the ongoing disruptions.

Therefore, our most current ratings from Texas Education Agency's Accountability Ratings and Distinction Designation status for the State of Texas Assessment of Academic Readiness (STARR) are from 2018-2019. Below are the ratings by campus.

### **CAMPUS**

### **ACHIEVEMENT**

**La Joya ISD**

**B**

**La Joya High School**

**B**

Academic Achievement in Mathematics

**Juarez-Lincoln High School**

**B**

**La Joya Palmview High School**

**B**

Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Social Studies  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Jimmy Carter Early College HS**

**A**  
Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Top 25 Percent: Comparative Academic Growth  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**STEM Early College HS**

**A**  
Academic Achievement in Mathematics  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Zavala Middle School**

**B**  
Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Social Studies  
Top 25 Percent: Comparative Academic Growth  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Chavez Middle School**

**B**  
Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Science  
Top 25 Percent: Comparative Academic Growth  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Saenz Middle School**

**Memorial Middle School**

**C**  
**B**  
Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Science  
Academic Achievement in Social Studies  
Top 25 Percent: Comparative Academic Growth  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Richards Middle School**

**A**  
Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Science  
Academic Achievement in Social Studies  
Top 25 Percent: Comparative Academic Growth  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Garcia Middle School**

**B**  
Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Science  
Academic Achievement in Social Studies  
Post-Secondary Readiness

**Salinas Middle School**

**B**

Academic Achievement in Mathematics  
Academic Achievement in Science  
Top 25 Percent: Comparative Academic Growth  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Trevino Middle School**

**B**

Academic Achievement in ELA/Reading  
Academic Achievement in Science  
Academic Achievement in Social Studies  
Top 25 Percent: Comparative Academic Growth  
Top 25 Percent: Comparative Closing the Gaps

**JFK Elementary**

**B**

Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Science  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Flores Elementary**

**B**

Academic Achievement in ELA/Reading  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Benavides Elementary**

**B**

Academic Achievement in Science

**Leo Elementary**

**B**

Academic Achievement in ELA/Reading  
Top 25 Percent: Comparative Academic Growth  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**De La Garza Elementary**

**B**

Academic Achievement in ELA/Reading  
Post-Secondary Readiness

**Reyna Elementary**

**B**

Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Science  
Post-Secondary Readiness

**Chapa Elementary**

**B**

Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Escandon Elementary**

**B**

Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Post-Secondary Readiness

**Diaz-Villarreal Elementary**

**B**

Academic Achievement in Science  
Top 25 Percent: Comparative Academic Growth

**Cavazos Elementary**

**B**

Academic Achievement in Mathematics  
Academic Achievement in Science  
Post-Secondary Readiness

**Tabasco Elementary**

**A**

Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Science  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Perez Elementary**

**B**

**Gonzalez Elementary**

**C**

Academic Achievement in ELA/Reading

**Bentsen Elementary**

**B**

Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Science  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Fordyce Elementary**

**B**

Academic Achievement in Mathematics  
Post-Secondary Readiness

**Zapata Elementary**

**B**

**Seguin Elementary**

**C**

**Camarena Elementary**

**A**

Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Academic Achievement in Science  
Top 25 Percent: Comparative Academic Growth  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Paredes Elementary**

**B**

Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Post-Secondary Readiness

**Clinton Elementary**

**A**

Academic Achievement in ELA/Reading  
Academic Achievement in Mathematics  
Top 25 Percent: Comparative Academic Growth  
Top 25 Percent: Comparative Closing the Gaps  
Post-Secondary Readiness

**Pena Elementary**

**C**

Academic Achievement in Mathematics

**Garza Elementary**

**A**

Academic Achievement in ELA/Reading

**Mendiola Elementary**

**B**

Academic Achievement in ELA/Reading  
Top 25 Percent: Comparative Academic Growth  
Post-Secondary Readiness

**Budgetary Controls**

The annual budget serves as the foundation for the District's financial planning and control. The District's 2020-2021 fiscal year began September 1<sup>st</sup> and ended June 30<sup>th</sup> due to the change in fiscal year. In future years, the fiscal year will begin July 1<sup>st</sup> and end on June 30<sup>th</sup>. The budget is initially prepared under the direction of the Superintendent. The Board reviews the budget recommendations during scheduled workshops. The final budget is

required by state law to be adopted prior to incurring any expenses. The District maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board.

Activities of the General Fund, the Debt Service Fund, and the Child Nutrition Program Fund (which) is included in the General Fund, are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by major functional category.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented in Exhibit C-5 on page 17. For the Child Nutrition Program and Debt Service Fund, these comparisons are presented in Exhibits J-2 and J-3 on pages 87 and 88, respectively, as required TEA schedules.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

The La Joya Independent School District, located in the western portion of Hidalgo County, Texas consist of more than 225 square miles stretching west of Mission (small portions of Mission are in the LJISD boundaries) to Sullivan City, including the smaller communities of La Joya, Palmview, and Penitas. Boundaries extend from the United States border formed by the Rio Grande River to the 14-mile (21 km) line near McCook.

Demographic information as per the 2010 U.S. Census and the 2015-2019 American Community Survey 5-year estimates for the cities of La Joya, Palmview, Penitas, and Sullivan City is listed below. (*Source: U.S. Census Bureau*)

#### **City of La Joya**

|                                                                   |               |
|-------------------------------------------------------------------|---------------|
| Population                                                        | 4,457         |
| Median Age                                                        | 28.1          |
| Under 5 years                                                     | 9.9%          |
| 18 years and over                                                 | 59.9%         |
| 65 years and over                                                 | 11.0%         |
| Population by Race                                                |               |
| White                                                             | 32.89%        |
| Black or African American                                         | .25%          |
| American Indian                                                   | .70%          |
| Asian                                                             | .11%          |
| Pacific Islander                                                  | .02%          |
| Other                                                             | 21.34%        |
| From two or more races                                            | 44.69%        |
| Hispanics or Latino of any race makes up 97.20% of the population |               |
| Median household income                                           | Not Available |
| Median family income                                              | \$44,197      |
| Average household size 3.59; average family size 4.52             |               |

#### **City of Palmview**

|                           |        |
|---------------------------|--------|
| Population                | 15,830 |
| Median Age                | 29.2   |
| Under 5 years             | 6.2%   |
| 18 years and over         | 72.3%  |
| 65 years and over         | 11.6%  |
| Population by Race        |        |
| White                     | 34.16% |
| Black or African American | .21%   |
| American Indian           | .54%   |
| Asian                     | .09%   |

|                        |        |
|------------------------|--------|
| Pacific Islander       | 0%     |
| Other                  | 22.19% |
| From two or more races | 42.80% |

Hispanics or Latino of any race makes up 92.89% of the population

|                         |          |
|-------------------------|----------|
| Median household income | \$29,419 |
| Median family income    | \$44,848 |

Average household size 9.06; average family size 3.86

#### **City of Penitas**

|                   |       |
|-------------------|-------|
| Population        | 6,460 |
| Median Age        | 21.7  |
| Under 5 years     | 7.6%  |
| 18 years and over | 59.0% |
| 65 years and over | 6.7%  |

Population by Race

|                           |        |
|---------------------------|--------|
| White                     | 29.52% |
| Black or African American | .23%   |
| American Indian           | .74%   |
| Asian                     | .15%   |
| Pacific Islander          | .02%   |
| Other                     | 22.89% |
| From two or more races    | 46.44% |

Hispanics or Latino of any race makes up 97.88% of the population

|                         |          |
|-------------------------|----------|
| Median household income | \$45,632 |
| Median family income    | \$44,881 |

Average household size 5.61; average family size 4.49

#### **City of Sullivan City**

|                   |       |
|-------------------|-------|
| Population        | 3,908 |
| Median Age        | 31.4  |
| Under 5 years     | 11.4% |
| 18 years and over | 67.3% |
| 65 years and over | 14.1% |

Population by Race

|                           |        |
|---------------------------|--------|
| White                     | 32.22% |
| Black or African American | .18%   |
| American Indian           | 1.0%   |
| Asian                     | .05%   |
| Pacific Islander          | 0%     |
| Other                     | 25.23% |
| From two or more races    | 41.33% |

Hispanics or Latino of any race makes up 98.16% of the population

|                         |          |
|-------------------------|----------|
| Median household income | \$31,486 |
| Median family income    | \$36,823 |

Average household size 3.10; average family size 3.98

**State and Local Economy** – Without question, year 2021 was negatively impacted by the spillover from the coronavirus (Covid-19) pandemic of 2020. During the 2020-2021 fiscal year, the District participated in programs under the CARES Act which include the Coronavirus Relief Fund and Operation Connectivity. The District also participated in the Local Match Reimbursement Program and the Prior Purchase Reimbursement Program which are subsets of Operation Connectivity.

Certified taxable values for the 2021-2022 fiscal year increased by approximately \$398 million from the \$2.769 billion to \$3.167 billion.

The District is dependent on state and federal aid to continue its operations. The 2020-2021 District Operations were funded with 89.66% of its revenues coming from state and federal sources. The 2021-2022 District Operating Budget is also estimated to receive 89.00% of its revenues from state and federal sources.

**Financial Policies** – The size of our school districts mandates that we monitor our financial resources continuously. Our revenues are driven by student enrollment and tax collections which in turn determine our state funding. Our students' academic achievement drives the District's planning process along with the commitment of the complete management team to provide the best education available. Protocols are in place to monitor both our student enrollment and tax collections. The District does not implement or has use of any component units in its organization.

**Long-term Financial Planning** – The District continues to maintain a healthy General Fund Balance. The District has maintained the fund balance to ensure that needed resources are available when required to meet unexpected revenue shortfalls and one-time expenditures that may exceed the annual available resources. The District's General Fund fund balance increased by \$23,435,485 this fiscal year. The increase in fund balance is attributed to an increase of ADA compared to the budget plan, a decrease of operational costs due to the pandemic, and cost avoidance due to the change in fiscal year end. Finally, some revenues were realized for prior year expenses such as the Corona Virus Relief Fund and the Prior Purchase Reimbursement Program.

The Coronavirus (Covid-19) has hurt the U.S. Economy and Texas was not exempt from that pain. There is definitely a lot of uncertainty in the horizon. The 2021-2022 school year has seen some unexpected volatility with respect to enrollment and attendance. Attendance is the lifeblood of the school district in order to create the necessary revenue to run the operation. As vaccinations increase we are optimistic that both enrollment and attendance will go back to pre-covid numbers. The district plans to utilize the ARP (American Rescue Plan) ESSER III grant along with Coronavirus Response and Relief Supplemental Appropriations (CRRSA) ESSER II grant to help students recover from the disruption in learning the pandemic may have caused.

Approximately eighty percent of the District's General Fund budget are payroll costs. Due to the funding uncertainty at the state level, we must ensure that we allocate and hire staff prudently. The financial impact of the models presented, necessitate that we implement the staffing recommendations provided to us by the Texas Association of School Boards. Staffing decisions will be critical in implementing an efficient and effective staffing program.

Since school year 2014-2015 the District has seen a decline in student enrollment on average of about 505 per year. The District's peak enrollment decreased by 738 students in school year 2020-2021, consequently the districts ADA decreased by 270 or a 1.09% compared to the prior year. In the spring of 2021, while preparing the 2022 budget, we assumed a decrease of 3.80% in ADA when comparing to the prior year budget plan due to neighboring charter schools opening their door, but remnants of the pandemic are creating a greater than expected loss in enrollment and attendance. Our student enrollment will be consistently monitored during this fiscal year and adjustments made as necessary. Projected membership for school year 2021-2022 is expected to peak at 25,592 and we anticipate our ADA to be 23,033.

Another major factor affecting our Average Daily Attendance is the rising competition from charter schools. Charter schools are funded by the State based on their ADA as well. During the 2020-2021 school year, another charter school opened their doors and we expect future decrease of enrollment because of it.

The District's Maintenance and Operations tax rate for tax year 2021 (Fiscal Year 2021-2022) is \$0.9920 per \$100 valuation. Grant funding plays an important role as a resource to supplement regular funding and to expand programs needed for greater academic achievement. Therefore, the District will seek all available grant funding.

**Interest Rates** –The District's average rate of return for its investments is .08% for fiscal year 2020-2021 compared to 1.02 % in 2019-2020. This rate is expected to decrease for the 2021-2022 school year.

**Awards** – The District received the Association of School Business Officials Certificate of Excellence in Financial Reporting for the fiscal year ended August 31, 2020. This is the eleventh year the La Joya Independent School District receives the award.

The District received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended August 31, 2020. This is the tenth year the La Joya Independent School District receives this award.

The Purchasing Department has been recognized previously for their excellent work. In the 2020-2021 fiscal year, the Purchasing Department received the Award of Merit for Purchasing and Operations from the Texas Association of School Business Officials. This is the eleventh year they have received such award.

The Purchasing Department earned national recognition in fiscal year 2020-2021. The National Procurement Institute recognized our Purchasing Department with the Achievement of Excellence in Procurement Award. This is the eight time they have received such award.

**Acknowledgements** – The preparation of this Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Administration and Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We would also like to acknowledge our independent auditors, Noel Garza CPA, PC, for their role in providing professional guidance and assistance in the preparation of this report.

Finally, without the interest, leadership and support of the Board of Trustees, preparation of this report would not have been possible.

Respectfully submitted,

\*\*\* SIGNATURES ON FILE \*\*\*

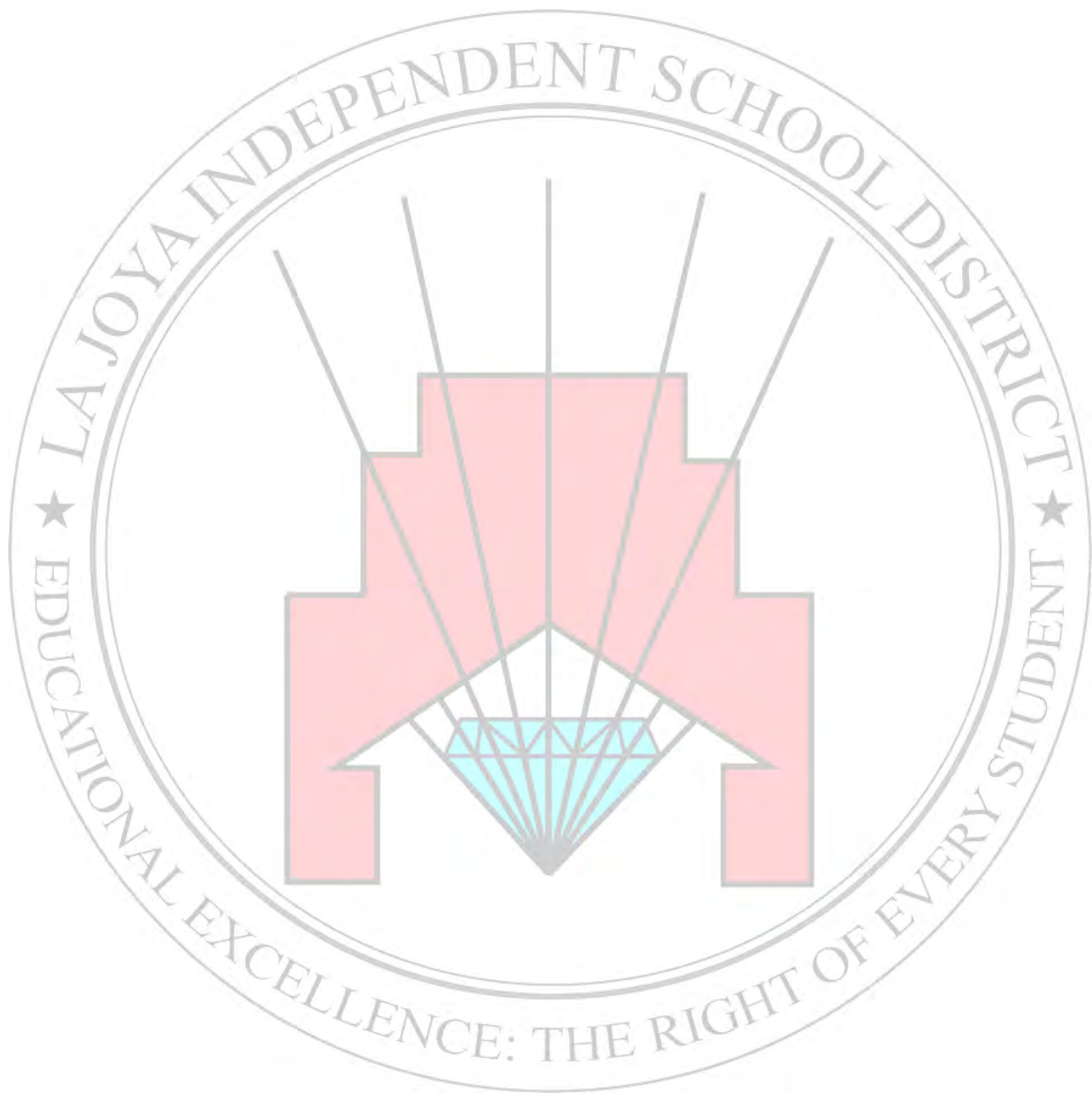
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Dr. Gisela Saenz  
Superintendent of Schools

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Joel Treviño  
Chief Financial Officer

*Joel Trevino, Chief Financial Officer*  
*Educational Excellence-The Right of Every Student*



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Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

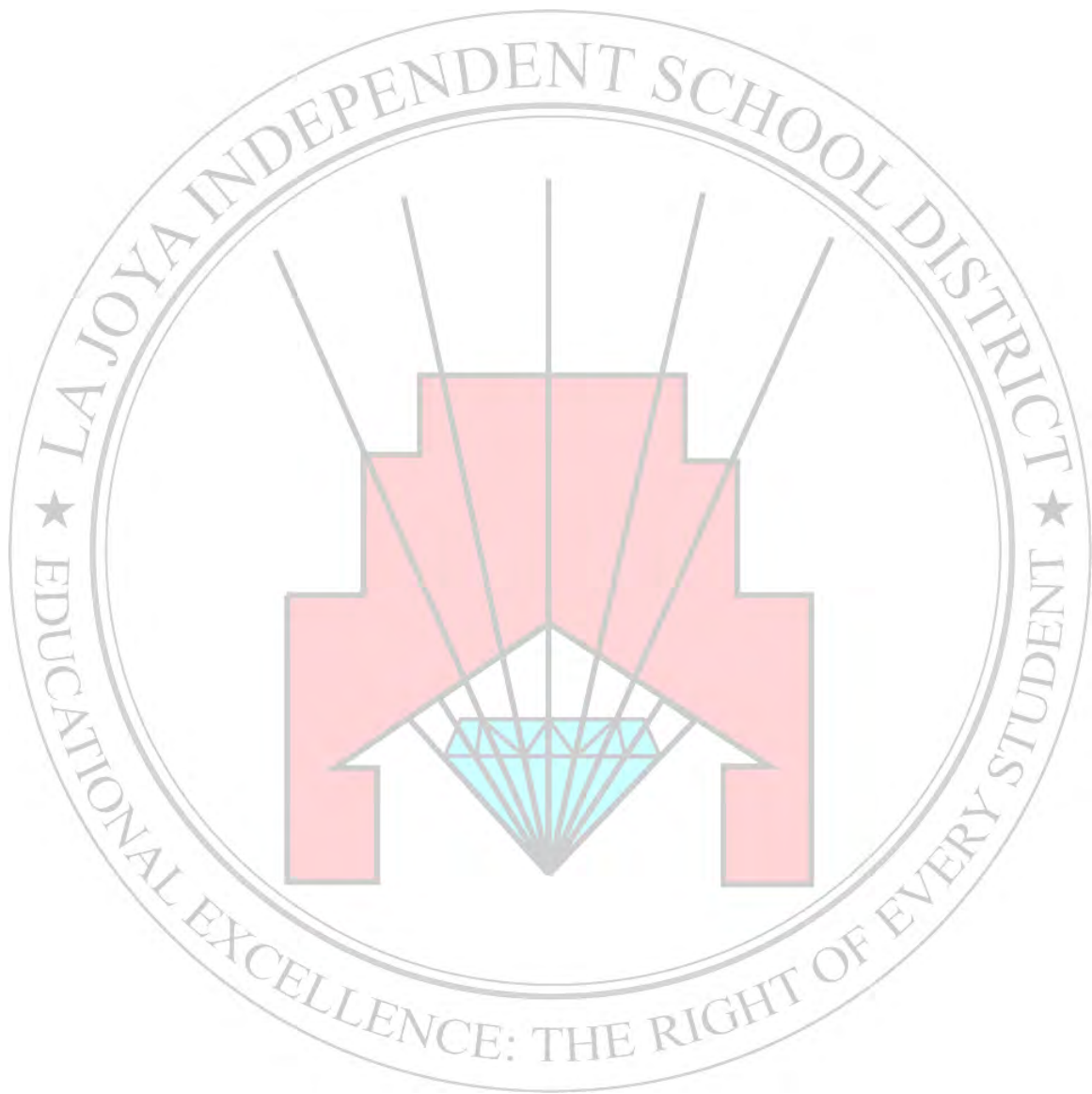
**La Joya Independent School District  
Texas**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

August 31, 2020

*Christopher P. Morrell*

Executive Director/CEO



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ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**La Joya Independent School District**

**for its Comprehensive Annual Financial Report  
for the Fiscal Year Ended August 31, 2020.**

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

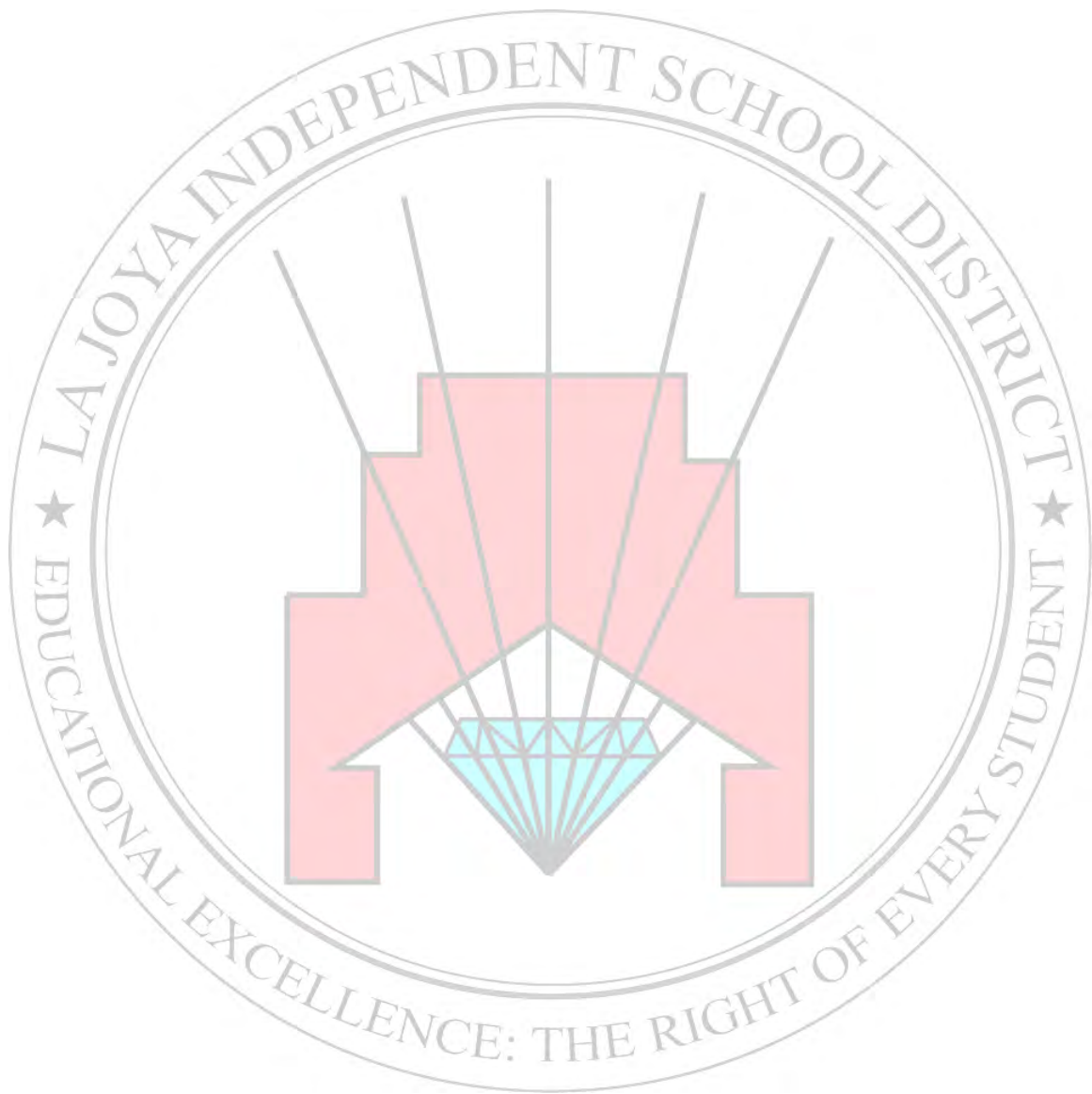


A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal  
President

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

David J. Lewis  
Executive Director



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# LA JOYA INDEPENDENT SCHOOL DISTRICT

La Joya, Texas

June 30, 2021

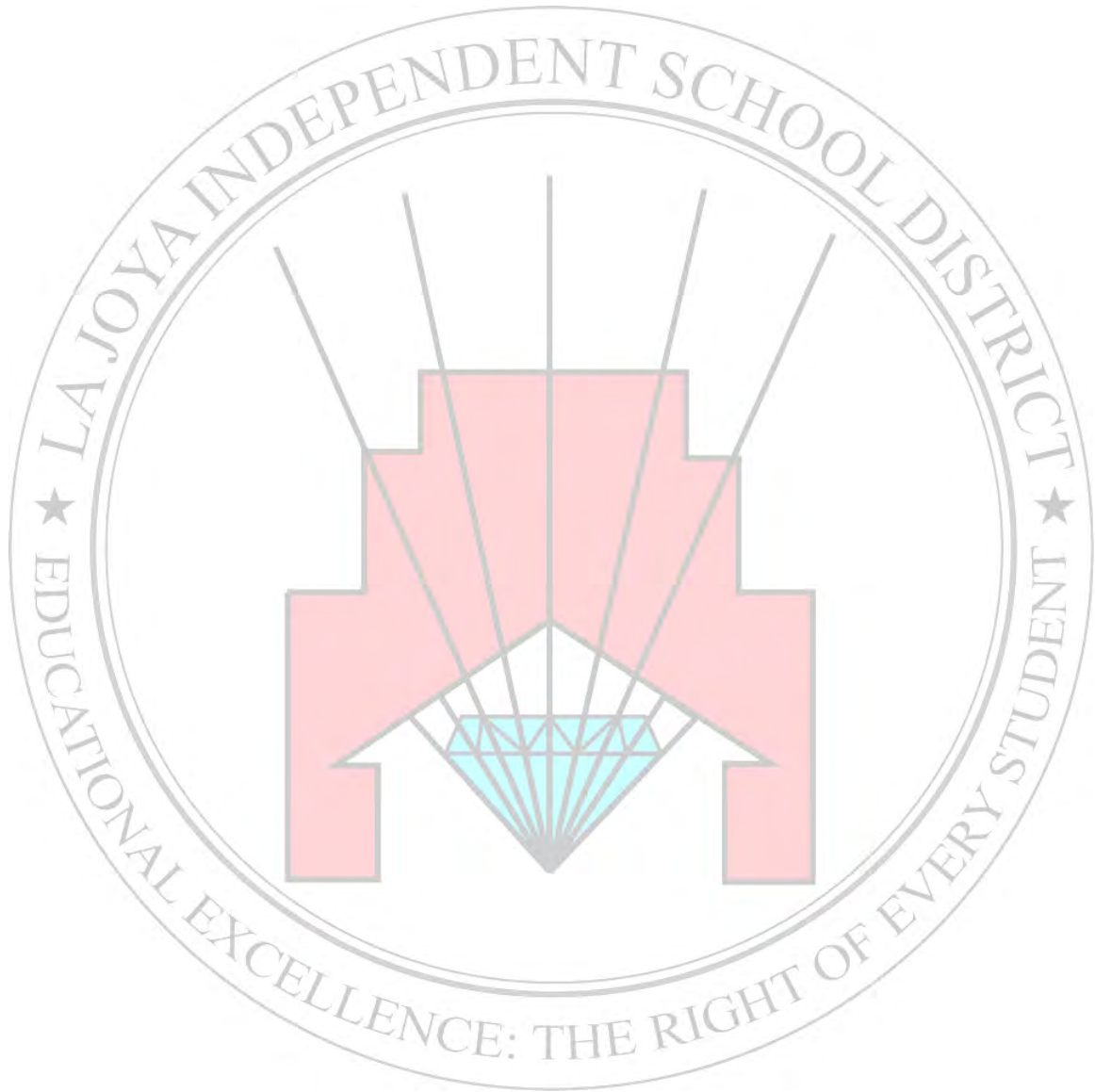
## LIST OF PRINCIPAL OFFICIALS

### BOARD OF TRUSTEES

|                         |                |
|-------------------------|----------------|
| Oscar “Coach” Salinas   | President      |
| Armin Garza             | Vice-President |
| Dr. Alda T. Benavides   | Secretary      |
| Dr. Nereyda Cantu       | Member         |
| Alejandro “Alex” Cantu  | Member         |
| Mary T. Hernandez       | Member         |
| Esperanza “Espie” Ochoa | Member         |

### ADMINISTRATORS

|                      |                                                         |
|----------------------|---------------------------------------------------------|
| Dr. Gisela Saenz     | Superintendent                                          |
| Martin Munoz         | Assistant Superintendent,<br>Curriculum and Instruction |
| Joel Trevino         | Chief Financial Officer                                 |
| Ricardo Villarreal   | Assistant Superintendent,<br>Operations                 |
| Yvonne Flores-Ayala  | Assistant Superintendent,<br>Human Resources            |
| Dr. Magda Villarreal | Assistant Superintendent,<br>Student Services           |



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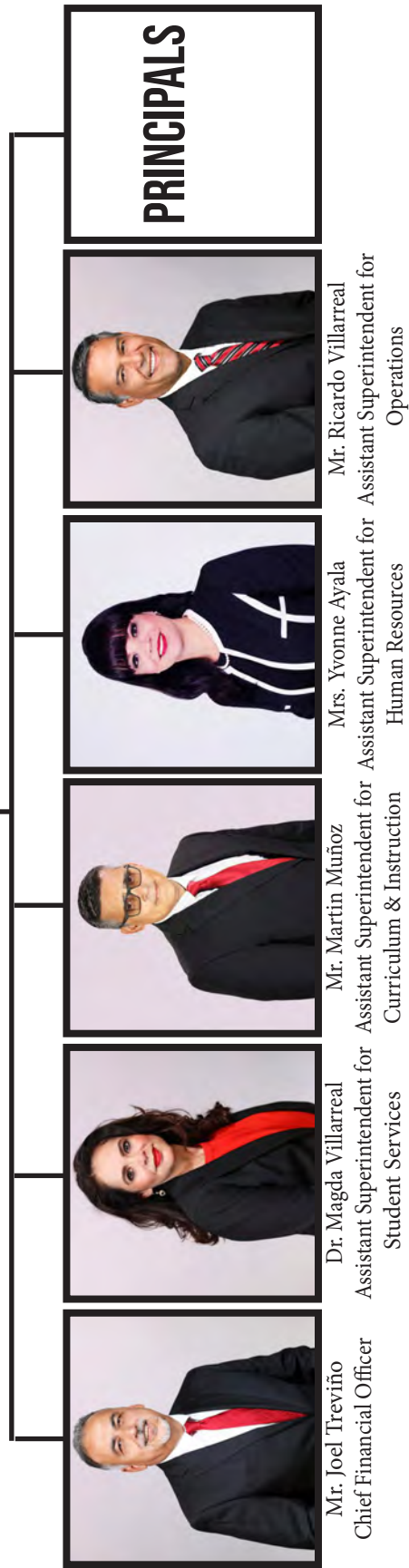
# LA JOYA ISD ORGANIZATIONAL CHART

## LA JOYA ISD BOARD OF TRUSTEES

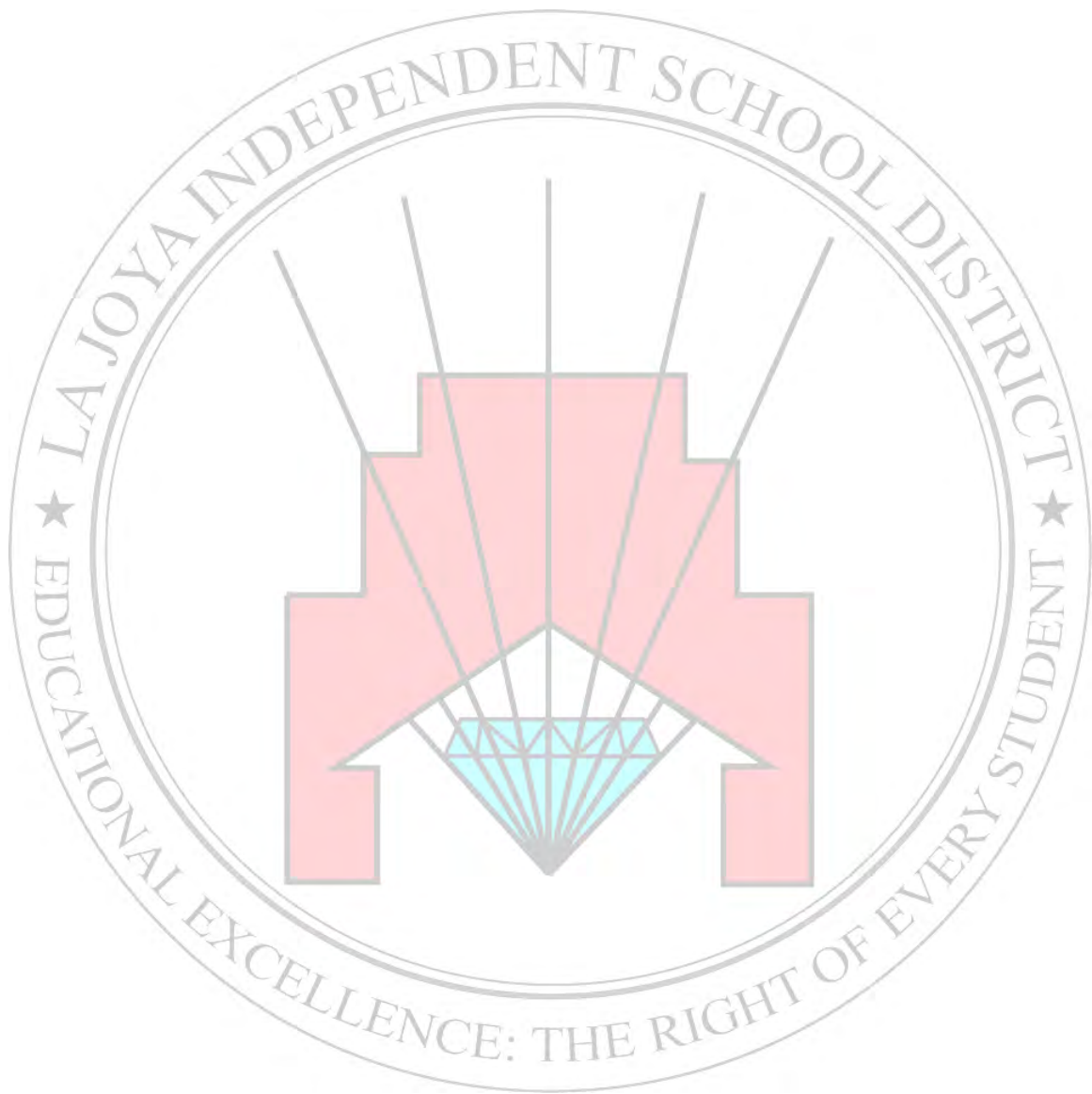


DR. GISELA SAENZ

## SUPERINTENDENT OF SCHOOLS



## PRINCIPALS



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CERTIFICATE OF BOARD

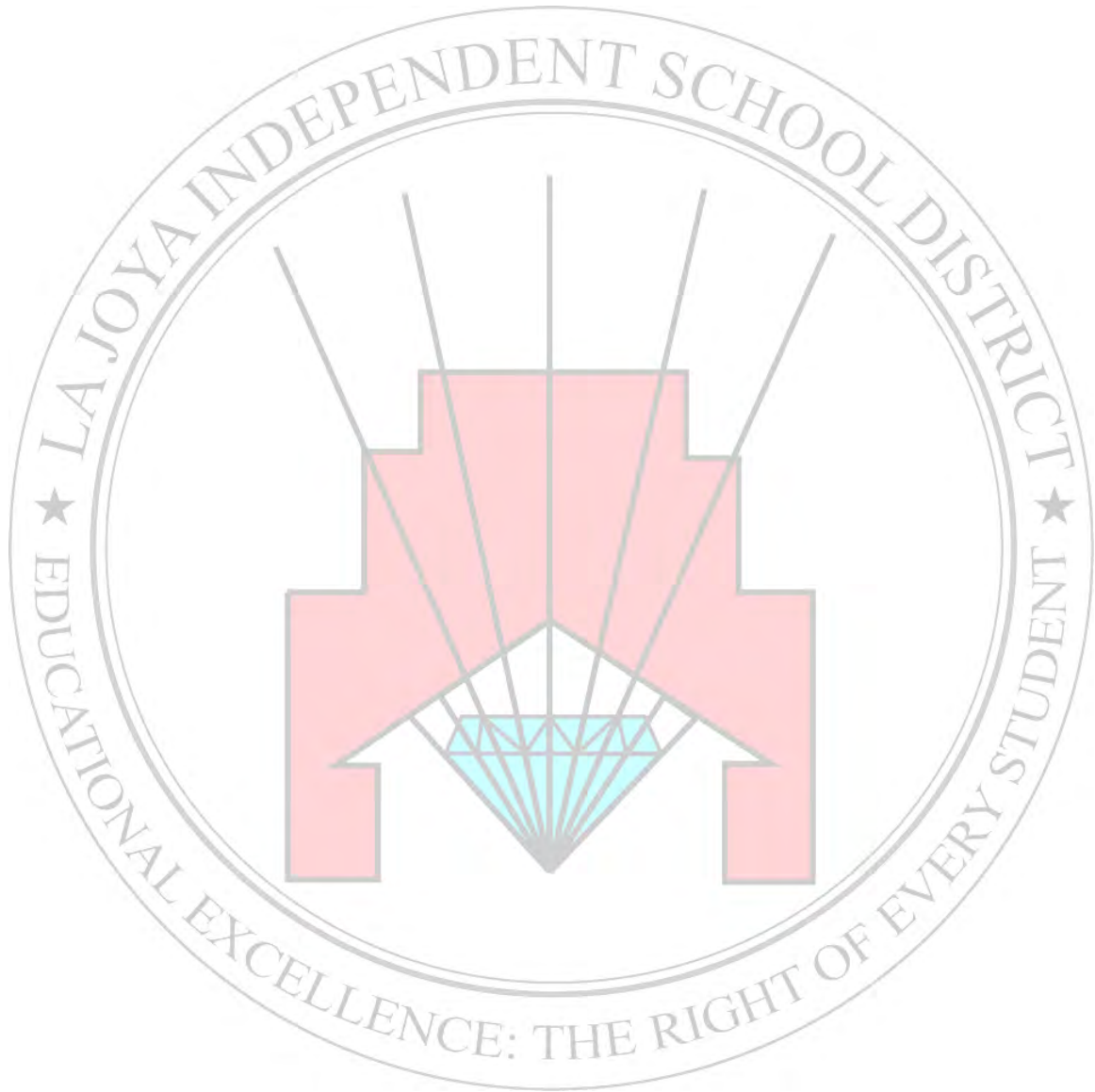
LA JOYA INDEPENDENT SCHOOL DISTRICT      Hidalgo      108912  
Name of School District      County      Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one)   X   approved        disapproved for the ten months ended June 30, 2021 at a meeting of the Board of Trustees of such school district on the 17th of November, 2021.

\*\*\* SIGNATURES ON FILE \*\*\*

\_\_\_\_\_  
Signature of Board Secretary

\_\_\_\_\_  
Signature of Board President



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# Noel Garza, CPA, PC

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Certified Public Accountant

2111 Jackson Creek Ave.

Edinburg, TX 78539

956-393-8743

## INDEPENDENT AUDITOR'S REPORT

To the President and Members of the School Board  
La Joya Independent School District  
La Joya, Tx

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the La Joya Independent School District as of and for the ten months ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the La Joya Independent School District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the La Joya Independent School District as of June 30, 2021, and the respective changes in financial position, budget comparison for the General Fund and, where applicable, cash flows thereof for the ten months then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion, the Schedule of the District's Proportionate Share of Net Pension Liability – Teacher Retirement System of Texas, the Schedule of District's Contributions – Teacher Retirement System of Texas, the Schedule of the District's Proportionate of the Net OPEB Liability - Teacher Retirement System of Texas, the Schedule of the District's OPEB Contributions – Teacher Retirement System of Texas and the related notes to the required supplementary information as listed in the table of contents 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the La Joya Independent School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for the portion marked "Unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, except for that portion marked "Unaudited" on which we express no opinion, are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2021, on our consideration of the La Joya Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the La Joya Independent School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the La Joya Independent School District's internal control over financial reporting and compliance.

***Noel Garza, CPA PC***

Noel Garza, CPA PC

Edinburg, Tx

November 12, 2021

## LA JOYA INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the La Joya Independent School District's Comprehensive Annual Financial Report, we, the managers of La Joya ISD, discuss and analyze the District's financial performance for the fiscal year ended June 30, 2021. Please read it in conjunction with the independent auditors' report on page 1, and the District's Basic Financial Statements, which begin on page 10 and the Notes to the Financial Statements, beginning on page 23.

### FINANCIAL HIGHLIGHTS

- Ending June 30, 2021, the District's total combined Net Position on Table I was 25,084,382. Since implementation of GASB Statement No. 68, Accounting and Financial reporting for Pensions, and GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions, in the amounts of \$110,073,379 and \$106,031,844, respectively has affected the affected net position drastically. See Exhibit A-1.
- The District's Governmental Activities Net Position on Table II reflects an increase before transfers in the amount of \$33,647,774. This is a result of expenses being less than the \$384,557,778 generated in taxes, State aid, investment earnings, and other revenues such as federal grants and charges for services.
- The District issued \$74,885,000 of Unlimited Tax Refunding Bonds, Series 2020A and 2020B. The economic gain was a combined net present value in the amount of \$8,127,410.
- As reflected on Exhibit C-3, the District had revenues that were \$25,110,072 more than the \$372,943,531 generated in tax, State Aid, and other revenues for governmental programs. This amount is comprised of an excess of revenues of \$23,224,972 in the General Fund and \$1,885,100 in Nonmajor Governmental Funds. State Aid increased primarily due to an increase in ADA of 1.9%, and expenditures decreased due to the District changing its fiscal year end to June 30<sup>th</sup>, this avoided approximately a cost of \$9.4 million for the fiscal year 2020-2021.
- The General Fund year end fund balance was \$111,356,346, as reflected on Exhibit C-1.
- At year end, actual expenditures were \$52,539,660 less than the final budgeted amounts, reflected on Exhibit C-5. Refer to the transmittal letter and budget analysis section for further disclosure.
- The Board of Trustees approved a change to the District's fiscal year from August 31<sup>st</sup> to June 30<sup>th</sup>. Therefore, fiscal year 2020-2021 reflects a 10-month period from September 1, 2020 to June 30, 2021. All subsequent years, beginning 2021-2022, will reflect a 12-month fiscal year.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities on pages 10 - 12. These provide information about the activities of the District as a whole and present a longer-term view of the District's property, debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (beginning on page 13) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements describe how services were financed in the short term, as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements delineate how goods or services of the District were sold to departments within the District or to external customers and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the district.

The notes to the financial statements provide narrative explanations or additional data needed for full disclosure about the government-wide statements or the fund financial statements.

The combining statements for nonmajor funds contain detailed information about the District's individual funds. These are not required by the Texas Education Agency (TEA). The sections labeled Required TEA Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

## **Reporting the District as a Whole**

### ***The Statement of Net Position and the Statement of Activities***

The analysis of the District's overall financial condition and operations begins on page 10. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at the end of the year, while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid. The District's revenues are divided according to those provided by outside parties who share the costs of some programs and grants provided by the U.S. Department of Education to assist children with disabilities from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All the District's assets are reported, whether they serve the current year or future years. Liabilities are considered, regardless of whether they must be paid in the current year or future years.

These two statements report the District's net position and changes in them. The District's net position (the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources) provides one measure of the District's financial health, or financial position. Over time, an increase or decrease in the District's net position is one indicator of whether its financial health is improving or deteriorating. However, to fully assess the overall health of the District, nonfinancial factors shall be considered, as well. These include changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Position and the Statement of Activities, the district reports on two types of activities:

- Governmental activities—Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- Business-type activities—The District charges fees to customers to help cover the costs of certain services it provides. The Howling Trails Golf Course and the La Joya ISD Sports & Learning Complex are included here.

## **Reporting the District's Most Significant Funds**

### ***Fund Financial Statements***

The fund financial statements begin on page 13 and provide detailed information about the most significant funds—not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under the Elementary and Secondary Education Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (such as campus activities). The District's two kinds of funds, governmental and proprietary, use different accounting approaches.

- Governmental funds – Most of the District's basic services are reported in governmental funds. These use the modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. The differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are described in the reconciliation schedules following each of the fund financial statements.

- Proprietary funds – The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. In fact, the enterprise funds (one category of proprietary funds) are the business-type activities reported in the government-wide statements but containing more detail and additional information, such as cash flows. The District's enterprise fund consists of the Howling Trails Golf Course and the La Joya ISD Sports & Learning Complex. The internal service funds (the other category of proprietary funds) report activities that provide supplies and services for the District's other programs and activities—such as the District's self-insurance programs and the print shop.

## **The District as Trustee**

### ***Reporting the District's Fiduciary Responsibilities***

The District is the trustee, or fiduciary, for monies raised by third parties. All of the District's fiduciary activities are reported in Exhibit E-1, Statement of Fiduciary Net Position and Exhibit E-2, Statement of Changes in Fiduciary Fund Net Position, and a combining statement beginning on pages 81 thru 84. These resources are excluded from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The analysis focuses on the net position (Table I) and changes in net position (Table II) of the District's governmental activities.

Net position of the District's governmental activities increased from (\$9,273,717) to \$24,915,667. This increase was due to COVID 19 emergency relief reclassification and reimbursements, an increase in ADA that resulted in more State program revenues, and the affect of the change of fiscal year end from August 31<sup>st</sup> to June 30<sup>th</sup>. Unrestricted assets – the part of the assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – were (\$159,343,349), this result is attributed to the implementation of GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* during the 2017-2018 fiscal year (Refer to Note 13).

In 2021, the change in net position of the primary government increased by \$33,281,705, which includes a decrease of \$14,243 for the business-type activities.

TABLE I  
LA JOYA INDEPENDENT SCHOOL DISTRICT  
NET POSITION

|                                  | <b>Governmental Activities</b> |                              | <b>Business-Type Activities</b> |                         |
|----------------------------------|--------------------------------|------------------------------|---------------------------------|-------------------------|
|                                  | <b><u>2021</u></b>             | <b><u>2020</u></b>           | <b><u>2021</u></b>              | <b><u>2020</u></b>      |
| Current and Other Assets         | \$168,000,009                  | \$133,859,138                | \$104,140                       | \$ 11,121               |
| Capital Assets                   | <u>413,342,498</u>             | <u>414,478,550</u>           | <u>168,715</u>                  | <u>182,958</u>          |
| <b>Total Assets</b>              | <b><u>581,342,507</u></b>      | <b><u>548,337,688</u></b>    | <b><u>272,855</u></b>           | <b><u>194,079</u></b>   |
| Deferred Outflow of Resources    | <u>66,745,073</u>              | <u>75,739,687</u>            | <u>-</u>                        | <u>-</u>                |
| Long-term Liabilities            | 459,026,836                    | 515,523,805                  | -                               | -                       |
| Other Liabilities                | <u>62,649,222</u>              | <u>33,024,786</u>            | <u>104,140</u>                  | <u>11,121</u>           |
| <b>Total Liabilities</b>         | <b><u>521,676,058</u></b>      | <b><u>548,548,591</u></b>    | <b><u>104,140</u></b>           | <b><u>11,121</u></b>    |
| Deferred Inflow of Resources     | <u>101,495,855</u>             | <u>84,802,501</u>            | <u>-</u>                        | <u>-</u>                |
| Net Position:                    |                                |                              |                                 |                         |
| Net Investment of Capital Assets | 164,290,185                    | 144,087,369                  | 168,715                         | 182,958                 |
| Restricted                       | 19,968,831                     | 10,314,193                   | -                               | -                       |
| Unrestricted                     | <u>(159,343,349)</u>           | <u>(163,675,279)</u>         | <u>-</u>                        | <u>-</u>                |
| <b>Total Net Position</b>        | <b><u>\$ 24,915,667</u></b>    | <b><u>(\$ 9,273,717)</u></b> | <b><u>\$168,715</u></b>         | <b><u>\$182,958</u></b> |

TABLE II  
LA JOYA INDEPENDENT SCHOOL DISTRICT  
CHANGES IN NET POSITION

|                                                      | <b>Governmental Activities</b> |                             | <b>Business-Type Activities</b> |                          |
|------------------------------------------------------|--------------------------------|-----------------------------|---------------------------------|--------------------------|
|                                                      | <b><u>2021</u></b>             | <b><u>2020</u></b>          | <b><u>2021</u></b>              | <b><u>2020</u></b>       |
| <b><u>REVENUES</u></b>                               |                                |                             |                                 |                          |
| <b>Program Revenues:</b>                             |                                |                             |                                 |                          |
| Charges for Services                                 | \$ 614,411                     | \$ 1,397,255                | \$ 352,283                      | \$ 470,598               |
| Operating Grants & Contributions                     | <u>57,919,510</u>              | <u>71,887,541</u>           | <u>-</u>                        | <u>-</u>                 |
| <b>Total Program Revenues</b>                        | <b><u>58,533,921</u></b>       | <b><u>73,284,796</u></b>    | <b><u>352,283</u></b>           | <b><u>\$ 470,598</u></b> |
| <b>General Revenues:</b>                             |                                |                             |                                 |                          |
| Maintenance & Operations Taxes                       | 28,606,333                     | 27,065,015                  | -                               | -                        |
| Debt Service Taxes                                   | 6,470,088                      | 6,173,187                   | -                               | -                        |
| Grants and Contributions not Restricted              | 281,621,786                    | 268,294,174                 | -                               | -                        |
| Investment Earnings                                  | 89,432                         | 1,540,088                   | 29                              | 932                      |
| Miscellaneous                                        | <u>9,236,218</u>               | <u>973,796</u>              | <u>-</u>                        | <u>-</u>                 |
| <b>Total General Revenues</b>                        | <b><u>326,023,857</u></b>      | <b><u>304,046,260</u></b>   | <b><u>29</u></b>                | <b><u>932</u></b>        |
| <b>Total Revenues</b>                                | <b><u>384,557,778</u></b>      | <b><u>377,331,056</u></b>   | <b><u>352,312</u></b>           | <b><u>471,530</u></b>    |
| <b><u>EXPENSES</u></b>                               |                                |                             |                                 |                          |
| Instruction, Curriculum, & Media Services            | 209,640,418                    | 230,216,904                 | -                               | -                        |
| Instructional/School Leadership                      | 23,039,831                     | 27,623,413                  | -                               | -                        |
| Guidance, Social Work, Health, & Transportation      | 34,011,775                     | 38,879,102                  | -                               | -                        |
| Food Services                                        | 21,218,416                     | 22,840,285                  | -                               | -                        |
| Extracurricular Activities                           | 7,860,384                      | 11,769,510                  | -                               | -                        |
| General Administration                               | 9,250,569                      | 11,364,978                  | -                               | -                        |
| Plant Maintenance, Security, & Data Processing       | 33,725,311                     | 41,075,507                  | -                               | -                        |
| Community Services                                   | 1,277,367                      | 1,486,032                   | 718,381                         | 859,534                  |
| Debt Service                                         | 10,527,185                     | 9,812,691                   | -                               | -                        |
| Other Activities                                     | <u>358,748</u>                 | <u>331,935</u>              | <u>-</u>                        | <u>-</u>                 |
| <b>Total Expenses</b>                                | <b><u>350,910,004</u></b>      | <b><u>395,400,357</u></b>   | <b><u>718,381</u></b>           | <b><u>859,534</u></b>    |
| Increase/(Decrease) in net position before transfers | 33,647,774                     | (18,069,301)                | (366,069)                       | (388,004)                |
| Transfers                                            | <u>(351,826)</u>               | <u>(339,658)</u>            | <u>351,826</u>                  | <u>339,658</u>           |
| <b>Total Increase (Decrease) in Net Position</b>     | <b><u>33,295,948</u></b>       | <b><u>(18,408,959)</u></b>  | <b><u>(14,243)</u></b>          | <b><u>(48,346)</u></b>   |
| Net Position at 9/01                                 | (9,273,717)                    | 8,197,030                   | 182,958                         | 231,304                  |
| Prior Period Adjustments                             | <u>893,436</u>                 | <u>938,212</u>              | <u>-</u>                        | <u>-</u>                 |
| <b>Net Position at 6/30 &amp; 8/31, respectively</b> | <b><u>\$ 24,915,667</u></b>    | <b><u>(\$9,273,717)</u></b> | <b><u>\$ 168,715</u></b>        | <b><u>\$ 182,958</u></b> |

The cost of all governmental activities this year was \$350,910,004, compared to \$395,400,357 last year. However, as shown in the Statement of Activities on pages 11 - 12, the amount that the District's taxpayers ultimately financed for these activities, through District taxes, was only \$35,076,421 because some of the costs were paid by those who directly benefited from the programs or by other governments and organizations that subsidized certain programs with grants and contributions or by State equalization funding.

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed the fiscal year, the fund balance of Total Governmental Funds increased. This increase is attributed to an increase in ADA, generating approximately \$11 million, reclassifications of current year and reimbursement of prior year of COVID related expenditures of approximately \$5.8 million, and 10 months of expenditures were recorded due to the District changing fiscal year end dates from August 31<sup>st</sup> to June 30<sup>th</sup>. This change resulted in a cost avoidance of approximately \$9.4 million. The District's governmental funds, as presented in the balance sheet on page 13, reported a total fund balance of \$115,055,926, which is an increase from last year's total of \$88,766,009. Included in this year's change in fund balance is an increase of \$23,435,485 in the District's General Fund and an increase of \$2,854,432 in the District's Nonmajor Governmental Funds.

As of June 30, 2021, the District's governmental funds reported an ending fund balance of \$115,055,926. The unassigned fund balance of \$67,616,491 is available for spending at the District discretion. In accordance with implementing GASB 54, the fund balance is comprised of:

- \$3,031,237 is recorded as Nonspendable Fund Balance
- \$19,968,831 is recorded as Restricted: \$1,189,339 in Food Service, \$403,686 in the Child & Adult Care Food Program, \$15,517,709 in State programs, \$2,345,274 in retirement of long-term debt, and \$512,823 as federal programs restricted funds.
- \$5,001,610 is recorded as Committed to Construction.
- \$428,798 in campus activity funds is recorded as other Committed Fund Balance.
- \$19,008,959 is recorded as Assigned Fund Balance, of which \$5,042,913 is recorded as outstanding encumbrances and \$13,553,361 and \$412,685 as 2021-2022 budgetary gap for the General Fund and Debt Service Fund respectively.
- \$67,616,491 is the remaining unassigned amount.

A more detailed explanation of the District's fund balance can be found on Note 25 in the Notes to the Financial Statements.

*Budget Analysis.* Through the fiscal year 2020-2021, the District revised its budget periodically with approval from the Board of Trustees. The General Fund original budget was prepared on a 12-month operating costs. During the fiscal year all expenditures were evaluated to reflect a 10-month operating budget. Due to additional projects during the fiscal year, the district's ending general fund budget reflects an increase over the original budgeted amount.

At ten month end, revenues were \$11,184,917 more than the final budgeted amount. Actual expenditures were \$52,539,660 less than the final approved budget, as reflected on Exhibit C-5.

The following details the variance:

- Student ADA was calculated conservatively, approximately 448 less than the final revenue calculation, resulting in more State revenues.
- Salaries for vacant positions were budgeted at a higher rate of pay than actual
- Reclassification of COVID-19 expenditures to the ESSER-School Relief Emergency Fund and other funded purchase reimbursement programs.

- A reduction of UIL activities and Transportation costs due to the pandemic restricting students from attending in school instruction for more than half the school year.
- The District changed fiscal year end dates, therefore reflecting only 10 months of expenditures.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

Capital expenditures reduce available fund balance; they create new assets for the District as reported in the Statement of Net Position and as discussed in Note 8. At the end of June 30, 2021, the District had \$686,717,210 invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents an increase of \$11,745,850 or 1.74 percent above last year. For additional information refer to the Notes to the Financial Statements beginning on page 23.

### Debt Administration

At ten month end, the District had \$258,939,891 in bonds, premiums, tax notes, capital leases and accreted interest outstanding versus \$280,451,038 last year—a decrease of 7.67 percent. This decrease was due to the issuance of the Refunding of Bonds Series 2020A and 2020B. The District's general obligation bond rating has been the highest possible according to national rating agencies. For additional information refer to the Notes to the Financial Statements beginning on page 23.

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

- Certified taxable values used for the 2022 fiscal year increased by approximately \$398 million from \$2.769 billion to \$3.167 billion, an increase of 14.37%
- The district's refined average daily attendance for 2021-2022 is projected to decrease, compared to the actual average daily attendance for school year 2020-2021.
- The District's Program and Services included in the General Fund are primarily supported by local and State sources of revenue.
- The District decreased the tax rate from \$1.311 to \$1.2662.

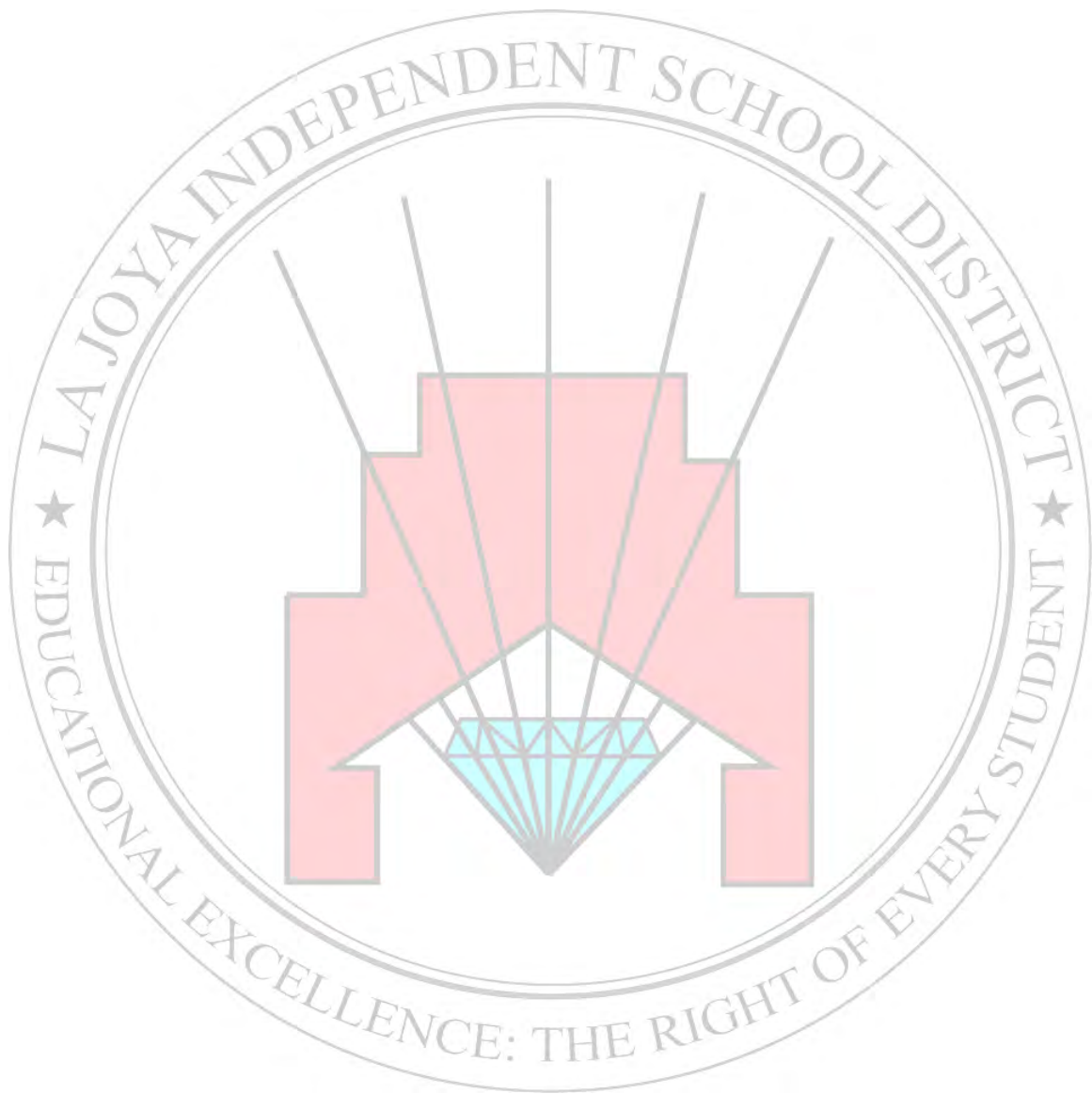
These indicators were considered when adopting the General Fund budget for 2022. Amounts available for appropriation in the General Fund budget are \$327,569,611, a decrease of 2 percent over the 2021 amounts available for appropriation of \$334,289,009. The District will use its revenues to finance programs currently being offered, as well some technology equipment and several construction and remodeling projects throughout the district. Total governmental budgeted expenditures are expected to decrease, from \$370.2 million in 2020-2021 to \$364.2 million in 2021-2022 or 1.62 percent.

The District's budget for 2021-2022 did not include ESSER budgeted expenses related to COVID-19. Administration will collaborate with departments and campuses to strategically align the budget and allocate resources for COVID-19 during the fiscal year. The District will seek reimbursement from all available sources including Federal Emergency Management Agency, Texas Department of Emergency Management, TEA and all other federal, state and local sources.

With the use of ESSER funding, the District's budgetary General Fund balance is expected to remain status quo by the close of 2022. The District, through its ongoing review process, has continued and will continue to assess all areas of the District's operations.

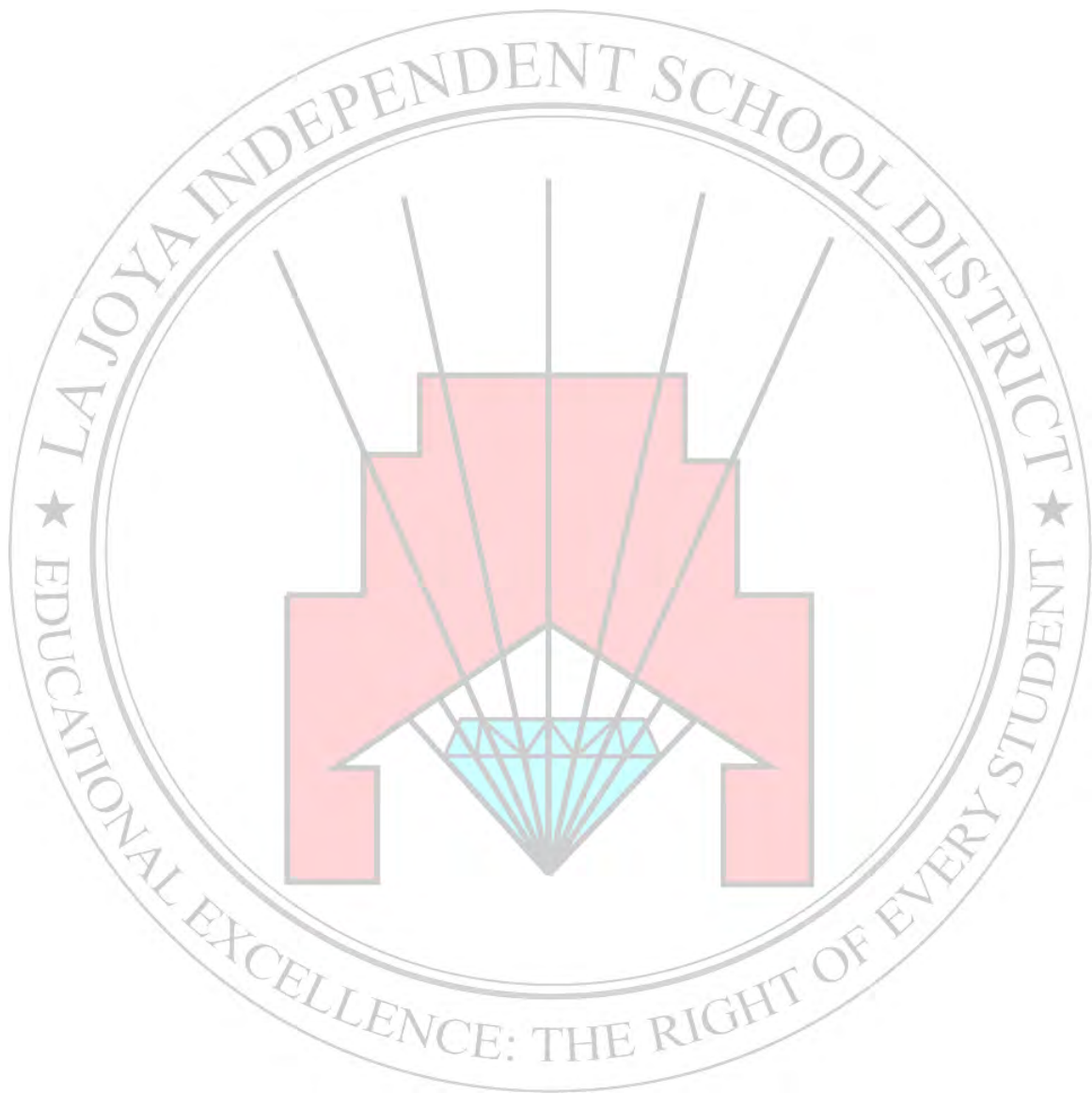
## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors, with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's business office, at La Joya Independent School District, 201 E. Expressway 83, La Joya, Texas 78560.



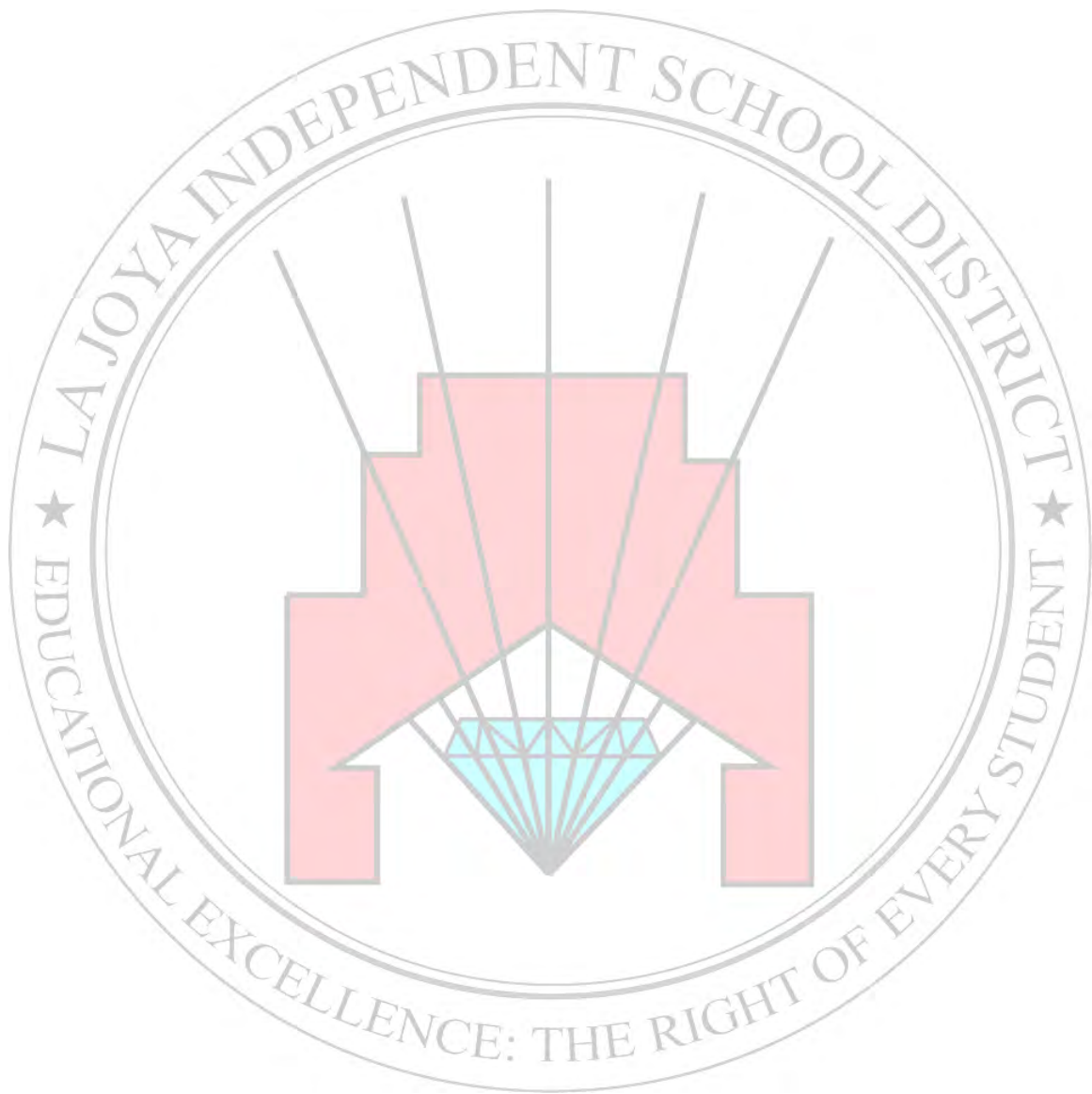
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## **BASIC FINANCIAL STATEMENTS**



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**GOVERNMENT WIDE  
FINANCIAL STATEMENTS**



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LA JOYA INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2021

EXHIBIT A-1

|                                       |                                                | 1                  | 2          | 3              |
|---------------------------------------|------------------------------------------------|--------------------|------------|----------------|
|                                       |                                                | Primary Government |            |                |
| Data                                  |                                                |                    | Business   |                |
| Control                               |                                                | Governmental       | Type       |                |
| Codes                                 |                                                | Activities         | Activities | Total          |
| <b>ASSETS</b>                         |                                                |                    |            |                |
| 1110                                  | Cash and Cash Equivalents                      | \$ 106,752,034     | \$ 26,873  | \$ 106,778,907 |
| 1120                                  | Current Investments                            | 10,000,005         | -          | 10,000,005     |
| 1220                                  | Property Taxes - Delinquent                    | 8,810,499          | -          | 8,810,499      |
| 1230                                  | Allowance for Uncollectible Taxes              | (1,474,358)        | -          | (1,474,358)    |
| 1240                                  | Due from Other Governments                     | 39,097,156         | -          | 39,097,156     |
| 1250                                  | Accrued Interest                               | 2,987              | -          | 2,987          |
| 1260                                  | Internal Balances                              | (66,317)           | 66,317     | -              |
| 1290                                  | Other Receivables, Net                         | 1,627,701          | 7,726      | 1,635,427      |
| 1300                                  | Inventories                                    | 3,080,199          | 3,224      | 3,083,423      |
| 1410                                  | Prepayments                                    | 170,103            | -          | 170,103        |
| Capital Assets:                       |                                                |                    |            |                |
| 1510                                  | Land                                           | 21,258,678         | -          | 21,258,678     |
| 1520                                  | Buildings, Net                                 | 359,788,156        | 62,529     | 359,850,685    |
| 1530                                  | Furniture and Equipment, Net                   | 11,817,183         | 106,186    | 11,923,369     |
| 1550                                  | Leased Property Under Capital Leases, Net      | 14,376,761         | -          | 14,376,761     |
| 1580                                  | Construction in Progress                       | 6,101,720          | -          | 6,101,720      |
| 1000                                  | Total Assets                                   | 581,342,507        | 272,855    | 581,615,362    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b> |                                                |                    |            |                |
| 1701                                  | Deferred Charge for Refunding                  | 7,660,414          | -          | 7,660,414      |
| 1705                                  | Deferred Outflow Related to TRS Pension        | 41,925,603         | -          | 41,925,603     |
| 1706                                  | Deferred Outflow Related to TRS OPEB           | 17,159,056         | -          | 17,159,056     |
| 1700                                  | Total Deferred Outflows of Resources           | 66,745,073         | -          | 66,745,073     |
| <b>LIABILITIES</b>                    |                                                |                    |            |                |
| 2110                                  | Accounts Payable                               | 9,123,276          | 79,378     | 9,202,654      |
| 2140                                  | Interest Payable                               | 2,791,156          | -          | 2,791,156      |
| 2150                                  | Payroll Deductions and Withholdings            | 2,318,467          | -          | 2,318,467      |
| 2160                                  | Accrued Wages Payable                          | 30,594,852         | 16,447     | 30,611,299     |
| 2180                                  | Due to Other Governments                       | 17,840             | 1,522      | 19,362         |
| 2190                                  | Due to Student Groups                          | 2,170              | -          | 2,170          |
| 2300                                  | Unearned Revenue                               | 524,946            | 6,793      | 531,739        |
| 2400                                  | Pavable from Restricted Assets                 | 1,625              | -          | 1,625          |
| Noncurrent Liabilities:               |                                                |                    |            |                |
| 2501                                  | Due Within One Year: Loans, Note, Leases, etc. | 17,274,890         | -          | 17,274,890     |
|                                       | Due in More than One Year:                     |                    |            |                |
| 2502                                  | Bonds, Notes, Leases, etc.                     | 242,921,613        | -          | 242,921,613    |
| 2540                                  | Net Pension Liability (District's Share)       | 110,073,379        | -          | 110,073,379    |
| 2545                                  | Net OPEB Liability (District's Share)          | 106,031,844        | -          | 106,031,844    |
| 2000                                  | Total Liabilities                              | 521,676,058        | 104,140    | 521,780,198    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                                                |                    |            |                |
| 2605                                  | Deferred Inflow Related to TRS Pension         | 15,861,365         | -          | 15,861,365     |
| 2606                                  | Deferred Inflow Related to TRS OPEB            | 85,634,490         | -          | 85,634,490     |
| 2600                                  | Total Deferred Inflows of Resources            | 101,495,855        | -          | 101,495,855    |
| <b>NET POSITION</b>                   |                                                |                    |            |                |
| 3200                                  | Net Investment in Capital Assets               | 164,290,185        | 168,715    | 164,458,900    |
| Restricted:                           |                                                |                    |            |                |
| 3820                                  | Restricted for Federal and State Programs      | 17,623,557         | -          | 17,623,557     |
| 3850                                  | Restricted for Debt Service                    | 2,345,274          | -          | 2,345,274      |
| 3900                                  | Unrestricted                                   | (159,343,349)      | -          | (159,343,349)  |
| 3000                                  | Total Net Position                             | \$ 24,915,667      | \$ 168,715 | \$ 25,084,382  |

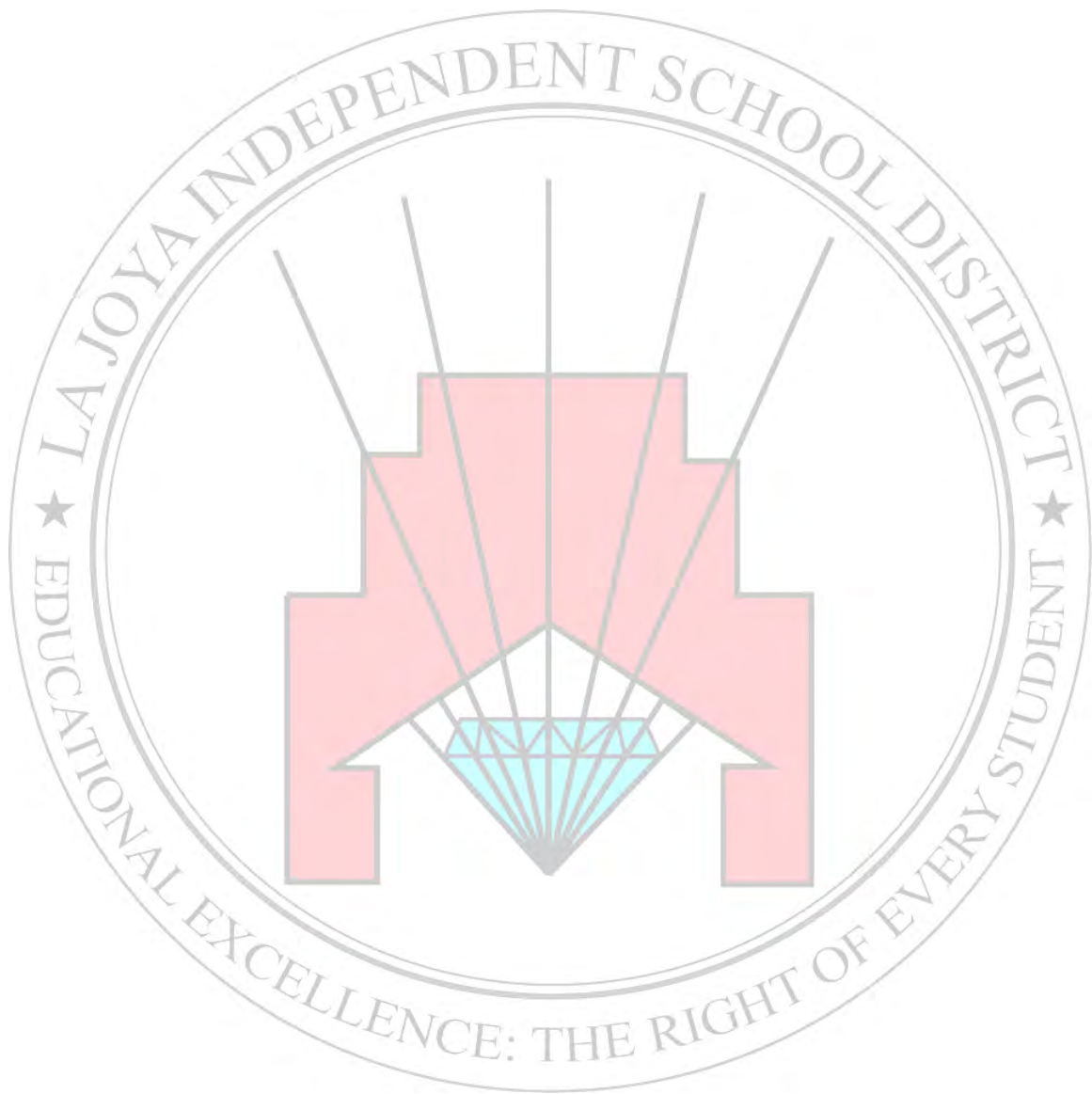
The notes to the financial statements are an integral part of this statement.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

| Data<br>Control<br>Codes                          | 1                                            | Program Revenues        |                                          |
|---------------------------------------------------|----------------------------------------------|-------------------------|------------------------------------------|
|                                                   |                                              | 3                       | 4                                        |
|                                                   | Expenses                                     | Charges for<br>Services | Operating<br>Grants and<br>Contributions |
| <b>Primary Government:</b>                        |                                              |                         |                                          |
| GOVERNMENTAL ACTIVITIES:                          |                                              |                         |                                          |
| 11 Instruction                                    | \$ 194,496,946                               | \$ 301,839              | \$ 26,551,278                            |
| 12 Instructional Resources and Media Services     | 7,232,549                                    | -                       | 805,751                                  |
| 13 Curriculum and Instructional Staff Development | 7,910,923                                    | -                       | 3,365,706                                |
| 21 Instructional Leadership                       | 5,295,163                                    | -                       | 1,105,647                                |
| 23 School Leadership                              | 17,744,668                                   | -                       | 411,972                                  |
| 31 Guidance, Counseling, and Evaluation Services  | 15,311,781                                   | -                       | 2,749,397                                |
| 32 Social Work Services                           | 3,152,472                                    | -                       | 1,508,404                                |
| 33 Health Services                                | 3,874,937                                    | -                       | 120,238                                  |
| 34 Student (Pupil) Transportation                 | 11,672,585                                   | -                       | 369,000                                  |
| 35 Food Services                                  | 21,218,416                                   | 33,511                  | 19,855,315                               |
| 36 Extracurricular Activities                     | 7,860,384                                    | (1,250)                 | 21,077                                   |
| 41 General Administration                         | 9,250,569                                    | 280,311                 | -                                        |
| 51 Facilities Maintenance and Operations          | 27,599,940                                   | -                       | 129                                      |
| 52 Security and Monitoring Services               | 4,784,951                                    | -                       | 15,278                                   |
| 53 Data Processing Services                       | 1,340,420                                    | -                       | -                                        |
| 61 Community Services                             | 1,277,367                                    | -                       | 1,040,318                                |
| 72 Debt Service - Interest on Long-Term Debt      | 10,527,185                                   | -                       | -                                        |
| 99 Other Intergovernmental Charges                | 358,748                                      | -                       | -                                        |
| [TG] Total Governmental Activities:               | <u>350,910,004</u>                           | <u>614,411</u>          | <u>57,919,510</u>                        |
| BUSINESS-TYPE ACTIVITIES:                         |                                              |                         |                                          |
| 01 Sports & Learning Complex                      | 184,214                                      | 18,823                  | -                                        |
| 02 Howling Trails Golf Course                     | <u>534,167</u>                               | <u>333,460</u>          | <u>-</u>                                 |
| [TB] Total Business-Type Activities:              | <u>718,381</u>                               | <u>352,283</u>          | <u>-</u>                                 |
| [TP] TOTAL PRIMARY GOVERNMENT:                    | <u>\$ 351,628,385</u>                        | <u>\$ 966,694</u>       | <u>\$ 57,919,510</u>                     |
| Data                                              |                                              |                         |                                          |
| Control                                           | General Revenues:                            |                         |                                          |
| Codes                                             | Taxes:                                       |                         |                                          |
| MT                                                | Property Taxes, Levied for General Purposes  |                         |                                          |
| DT                                                | Property Taxes, Levied for Debt Service      |                         |                                          |
| GC                                                | Grants and Contributions not Restricted      |                         |                                          |
| IE                                                | Investment Earnings                          |                         |                                          |
| MI                                                | Miscellaneous Local and Intermediate Revenue |                         |                                          |
| FR                                                | Transfers In (Out)                           |                         |                                          |
| TR                                                | Total General Revenues & Transfers           |                         |                                          |
| CN                                                | Change in Net Position                       |                         |                                          |
| NB                                                | Net Position - Beginning                     |                         |                                          |
| PA                                                | Prior Period Adjustment                      |                         |                                          |
| NE                                                | Net Position - Ending                        |                         |                                          |

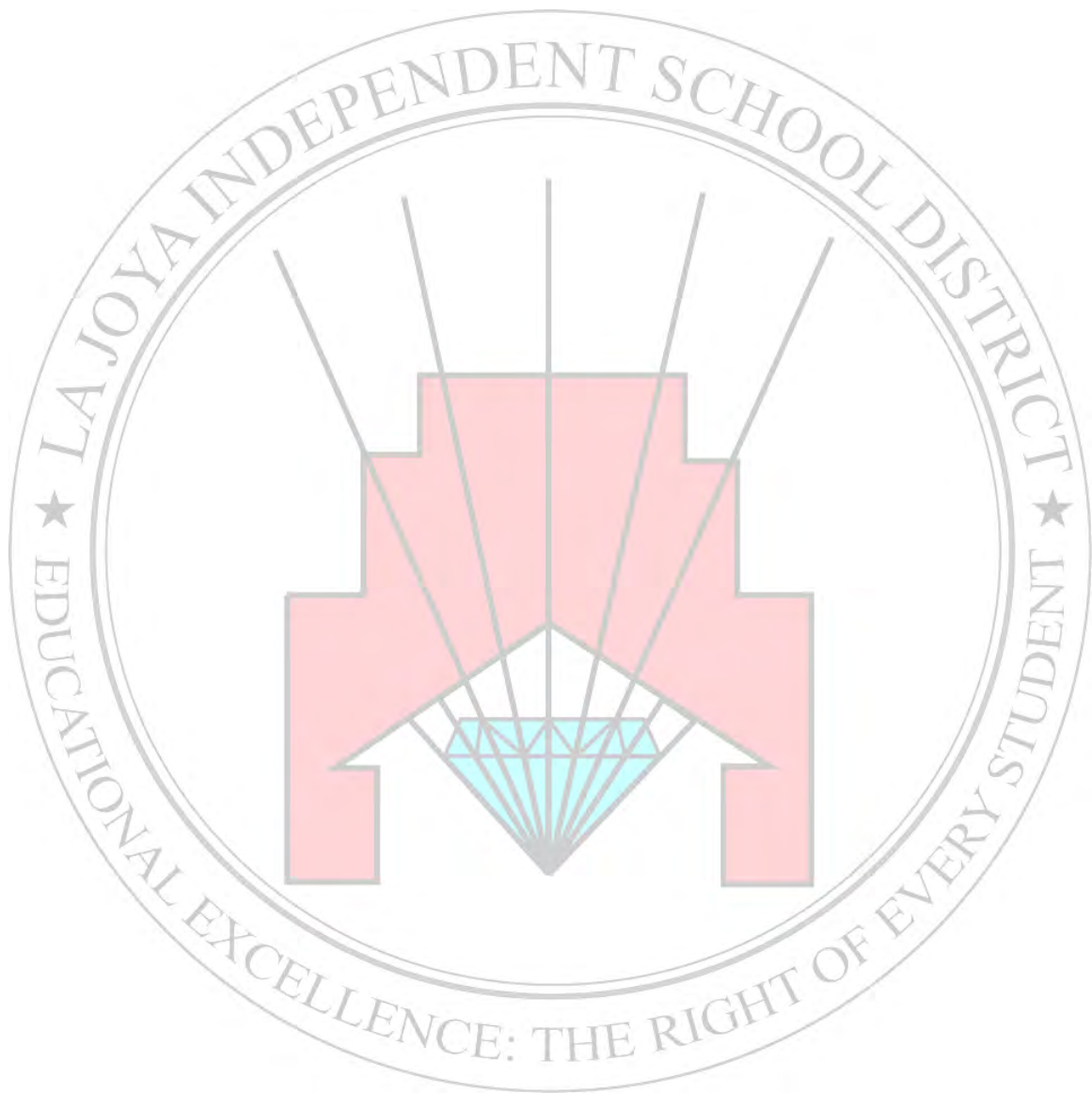
The notes to the financial statements are an integral part of this statement.

| Net (Expense) Revenue and<br>Changes in Net Position |                             |                  |
|------------------------------------------------------|-----------------------------|------------------|
| 6                                                    | 7                           | 8                |
| Primary Government                                   |                             |                  |
| Governmental<br>Activities                           | Business-type<br>Activities | Total            |
| \$ (167,643,829)                                     | \$ -                        | \$ (167,643,829) |
| (6,426,798)                                          | -                           | (6,426,798)      |
| (4,545,217)                                          | -                           | (4,545,217)      |
| (4,189,516)                                          | -                           | (4,189,516)      |
| (17,332,696)                                         | -                           | (17,332,696)     |
| (12,562,384)                                         | -                           | (12,562,384)     |
| (1,644,068)                                          | -                           | (1,644,068)      |
| (3,754,699)                                          | -                           | (3,754,699)      |
| (11,303,585)                                         | -                           | (11,303,585)     |
| (1,329,590)                                          | -                           | (1,329,590)      |
| (7,840,557)                                          | -                           | (7,840,557)      |
| (8,970,258)                                          | -                           | (8,970,258)      |
| (27,599,811)                                         | -                           | (27,599,811)     |
| (4,769,673)                                          | -                           | (4,769,673)      |
| (1,340,420)                                          | -                           | (1,340,420)      |
| (237,049)                                            | -                           | (237,049)        |
| (10,527,185)                                         | -                           | (10,527,185)     |
| (358,748)                                            | -                           | (358,748)        |
| (292,376,083)                                        | -                           | (292,376,083)    |
| -                                                    | (165,391)                   | (165,391)        |
| -                                                    | (200,707)                   | (200,707)        |
| -                                                    | (366,098)                   | (366,098)        |
| (292,376,083)                                        | (366,098)                   | (292,742,181)    |
| 28,606,333                                           | -                           | 28,606,333       |
| 6,470,088                                            | -                           | 6,470,088        |
| 281,621,786                                          | -                           | 281,621,786      |
| 89,432                                               | 29                          | 89,461           |
| 9,236,218                                            | -                           | 9,236,218        |
| (351,826)                                            | 351,826                     | -                |
| 325,672,031                                          | 351,855                     | 326,023,886      |
| 33,295,948                                           | (14,243)                    | 33,281,705       |
| (9,273,717)                                          | 182,958                     | (9,090,759)      |
| 893,436                                              | -                           | 893,436          |
| \$ 24,915,667                                        | \$ 168,715                  | \$ 25,084,382    |



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**GOVERNMENTAL FUND  
FINANCIAL STATEMENTS**

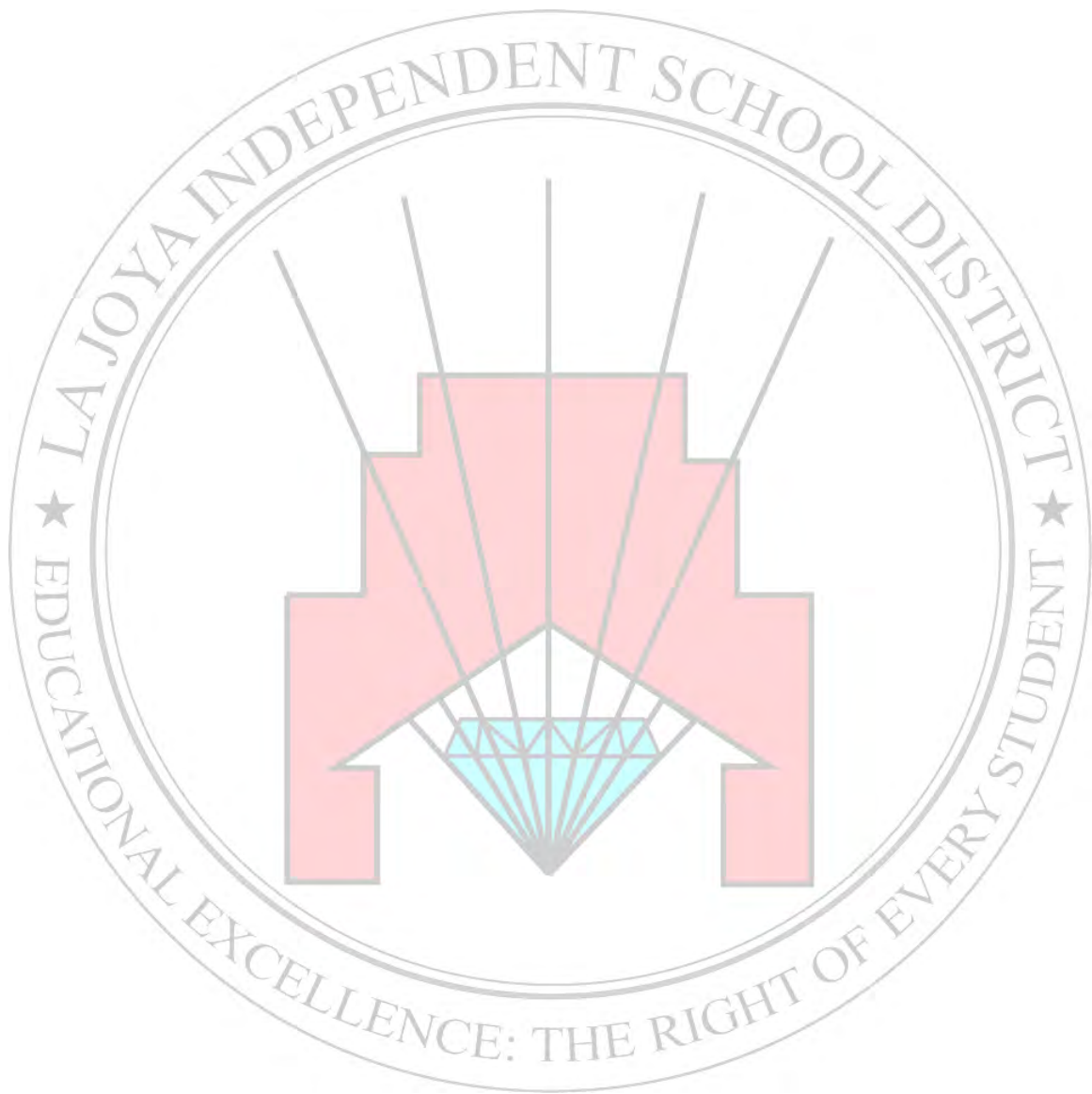


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LA JOYA INDEPENDENT SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

| Data<br>Control<br>Codes                                 | 10<br>General<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|----------------------------------------------------------|-----------------------|-----------------------------------|--------------------------------|
| <b>ASSETS</b>                                            |                       |                                   |                                |
| 1110 Cash and Cash Equivalents                           | \$ 95,724,986         | \$ 5,127,614                      | \$ 100,852,600                 |
| 1120 Investments - Current                               | 10,000,001            | 1                                 | 10,000,002                     |
| 1220 Property Taxes - Delinquent                         | 7,538,383             | 1,272,116                         | 8,810,499                      |
| 1230 Allowance for Uncollectible Taxes                   | (1,273,203)           | (201,155)                         | (1,474,358)                    |
| 1240 Due from Other Governments                          | 28,441,757            | 10,646,145                        | 39,087,902                     |
| 1250 Accrued Interest                                    | 2,903                 | 33                                | 2,936                          |
| 1260 Due from Other Funds                                | 8,157,114             | -                                 | 8,157,114                      |
| 1290 Other Receivables                                   | 1,626,414             | 1,287                             | 1,627,701                      |
| 1300 Inventories                                         | 3,080,199             | -                                 | 3,080,199                      |
| 1410 Prepayments                                         | 170,103               | -                                 | 170,103                        |
| 1000 Total Assets                                        | <u>\$ 153,468,657</u> | <u>\$ 16,846,041</u>              | <u>\$ 170,314,698</u>          |
| <b>LIABILITIES</b>                                       |                       |                                   |                                |
| 2110 Accounts Payable                                    | \$ 5,850,460          | \$ 406,407                        | \$ 6,256,867                   |
| 2150 Payroll Deductions and Withholdings Payable         | 2,318,467             | -                                 | 2,318,467                      |
| 2160 Accrued Wages Payable                               | 27,388,940            | 3,205,912                         | 30,594,852                     |
| 2170 Due to Other Funds                                  | 66,403                | 8,157,114                         | 8,223,517                      |
| 2180 Due to Other Governments                            | -                     | 187                               | 187                            |
| 2190 Due to Student Groups                               | 2,170                 | -                                 | 2,170                          |
| 2300 Unearned Revenue                                    | 219,066               | 305,880                           | 524,946                        |
| 2400 Payable from Restricted Assets                      | 1,625                 | -                                 | 1,625                          |
| 2000 Total Liabilities                                   | <u>35,847,131</u>     | <u>12,075,500</u>                 | <u>47,922,631</u>              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                     |                       |                                   |                                |
| 2601 Unavailable Revenue - Property Taxes                | 6,265,180             | 1,070,961                         | 7,336,141                      |
| 2600 Total Deferred Inflows of Resources                 | <u>6,265,180</u>      | <u>1,070,961</u>                  | <u>7,336,141</u>               |
| <b>FUND BALANCES</b>                                     |                       |                                   |                                |
| Nonspendable Fund Balance:                               |                       |                                   |                                |
| 3410 Inventories                                         | 2,861,134             | -                                 | 2,861,134                      |
| 3430 Prepaid Items                                       | 170,103               | -                                 | 170,103                        |
| Restricted Fund Balance:                                 |                       |                                   |                                |
| 3450 Federal or State Funds Grant Restriction            | 17,110,734            | -                                 | 17,110,734                     |
| 3480 Retirement of Long-Term Debt                        | -                     | 2,345,274                         | 2,345,274                      |
| 3490 Other Restricted Fund Balance                       | -                     | 512,823                           | 512,823                        |
| Committed Fund Balance:                                  |                       |                                   |                                |
| 3510 Construction                                        | 5,001,610             | -                                 | 5,001,610                      |
| 3545 Other Committed Fund Balance                        | -                     | 428,798                           | 428,798                        |
| Assigned Fund Balance:                                   |                       |                                   |                                |
| 3590 Other Assigned Fund Balance                         | 18,596,274            | 412,685                           | 19,008,959                     |
| 3600 Unassigned Fund Balance                             | 67,616,491            | -                                 | 67,616,491                     |
| 3000 Total Fund Balances                                 | <u>111,356,346</u>    | <u>3,699,580</u>                  | <u>115,055,926</u>             |
| 4000 Total Liabilities, Deferred Inflows & Fund Balances | <u>\$ 153,468,657</u> | <u>\$ 16,846,041</u>              | <u>\$ 170,314,698</u>          |

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



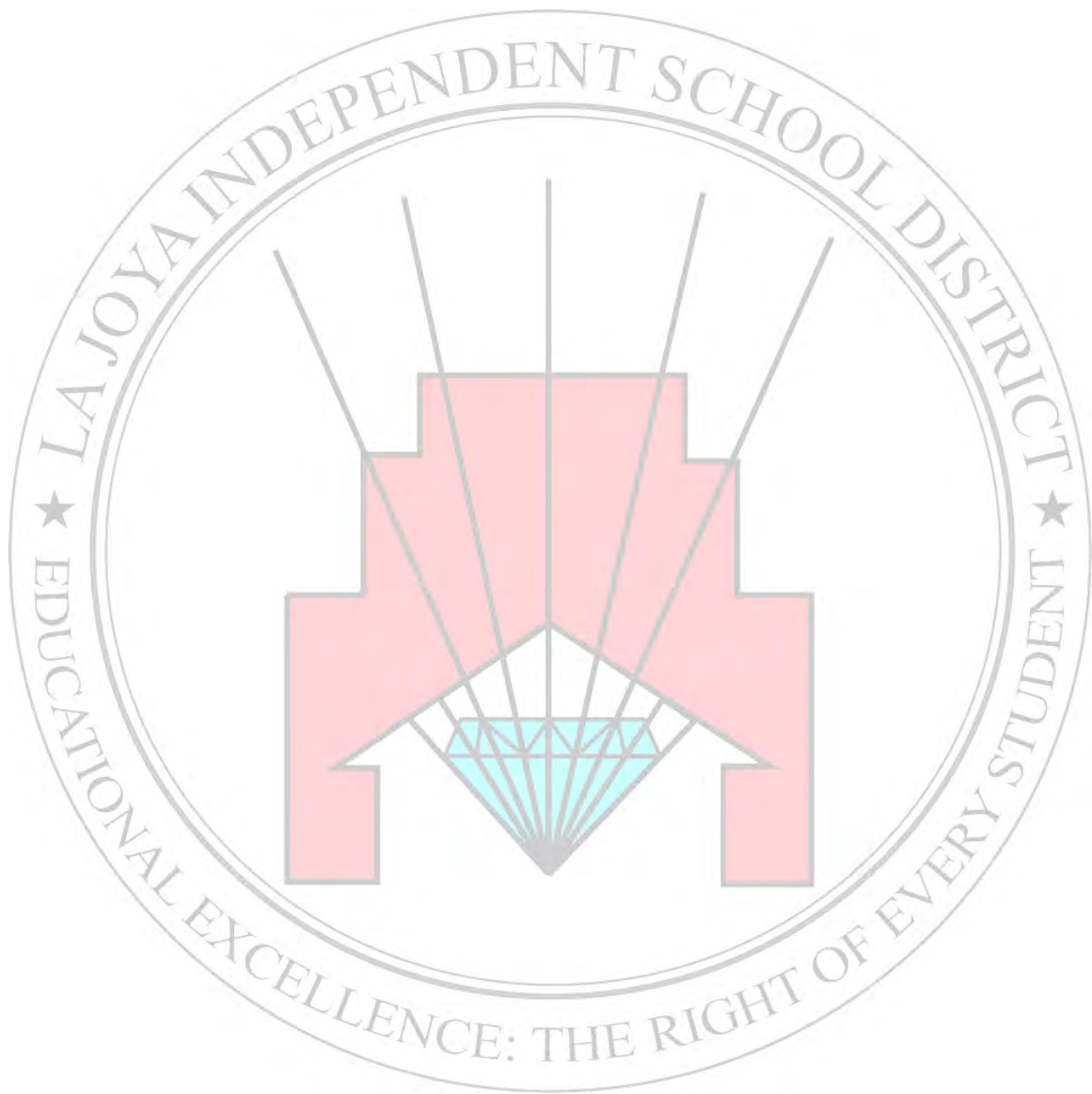
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LA JOYA INDEPENDENT SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
JUNE 30, 2021

EXHIBIT C-2

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>Total Fund Balances - Governmental Funds</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>\$ 115,055,926</b> |
| 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.                                                                                                                        | 3,152,813             |
| 2 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.                                                                                                                                                                                                                                                                                                                                                              | 413,214,451           |
| 3 Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore not reported in the funds. The net effect is to decrease net position.                                                                                                                                                                                                                                                                                                            | (255,327,245)         |
| 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 \$41,925,603, a Deferred Resource Inflow in the amount of \$15,861,365 and a net pension liability in the amount of \$110,073,379. This resulted in a decrease in net position.                                               | (84,009,141)          |
| 5 Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75. The net position related to TRS included a deferred resource outflow in the amount of \$17,159,056, a deferred resource inflow in the amount of \$85,634,490, and a net OPEB liability in the amount of \$106,031,844. This resulted in a decrease in net position.                                                                             | (174,507,278)         |
| 6 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. | 7,336,141             |
| <b>19 Net Position of Governmental Activities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>\$ 24,915,667</b>  |

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



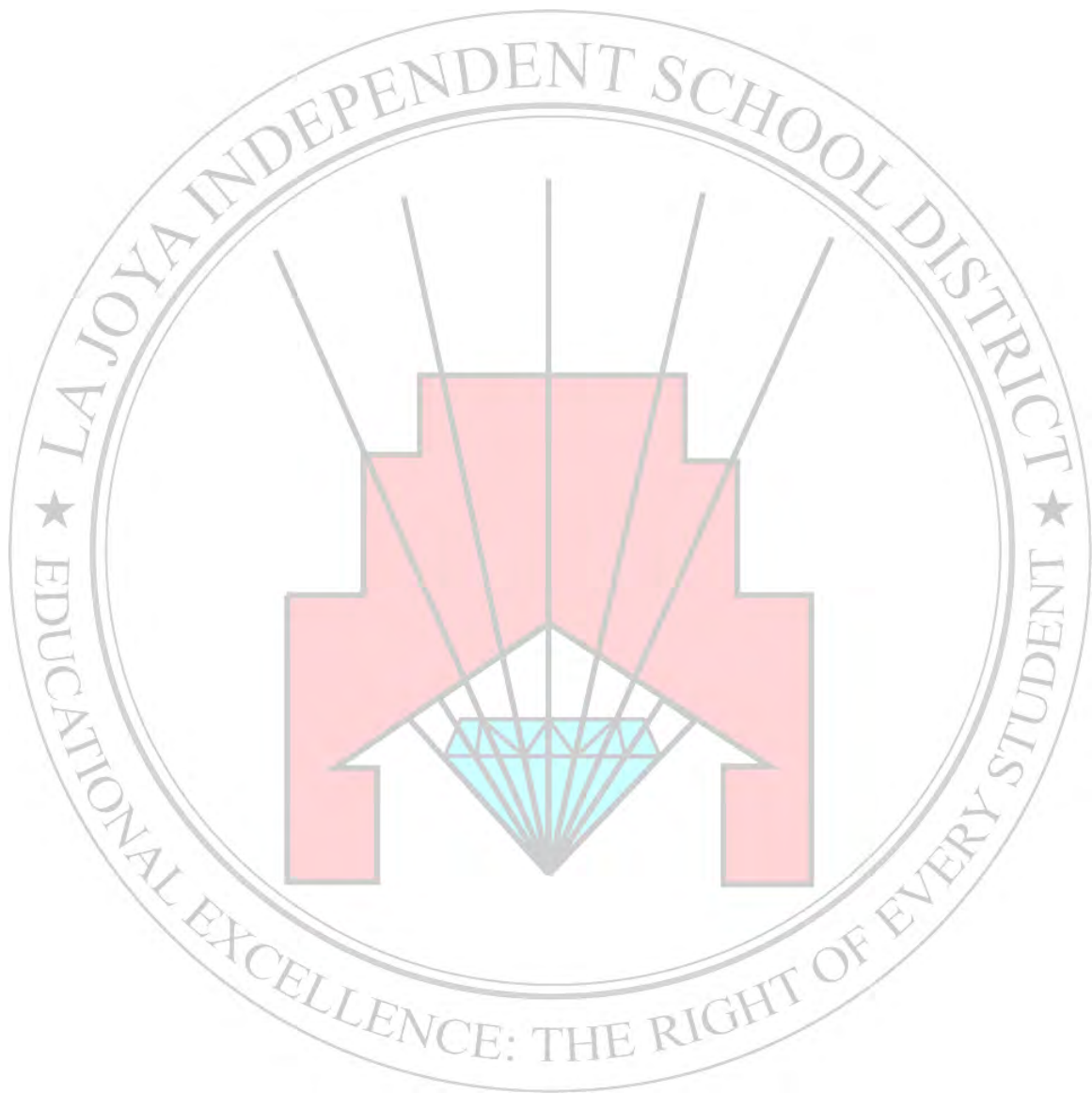
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LA JOYA INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

EXHIBIT C-3

| Data Control Codes                                             | 10 General Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|----------------------------------------------------------------|-----------------|-----------------------------|--------------------------|
| REVENUES:                                                      |                 |                             |                          |
| 5700 Total Local and Intermediate Sources                      | \$ 31,627,513   | \$ 6,916,965                | \$ 38,544,478            |
| 5800 State Program Revenues                                    | 255,427,916     | 15,488,854                  | 270,916,770              |
| 5900 Federal Program Revenues                                  | 27,267,809      | 36,214,474                  | 63,482,283               |
| 5020 Total Revenues                                            | 314,323,238     | 58,620,293                  | 372,943,531              |
| EXPENDITURES:                                                  |                 |                             |                          |
| Current:                                                       |                 |                             |                          |
| 0011 Instruction                                               | 150,729,141     | 26,551,277                  | 177,280,418              |
| 0012 Instructional Resources and Media Services                | 5,928,944       | 805,751                     | 6,734,695                |
| 0013 Curriculum and Instructional Staff Development            | 3,720,173       | 3,365,707                   | 7,085,880                |
| 0021 Instructional Leadership                                  | 3,682,499       | 1,105,647                   | 4,788,146                |
| 0023 School Leadership                                         | 15,720,443      | 411,972                     | 16,132,415               |
| 0031 Guidance, Counseling, and Evaluation Services             | 11,021,875      | 2,749,397                   | 13,771,272               |
| 0032 Social Work Services                                      | 1,319,758       | 1,508,404                   | 2,828,162                |
| 0033 Health Services                                           | 3,489,427       | 44,842                      | 3,534,269                |
| 0034 Student (Pupil) Transportation                            | 11,976,353      | 369,000                     | 12,345,353               |
| 0035 Food Services                                             | 19,551,613      | 1,602                       | 19,553,215               |
| 0036 Extracurricular Activities                                | 7,477,258       | -                           | 7,477,258                |
| 0041 General Administration                                    | 7,837,240       | -                           | 7,837,240                |
| 0051 Facilities Maintenance and Operations                     | 32,508,779      | 129                         | 32,508,908               |
| 0052 Security and Monitoring Services                          | 4,539,467       | 15,278                      | 4,554,745                |
| 0053 Data Processing Services                                  | 1,233,614       | -                           | 1,233,614                |
| 0061 Community Services                                        | 95,150          | 1,040,318                   | 1,135,468                |
| Debt Service:                                                  |                 |                             |                          |
| 0071 Principal on Long-Term Debt                               | 3,579,291       | 14,810,000                  | 18,389,291               |
| 0072 Interest on Long-Term Debt                                | 1,251,592       | 3,257,738                   | 4,509,330                |
| 0073 Bond Issuance Cost and Fees                               | -               | 698,131                     | 698,131                  |
| Capital Outlay:                                                |                 |                             |                          |
| 0081 Facilities Acquisition and Construction                   | 5,076,901       | -                           | 5,076,901                |
| Intergovernmental:                                             |                 |                             |                          |
| 0099 Other Intergovernmental Charges                           | 358,748         | -                           | 358,748                  |
| 6030 Total Expenditures                                        | 291,098,266     | 56,735,193                  | 347,833,459              |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | 23,224,972      | 1,885,100                   | 25,110,072               |
| OTHER FINANCING SOURCES (USES):                                |                 |                             |                          |
| 7911 Issuance of Bonds - Refunding                             | -               | 74,885,000                  | 74,885,000               |
| 7912 Sale of Real and Personal Property                        | 49,219          | -                           | 49,219                   |
| 7916 Premium or Discount on Issuance of Bonds                  | -               | 10,192,619                  | 10,192,619               |
| 8911 Transfers Out (Use)                                       | (481,712)       | -                           | (481,712)                |
| 8949 Other (Uses)                                              | -               | (84,358,717)                | (84,358,717)             |
| 7080 Total Other Financing Sources (Uses)                      | (432,493)       | 718,902                     | 286,409                  |
| 1200 Net Change in Fund Balances                               | 22,792,479      | 2,604,002                   | 25,396,481               |
| 0100 Fund Balance - September 1 (Beginning)                    | 87,920,861      | 845,148                     | 88,766,009               |
| 1300 Increase (Decrease) in Fund Balance                       | 643,006         | 250,430                     | 893,436                  |
| 3000 Fund Balance - June 30 (Ending)                           | \$ 111,356,346  | \$ 3,699,580                | \$ 115,055,926           |

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



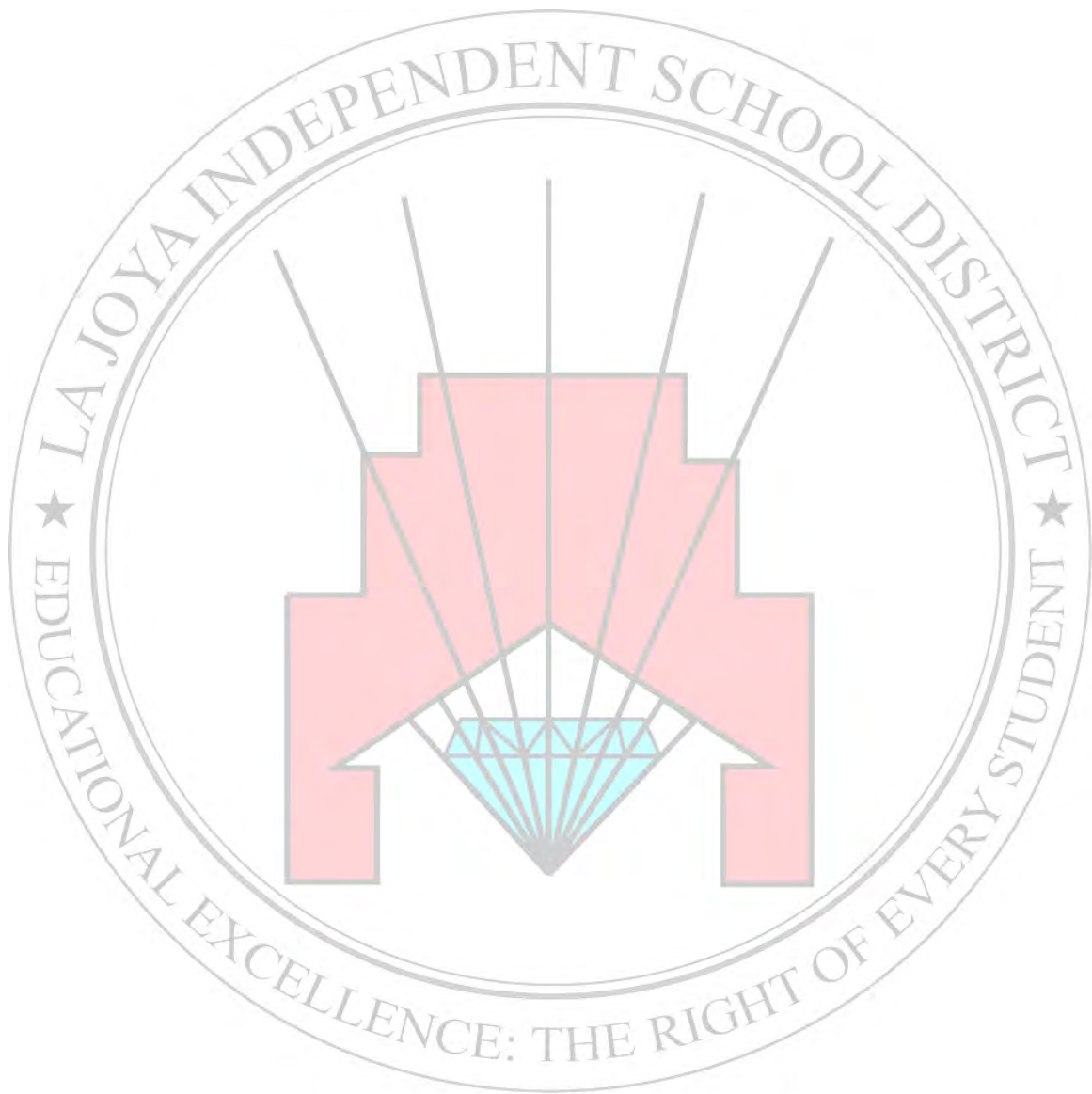
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LA JOYA INDEPENDENT SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

EXHIBIT C-4

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| <b>Total Net Change in Fund Balances - Governmental Funds</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>\$ 25,396,481</b> |
| 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 loss of internal service funds are reported with governmental activities. The net effect of this consolidation is to decrease net position.                                                                                                                                                                                                                                     | (2,456,907)          |
| Current year capital outlays are expenditures in the fund financial statements, but they should be shown as increases in capital assets in the government-wide financial statements. The net effect of removing the 2021 capital outlays is to decrease net position.                                                                                                                                                                                                                                                                                     | (1,122,230)          |
| Current year long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2021 debt principal payments is to increase net position.                                                                                                                                                                                                                                                          | 18,209,819           |
| 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 increase net position. | 345,500              |
| Current year changes due to GASB 68 increased revenues in the amount of \$6,413,110 but also increased expenditures in the amount of \$17,367,513. The net effect on the change in the ending net position was a decrease in the amount of \$10,954,403.                                                                                                                                                                                                                                                                                                  | (10,954,403)         |
| Current year changes due to GASB 75 increased revenues in the amount of \$1,628,928 but also increased expenditures in the amount of \$5,506,616. The net effect on the change in the ending net position was an increase in the amount of \$3,877,688.                                                                                                                                                                                                                                                                                                   | 3,877,688            |
| <b>Change in Net Position of Governmental Activities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>\$ 33,295,948</b> |

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

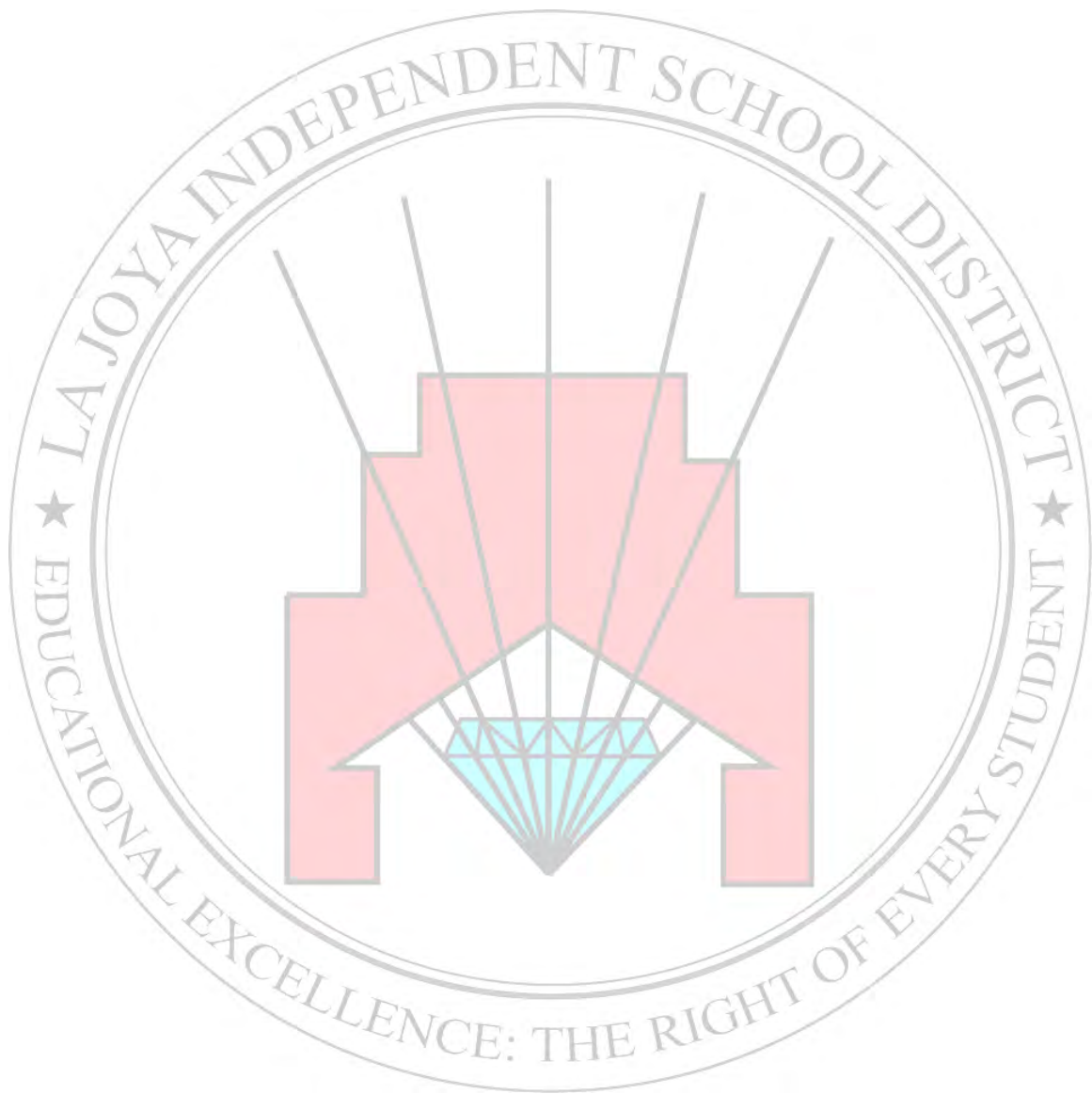


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LA JOYA INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

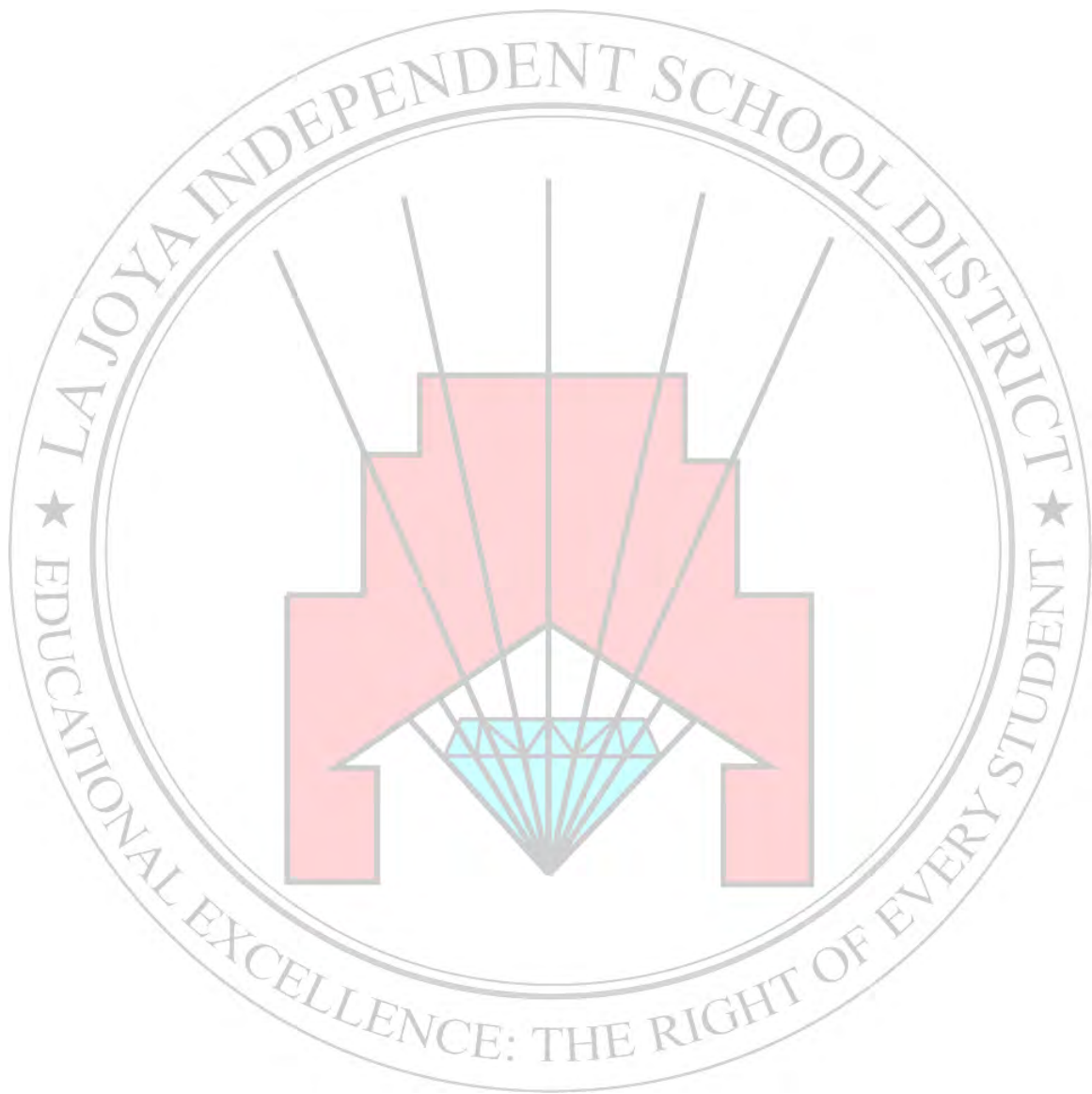
| Data Control Codes                                             | Budgeted Amounts |               | Actual Amounts (GAAP BASIS) | Variance With Final Budget Positive or (Negative) |
|----------------------------------------------------------------|------------------|---------------|-----------------------------|---------------------------------------------------|
|                                                                | Original         | Final         |                             |                                                   |
| REVENUES:                                                      |                  |               |                             |                                                   |
| 5700 Total Local and Intermediate Sources                      | \$ 29,419,354    | \$ 30,052,575 | \$ 31,627,513               | \$ 1,574,938                                      |
| 5800 State Program Revenues                                    | 246,848,487      | 250,390,453   | 255,427,916                 | 5,037,463                                         |
| 5900 Federal Program Revenues                                  | 22,120,293       | 22,695,293    | 27,267,809                  | 4,572,516                                         |
| 5020 Total Revenues                                            | 298,388,134      | 303,138,321   | 314,323,238                 | 11,184,917                                        |
| EXPENDITURES:                                                  |                  |               |                             |                                                   |
| Current:                                                       |                  |               |                             |                                                   |
| 0011 Instruction                                               | 166,299,798      | 170,951,272   | 150,729,141                 | 20,222,131                                        |
| 0012 Instructional Resources and Media Services                | 6,935,464        | 7,201,141     | 5,928,944                   | 1,272,197                                         |
| 0013 Curriculum and Instructional Staff Development            | 4,019,563        | 5,131,542     | 3,720,173                   | 1,411,369                                         |
| 0021 Instructional Leadership                                  | 4,897,586        | 5,069,285     | 3,682,499                   | 1,386,786                                         |
| 0023 School Leadership                                         | 17,906,874       | 18,331,846    | 15,720,443                  | 2,611,403                                         |
| 0031 Guidance, Counseling, and Evaluation Services             | 12,431,473       | 12,609,363    | 11,021,875                  | 1,587,488                                         |
| 0032 Social Work Services                                      | 1,371,874        | 1,586,417     | 1,319,758                   | 266,659                                           |
| 0033 Health Services                                           | 3,847,578        | 3,857,085     | 3,489,427                   | 367,658                                           |
| 0034 Student (Pupil) Transportation                            | 10,962,417       | 15,395,075    | 11,976,353                  | 3,418,722                                         |
| 0035 Food Services                                             | 19,734,969       | 19,738,857    | 19,551,613                  | 187,244                                           |
| 0036 Extracurricular Activities                                | 12,196,930       | 10,211,261    | 7,477,258                   | 2,734,003                                         |
| 0041 General Administration                                    | 9,092,908        | 9,928,227     | 7,837,240                   | 2,090,987                                         |
| 0051 Facilities Maintenance and Operations                     | 32,980,718       | 40,451,939    | 32,508,779                  | 7,943,160                                         |
| 0052 Security and Monitoring Services                          | 5,833,512        | 5,818,731     | 4,539,467                   | 1,279,264                                         |
| 0053 Data Processing Services                                  | 1,440,689        | 1,515,129     | 1,233,614                   | 281,515                                           |
| 0061 Community Services                                        | 74,302           | 180,625       | 95,150                      | 85,475                                            |
| Debt Service:                                                  |                  |               |                             |                                                   |
| 0071 Principal on Long-Term Debt                               | 3,604,253        | 3,604,294     | 3,579,291                   | 25,003                                            |
| 0072 Interest on Long-Term Debt                                | 448,261          | 1,327,170     | 1,251,592                   | 75,578                                            |
| 0073 Bond Issuance Cost and Fees                               | 1,578,950        | -             | -                           | -                                                 |
| Capital Outlay:                                                |                  |               |                             |                                                   |
| 0081 Facilities Acquisition and Construction                   | -                | 10,173,840    | 5,076,901                   | 5,096,939                                         |
| Intergovernmental:                                             |                  |               |                             |                                                   |
| 0095 Payments to Juvenile Justice Alternative Ed. Prg.         | 10,000           | 15,500        | -                           | 15,500                                            |
| 0099 Other Intergovernmental Charges                           | 341,450          | 539,327       | 358,748                     | 180,579                                           |
| 6030 Total Expenditures                                        | 316,009,569      | 343,637,926   | 291,098,266                 | 52,539,660                                        |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | (17,621,435)     | (40,499,605)  | 23,224,972                  | 63,724,577                                        |
| OTHER FINANCING SOURCES (USES):                                |                  |               |                             |                                                   |
| 7912 Sale of Real and Personal Property                        | -                | -             | 49,219                      | 49,219                                            |
| 8911 Transfers Out (Use)                                       | (1,144,560)      | (2,728,026)   | (481,712)                   | 2,246,314                                         |
| 7080 Total Other Financing Sources (Uses)                      | (1,144,560)      | (2,728,026)   | (432,493)                   | 2,295,533                                         |
| 1200 Net Change in Fund Balances                               | (18,765,995)     | (43,227,631)  | 22,792,479                  | 66,020,110                                        |
| 0100 Fund Balance - September 1 (Beginning)                    | 87,920,861       | 87,920,861    | 87,920,861                  | -                                                 |
| 1300 Increase (Decrease) in Fund Balance                       | -                | -             | 643,006                     | 643,006                                           |
| 3000 Fund Balance - June 30 (Ending)                           | \$ 69,154,866    | \$ 44,693,230 | \$ 111,356,346              | \$ 66,663,116                                     |

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



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**PROPRIETARY FUNDS  
FINANCIAL STATEMENTS**



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LA JOYA INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021

EXHIBIT D-1

|                                         | Business-Type<br>Activities - | Governmental<br>Activities -       |
|-----------------------------------------|-------------------------------|------------------------------------|
|                                         | Total<br>Enterprise<br>Funds  | Total<br>Internal<br>Service Funds |
| <b>ASSETS</b>                           |                               |                                    |
| Current Assets:                         |                               |                                    |
| Cash and Cash Equivalents               | \$ 26,873                     | \$ 5,899,434                       |
| Investments - Current                   | -                             | 3                                  |
| Due from Other Governments              | -                             | 9,254                              |
| Accrued Interest                        | -                             | 51                                 |
| Due from Other Funds                    | 66,317                        | 2,067,829                          |
| Other Receivables                       | 7,726                         | -                                  |
| Inventories                             | 3,224                         | -                                  |
| Total Current Assets                    | <u>104,140</u>                | <u>7,976,571</u>                   |
| Noncurrent Assets:                      |                               |                                    |
| Capital Assets:                         |                               |                                    |
| Buildings and Improvements              | 75,035                        | 89,720                             |
| Depreciation on Buildings               | (12,506)                      | (4,112)                            |
| Furniture and Equipment                 | 332,061                       | 269,304                            |
| Depreciation on Furniture and Equipment | (225,875)                     | (226,865)                          |
| Leased Property Under Capital Leases    | -                             | 23,589                             |
| Depreciation on Capital Leases          | -                             | (23,589)                           |
| Total Noncurrent Assets                 | <u>168,715</u>                | <u>128,047</u>                     |
| Total Assets                            | <u>272,855</u>                | <u>8,104,618</u>                   |
| <b>LIABILITIES</b>                      |                               |                                    |
| Current Liabilities:                    |                               |                                    |
| Accounts Payable                        | 79,378                        | 2,866,409                          |
| Accrued Wages Payable                   | 16,447                        | -                                  |
| Due to Other Funds                      | -                             | 2,067,743                          |
| Due to Other Governments                | 1,522                         | 17,653                             |
| Unearned Revenues                       | 6,793                         | -                                  |
| Total Liabilities                       | <u>104,140</u>                | <u>4,951,805</u>                   |
| <b>NET POSITION</b>                     |                               |                                    |
| Net Investment in Capital Assets        | 168,715                       | 128,047                            |
| Unrestricted Net Position               | -                             | 3,024,766                          |
| Total Net Position                      | <u>\$ 168,715</u>             | <u>\$ 3,152,813</u>                |

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

LA JOYA INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

|                                                | Business-Type<br>Activities - | Governmental<br>Activities -       |
|------------------------------------------------|-------------------------------|------------------------------------|
|                                                | Total<br>Enterprise<br>Funds  | Total<br>Internal<br>Service Funds |
| OPERATING REVENUES:                            |                               |                                    |
| Local and Intermediate Sources                 | \$ 352,283                    | \$ 26,386,571                      |
| Federal Revenues                               | -                             | 79,753                             |
| Total Operating Revenues                       | 352,283                       | 26,466,324                         |
| OPERATING EXPENSES:                            |                               |                                    |
| Payroll Costs                                  | 472,056                       | 119,537                            |
| Professional and Contracted Services           | 70,182                        | 28,275,859                         |
| Supplies and Materials                         | 119,002                       | 236,838                            |
| Other Operating Costs                          | 17,704                        | 399,301                            |
| Depreciation Expense                           | 39,437                        | 28,501                             |
| Total Operating Expenses                       | 718,381                       | 29,060,036                         |
| Operating Income (Loss)                        | (366,098)                     | (2,593,712)                        |
| NONOPERATING REVENUES (EXPENSES):              |                               |                                    |
| Earnings from Temporary Deposits & Investments | 29                            | 6,919                              |
| Total Nonoperating Revenues (Expenses)         | 29                            | 6,919                              |
| Income (Loss) Before Transfers                 | (366,069)                     | (2,586,793)                        |
| Transfer In                                    | 351,826                       | 2,197,629                          |
| Transfers Out                                  | -                             | (2,067,743)                        |
| Change in Net Position                         | (14,243)                      | (2,456,907)                        |
| Total Net Position - September 1 (Beginning)   | 182,958                       | 5,609,720                          |
| Total Net Position - June 30 (Ending)          | \$ 168,715                    | \$ 3,152,813                       |

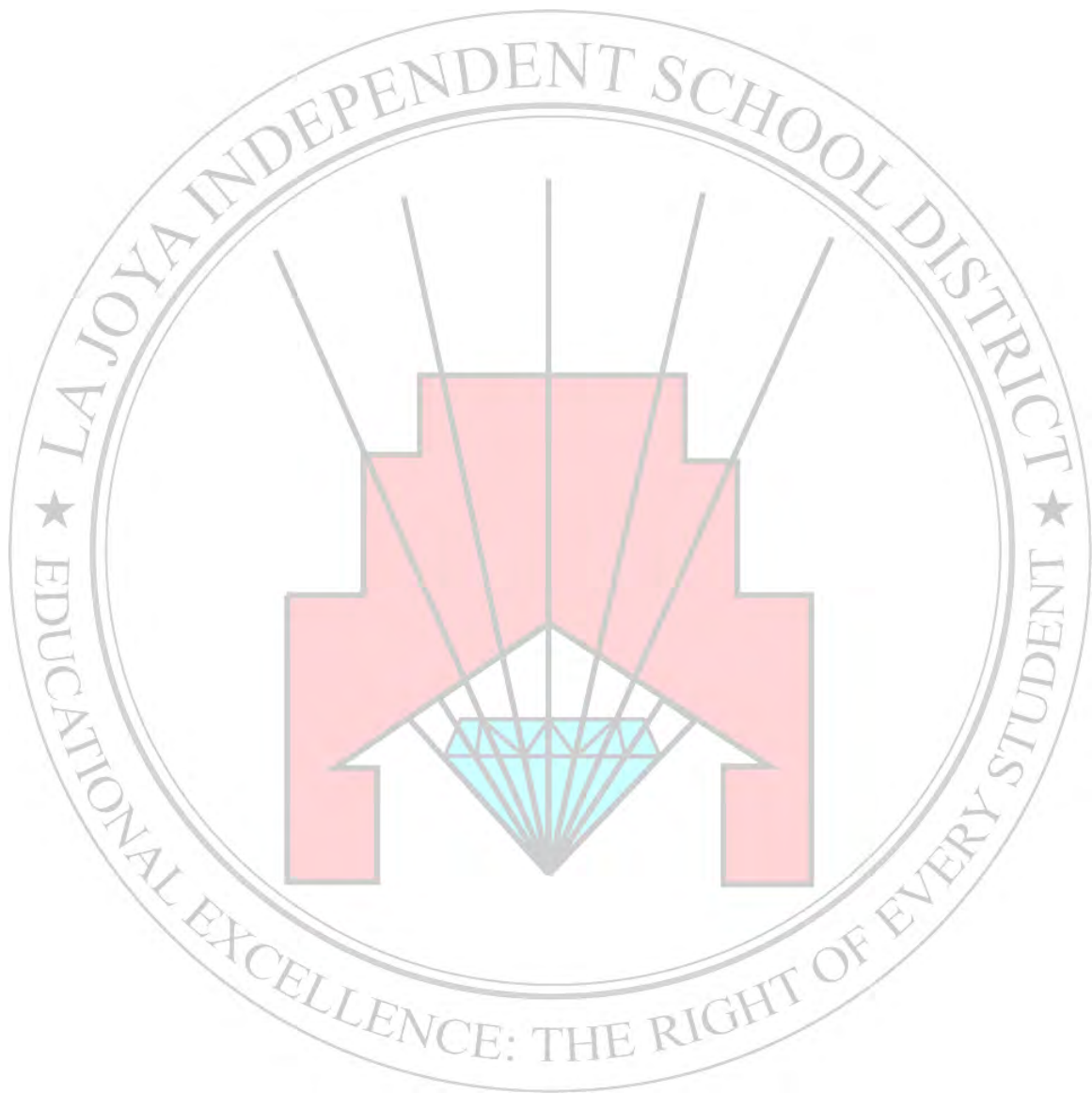
The notes to the financial statements are an integral part of this statement.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

EXHIBIT D-3

|                                                                                         | Business-Type<br>Activities  | Governmental<br>Activities -       |
|-----------------------------------------------------------------------------------------|------------------------------|------------------------------------|
|                                                                                         | Total<br>Enterprise<br>Funds | Total<br>Internal<br>Service Funds |
| <u>Cash Flows from Operating Activities:</u>                                            |                              |                                    |
| Cash Received from User Charges                                                         | \$ 296,732                   | \$ 26,490,103                      |
| Cash Payments to Employees for Services                                                 | (455,609)                    | (119,537)                          |
| Cash Payments for Suppliers                                                             | (188,273)                    | (28,609,720)                       |
| Cash Payments for Other Operating Expenses                                              | 46,699                       | (399,300)                          |
| Net Cash Used for Operating Activities                                                  | (300,451)                    | (2,638,454)                        |
| <u>Cash Flows from Non-Capital Financing Activities:</u>                                |                              |                                    |
| Operating Transfer Out                                                                  | -                            | (2,067,743)                        |
| <u>Cash Flows from Capital &amp; Related Financing Activities:</u>                      |                              |                                    |
| Acquisition of Capital Assets                                                           | (25,194)                     | (14,680)                           |
| Capital Contributed by Other Funds                                                      | 351,826                      | 2,197,629                          |
| Net Cash Provided by Capital and Related Financing Activities                           | 326,632                      | 2,182,949                          |
| <u>Cash Flows from Investing Activities:</u>                                            |                              |                                    |
| Purchase of Investment Securities                                                       | -                            | 102                                |
| Interest and Dividends on Investments                                                   | 29                           | 6,919                              |
| Net Cash Provided by Investing Activities                                               | 29                           | 7,021                              |
| Net Increase (Decrease) in Cash and Cash Equivalents                                    | 26,210                       | (2,516,227)                        |
| Cash and Cash Equivalents at Beginning of the Period:                                   | 663                          | 8,415,661                          |
| Cash and Cash Equivalents at the End of the Period:                                     | \$ 26,873                    | \$ 5,899,434                       |
| <u>Reconciliation of Operating Income (Loss) to Net Cash</u>                            |                              |                                    |
| <u>Used for Operating Activities:</u>                                                   |                              |                                    |
| Operating Income (Loss):                                                                | \$ (366,098)                 | \$ (2,593,712)                     |
| Adjustments to Reconcile Operating Income<br>to Net Cash Used for Operating Activities: |                              |                                    |
| Depreciation                                                                            | 39,437                       | 28,501                             |
| Effect of Increases and Decreases in Current<br>Assets and Liabilities:                 |                              |                                    |
| Decrease (increase) in Receivables                                                      | 7,018                        | 21,389                             |
| Decrease (increase) in Inventories                                                      | 911                          | -                                  |
| Increase (decrease) in Accounts Payable                                                 | 73,901                       | (253,823)                          |
| Increase (decrease) in Unearned Revenues                                                | 1,512                        | -                                  |
| Increase (decrease) in Accrued Wages Payable                                            | 16,447                       | -                                  |
| Increase (decrease) in Due to Others                                                    | (9,498)                      | 156,801                            |
| Increase (decrease) in Accrued Interest                                                 | 3                            | 2,390                              |
| Increase (decrease) in Due to Other                                                     | (64,084)                     | -                                  |
| Net Cash Used for Operating Activities                                                  | \$ (300,451)                 | \$ (2,638,454)                     |

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



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**FIDUCIARY FUNDS  
FINANCIAL STATEMENT**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2021

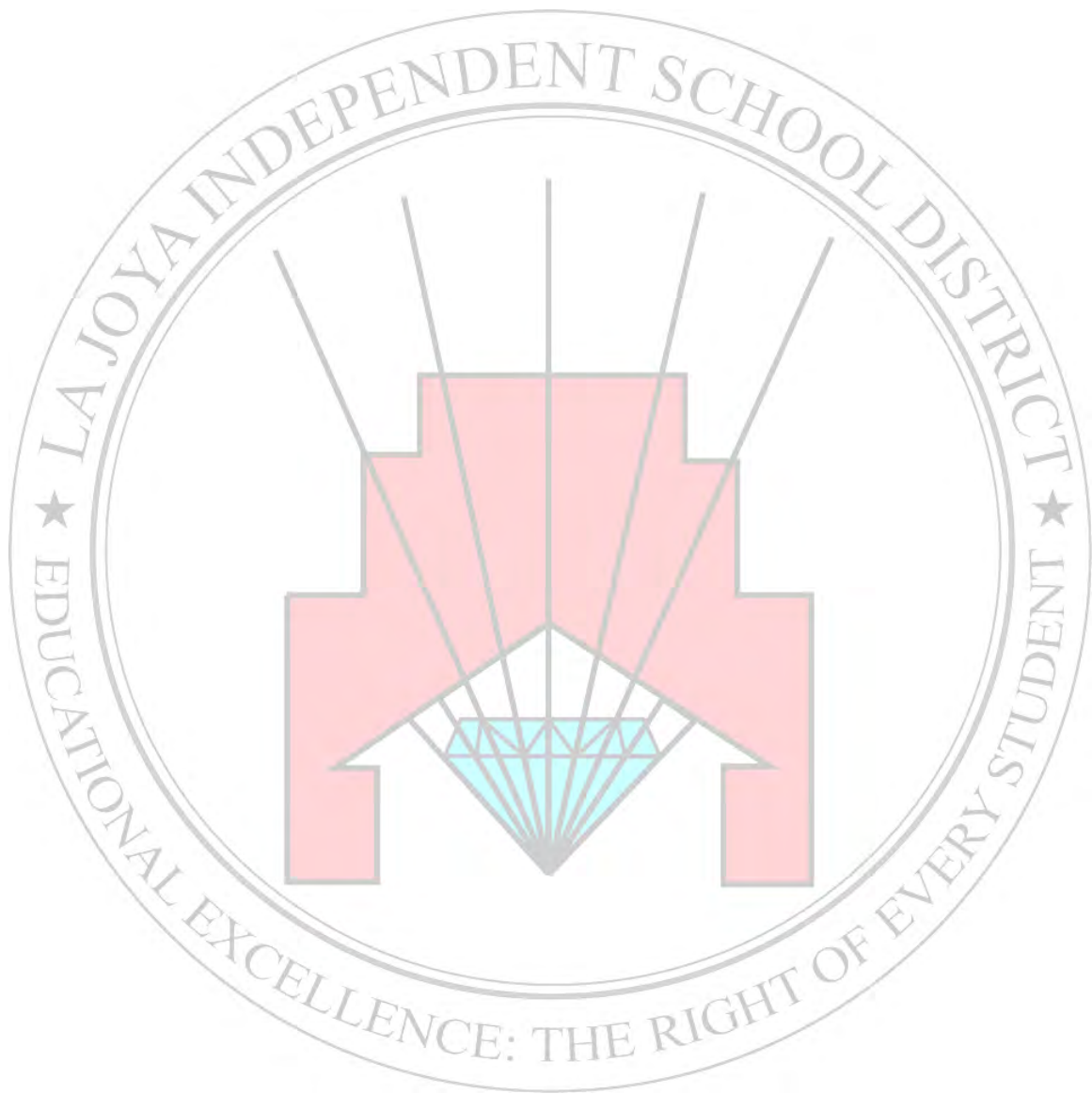
|                                | Total<br>Custodial<br>Funds |
|--------------------------------|-----------------------------|
| <b>ASSETS</b>                  |                             |
| Cash and Cash Equivalents      | \$ 954,892                  |
| Accrued Interest               | 3                           |
| Total Assets                   | <u>954,895</u>              |
| <b>LIABILITIES</b>             |                             |
| Due to Student Groups          | 587,505                     |
| Payable from Restricted Assets | 21,693                      |
| Total Liabilities              | <u>609,198</u>              |
| <b>NET POSITION</b>            |                             |
| Restricted for Scholarships    | <u>345,697</u>              |
| Total Net Position             | <u><u>\$ 345,697</u></u>    |

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

LA JOYA INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION  
FIDUCIARY FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

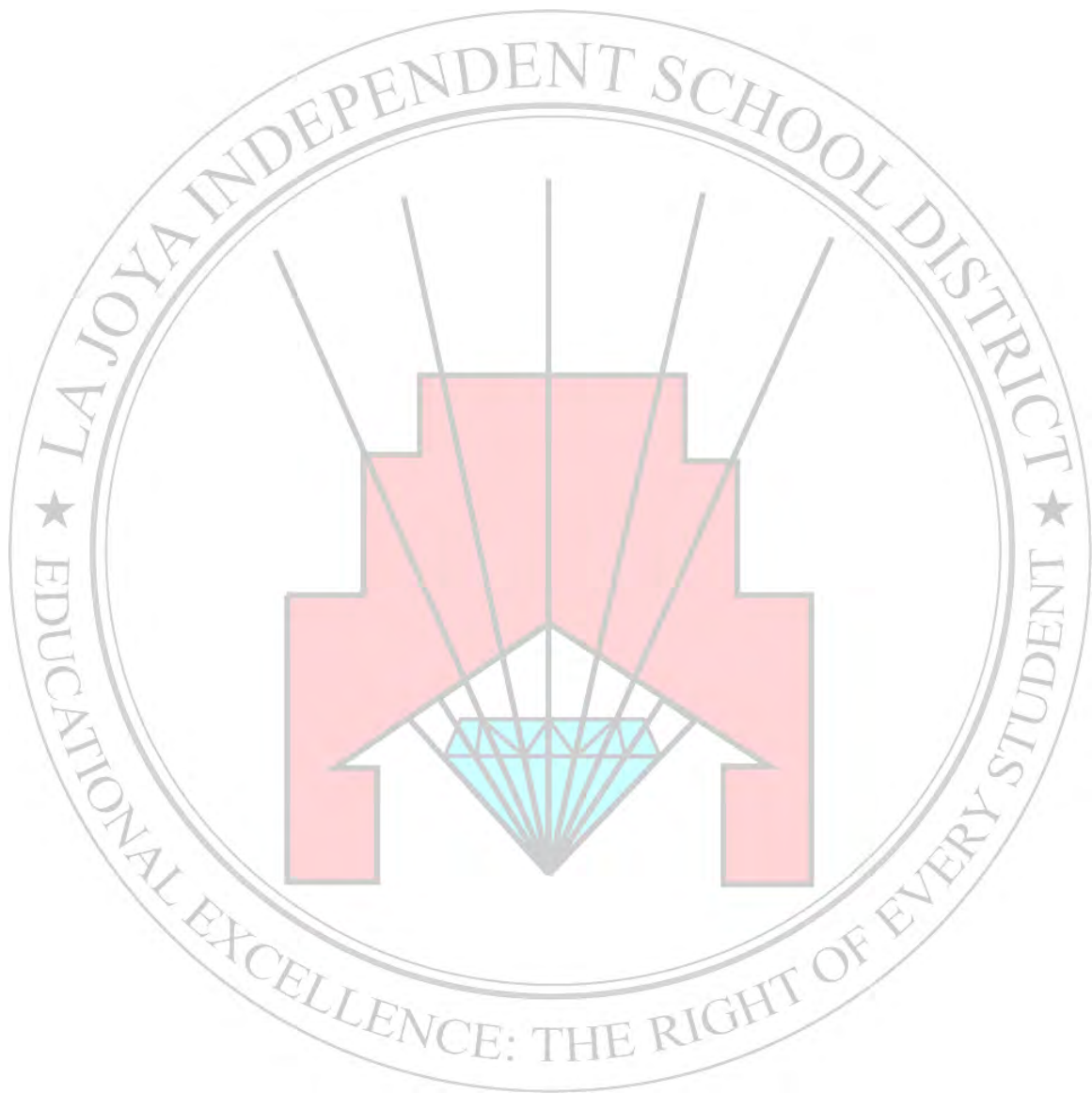
|                                              | Total<br>Custodial<br>Funds |
|----------------------------------------------|-----------------------------|
| <b>ADDITIONS:</b>                            |                             |
| Miscellaneous Revenue - Student              | \$ 284,821                  |
| Earnings from Temporary Deposits             | 261                         |
| Miscellaneous Additions                      | 169,104                     |
| Total Additions                              | <u>454,186</u>              |
| <b>DEDUCTIONS:</b>                           |                             |
| Other Deductions                             | <u>402,458</u>              |
| Total Deductions                             | <u>402,458</u>              |
| Change in Fiduciary Net Position             | 51,728                      |
| Total Net Position - September 1 (Beginning) | <u>293,969</u>              |
| Total Net Position - June 30 (Ending)        | <u><u>\$ 345,697</u></u>    |

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



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**NOTES TO THE  
FINANCIAL STATEMENTS**



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LA JOYA INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

LA JOYA 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 (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in **GASB Statement No. 76**, 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 purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

*Other Post-Employment Benefits.* 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.

LA JOYA INDEPENDENT SCHOOL DISTRICT applies Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. The District's investments are accounted for using the cost amortization method.

**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.

*Fiscal Year Change*

House Bill 98 enacted by the seventy-sixth legislature of the State of Texas allowed Texas School Districts to change their fiscal year from August 31<sup>st</sup> to June 30<sup>th</sup> beginning with 2001/2002 school year. In fiscal year 2020-2021, the District changed its fiscal year from September 1<sup>st</sup> through August 31<sup>st</sup> to July 1<sup>st</sup> through June 30<sup>th</sup>, thereby capturing ten months of activity for the ten-months period ended June 30, 2021. The change was made to better align the fiscal year with the school year.

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the La Joya Independent School District non-fiduciary activities with most of the inter-fund 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. 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 program revenue, it is general revenue used to support all of the District's functions. Taxes are always general revenues. The District does not allocate indirect costs in the Statement of Activities.

Inter-fund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position 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 Position. All inter-fund transactions between governmental funds and between governmental funds and internal service funds are eliminated on the government-wide statements. Inter-fund activities between governmental funds and enterprise funds remain on the government-wide statements and appear on the government-wide Statement of Net Position as internal balances and on the Statement of Activities as inter-fund transfers. Internal Service Funds inherently create redundancy because their expenses are recorded a second time in the funds that are billed for the services they provide. Therefore, on the government-wide financial statements, the operations of the Internal Service Funds are not eliminated in the process of consolidation. Inter-fund activities between governmental funds and fiduciary funds remain as due to/due from on the government-wide Statement of Net Position.

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 the 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 non-operating items. Operating revenues result from providing goods and services in connection with a proprietary fund's principal ongoing operations; they usually come from exchange or exchange-like transactions. All other revenues are non-operating. Operating expenses can be tied specifically to the production of the goods and services, such as materials and labor and direct overhead. Other expenses are non-operating.

### **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 funds and fiduciary funds. 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 un-matured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. 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, that is, when they are both measurable and available. The District considers them "available" if they will be collected within 60 days of the end of the fiscal year. 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.

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 unearned 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 is accounted for on a flow of economic resources measurement focus and utilizes 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 Statement of Net Position. The fund equity is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

Agency Funds utilize the accrual basis of accounting but do not have a measurement focus as they report only assets and liabilities.

#### **D. FUND ACCOUNTING**

The District reports the following major governmental fund:

1. **General Fund** – The general fund is the District's primary operating fund. It accounts for all financial resources, including the Child Nutrition Program, except those required to be accounted for in another fund.

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

Nonmajor 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.

Proprietary Funds:

1. **Enterprise Funds** – is a proprietary fund type accounted for on the accrual basis. The District's activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities are accounted for in an enterprise fund. Generally accepted accounting principles of the private sector are applicable, as financial position, results of operations and cash flows are to be determined. The District has no major enterprise funds. The District's non-major Enterprise Funds are:

Sports & Learning Complex (Fund 745)  
Howling Trails Golf Course (Fund 749)

2. **Internal Service Funds** – 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. The District's Internal Service Funds are:

Print Shop (Fund 752)  
Health Insurance (Fund 753)  
Worker's Compensation (Fund 770)  
Unemployment Insurance (Fund 780)

Fiduciary Funds:

1. **Custodial Funds** – The District accounts for resources held for others in a custodial capacity in agency funds. These funds are not included in the government-wide statements. The Custodial Funds are:

Student Activity (Fund 865)  
Merit Scholarship (Fund 876)  
Employee Memorial (Fund 877)  
Superintendent's Scholarship (Fund 878)  
Administration and Finance Scholarship (Fund 880)  
Staff Activity (Fund 899)

**E. OTHER ACCOUNTING POLICIES**

1. For purposes of the statement of cash flows for proprietary funds, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.
2. The District reports inventories of supplies at weighted average cost including 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 Agriculture. Although commodities are received at no cost, their fair market value is supplied by the Texas Department of Agriculture and recorded as inventory and unearned revenue when received. When requisitioned, inventory and unearned revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount.
3. 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, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

- 4 It is the District's policy to permit some employees to accumulate earned but unused sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when an employee separates from service with the District. As of June 30, 2021, the accumulated sick leave balance is \$28,847,842.

*Compensated Absences:* All sick pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in the fund financial statements only if they have matured, for example, as a result of employee retirement.

5. Capital assets, which include land, buildings, furniture and equipment, are reported in the applicable governmental or business-type activities columns 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 one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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 are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u>         | <u>Years</u> | <u>Assets</u>   | <u>Years</u> |
|-----------------------|--------------|-----------------|--------------|
| Buildings             | 40           | Vehicles        | 7            |
| Building Improvements | 40           | Library Books   | 5            |
| Portable Buildings    | 20           | Media Assets    | 5            |
| School Buses          | 10           | Other Equipment | 3-5          |

6. Since Internal Service Funds support the operations of governmental funds, they are consolidated with the governmental funds in the government-wide financial statements. The expenditures of governmental funds that create the revenues of internal service funds are eliminated to avoid “grossing up” the revenues and expenses of the District as a whole.
7. Inventory is valued at cost (average). The District accounts for food inventories by using the consumption method whereby expenditures are recognized only when inventory items are used. Maintenance supplies inventory is accounted for by using the purchase method whereby purchases of inventories are recognized as expenditures when goods are received. Reported inventories are equally offset by a fund balance nonspendable category in the fund level statements which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets. Commodity inventory is offset by unearned revenue.
8. Self-Insurance Plans

#### **Worker’s Compensation - Self Funded**

During the ten-months ended June 30, 2021, La Joya ISD met its statutory worker’s compensation obligations. The District has established a self-insurance program for worker’s compensation benefits. As a self-funded entity, La Joya ISD is solely responsible for all claim costs, both reported and unreported.

Claims are paid by a third-party administrator acting on behalf of the District under the terms of a contractual agreement. Administrative fees are included within the provisions of the agreement. According to state statute, the District is protected against unanticipated catastrophic claims and aggregate loss by coverage through Star/State Insurance Company, a commercial insurer licensed or eligible to do business in Texas in accordance with the Texas Insurance Code. TRISTAR Risk Management, based out of Corpus Christi, TX, provides administrative services including claims administration and customer service.

La Joya ISD is protected against higher than expected claim costs through the purchase of stop loss coverage. Excess Worker’s Compensation Insurance was in effect for each occurrence with statutory limit coverage and a specific retention of \$400,000.

The costs associated with these self-insurance plans are reported as inter-fund transactions to the extent of amounts actuarially determined. Accordingly, they are treated as operating revenues of the Internal Service Fund and operating expenditures of the General Fund and the Special Revenue Funds. Refer to Note 27 for a reconciliation of changes in liabilities.

#### **Property/Casualty Program**

During the ten-months ended June 30, 2021, La Joya ISD participated in the Interstate Fire & Casualty/Liberty Mutual (55%), Lloyd’s of London (13.5%) and Independent Specialty Insurance Company (31.5%) the Fund’s Property Casualty Program with coverage for the District’s assets including but not limited to Property, Comprehensive General Liability, Musical Instruments, Computers and Vehicle Fleet.

The fund was created and is operated under the provision of the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code. All members participating in the Fund execute Inter-local Agreements that define the responsibilities of the parties.

For the ten-months ended June 30, 2021, the Fund anticipates La Joya ISD has no additional liability beyond the contractual obligations for the payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on June 30. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2020, are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin.

9. In the fund financial statements, certain resources of the governmental funds are set aside for the repayment or use of specific programs and are recorded to the following categories of designations:
  - Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of these classifications are prepaid items and inventories.
  - Restricted: fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
  - Committed: fund balances that can be used only for the specific purposes imposed by formal action through the adoption of a resolution by the Board of Trustees, which is the highest level of decision-making authority in the District. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered legally enforceable. Committed fund balance also incorporates contract obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
  - Assigned: fund balances that contain self-imposed constraints of the government to be used for a particular purpose. The Board has by Local Policy CE authorized the Superintendent, or designee, to assign fund balance. The Board, Superintendent or designee may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. An additional action does not have to be taken for the removal of an assignment.
  - Unassigned: fund balance of the general fund that is not constrained for any particular purpose. A negative unassigned fund balance could result in other governmental fund, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

*Fund Balance Flow Assumptions:* In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which resources are considered to be applied. When the District incurs an expenditure for which it may use either restricted, committed, assigned, or unrestricted assets, it uses the restricted assets first, the committed fund balance next, then the assigned fund balance. Unassigned fund balance is applied as a last resource.

10. 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.
11. The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

12. The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury for investment income received at yields that exceed the issuer's tax-exempt borrowing rates. The Treasury requires payment for each issue every five years. The estimated liability is updated annually for all tax-exempt issuances or changes in yields until such time payment of the calculated liability is due. The district had no liability as of June 30, 2021.
13. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.
14. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one type of item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Uncollected property taxes which are assumed collectible are reported in this category on the balance sheet for governmental funds. They are not reported in this category on the government wide statement of net position.
15. In the government-wide financial statements, insurance costs arising from the issuance of debt are reported as deferred outflows and amortized over the term of the related debt. Deferred amounts from a refunding of debt are reported as deferred outflows of resources and deferred amounts from refunding debt are reported as deferred inflows of resources and amortized over the lesser of life of the refunded bonds or refunding debt. The District had refunding of debt this fiscal year.

Grant amounts received in advance of meeting timing requirements and advances of revenue from imposed non-exchange transactions such as property taxes or transactions recorded as a receivable prior to the period when resources are required to be used or are available, are reported as deferred inflows of resources at the fund level and are recognized as revenues at the government-wide level.
16. Other current assets are prepaid expenses that will benefit periods beyond June 30, 2021. This amount includes prepayment of merchandise received after June 30, 2021 using the purchasing method. In the fund financial statements, the reported amounts are equally offset by a fund balance nonspendable category. The general fund is and has been used to liquidate long-term liabilities other than debt.
17. Custodial Fund – The District accounts for resources held for others in a custodial capacity in custodial funds. These funds are used to account for assets held by the District as an agent for student and other organizations. These funds were previously reported in an agency fund. This change resulted in reporting the detail of additions to and deductions from custodial funds causing a change in the fund net position whereas these details were not reported for agency funds. This change is a result of the implementation of GASB 84.

## II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

- A. Exhibit C-2 provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net position for governmental activities as reported in the government-wide statement of net position. Below are explanations of certain differences between the governmental fund balance sheet and the government-wide statement of net position. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported as liabilities in the funds. The details of the reconciliation of the fund financial statements total ending fund balance to the government-wide total net position were as follows:

|                                                                                                                                                                                                                        |                      |                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Total Fund Balances – Governmental Funds Balance Sheet                                                                                                                                                                 |                      | \$ 115,055,926       |
| The Internal Service Funds are used to charge for certain activities. The assets and liabilities of the Internal Service Funds are included in governmental activities in the statement of net position. (Exhibit D-1) |                      | 3,152,813            |
| Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.                                                                                              |                      |                      |
| Note 8: Capital Assets Totals                                                                                                                                                                                          | 686,717,210          |                      |
| Less: Total Accumulated Depreciation                                                                                                                                                                                   | (273,374,712)        |                      |
| Exclude Internal Service Fund Capital Assets                                                                                                                                                                           | (382,613)            |                      |
| Exclude Internal Service Fund Accumulated Depreciation                                                                                                                                                                 | <u>254,566</u>       |                      |
| Sub-total for Capital Assets                                                                                                                                                                                           |                      | 413,214,451          |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.                                                                             |                      |                      |
| Note 11: General Obligation Bonds                                                                                                                                                                                      | (181,352,680)        |                      |
| Issuance Premiums                                                                                                                                                                                                      | (29,513,436)         |                      |
| Maintenance Tax Notes                                                                                                                                                                                                  | (34,305,000)         |                      |
| Capital Lease                                                                                                                                                                                                          | (12,180,268)         |                      |
| Accreted Interest                                                                                                                                                                                                      | (1,588,507)          |                      |
| Compensated Absences                                                                                                                                                                                                   | (1,256,612)          |                      |
| Note 9: Deferred Loss on Refunding                                                                                                                                                                                     | 7,660,414            |                      |
| Note 10: Interest Payable                                                                                                                                                                                              | <u>(2,791,156)</u>   |                      |
| Sub-total for Long-term Liabilities                                                                                                                                                                                    |                      | (255,327,245)        |
| Net Position change due to the recognition of the District's proportionate share of the net pension liability required by GASB 68.                                                                                     |                      |                      |
| Note 12 p47 Deferred Outflows of Resources                                                                                                                                                                             | 41,925,603           |                      |
| Note 12 p47 Deferred Inflow of Resources                                                                                                                                                                               | (15,861,365)         |                      |
| Exhibit G-1 Proportionate of the collective Net Pension Liability                                                                                                                                                      | <u>(110,073,379)</u> |                      |
|                                                                                                                                                                                                                        |                      | (84,009,141)         |
| Net Position change due to the recognition of the District's proportionate share of the net OPEB liability required by GASB 75.                                                                                        |                      |                      |
| Note 13 p51 Deferred Outflows of Resources                                                                                                                                                                             | 17,159,056           |                      |
| Note 13 p51 Deferred Inflow of Resources                                                                                                                                                                               | (85,634,490)         |                      |
| Exhibit G-3: Proportionate of the collective Net OPEB Liability                                                                                                                                                        | <u>(106,031,844)</u> |                      |
|                                                                                                                                                                                                                        |                      | (174,507,278)        |
| Other Reclassifications                                                                                                                                                                                                |                      |                      |
| Exhibit C-1: Unavailable Revenues                                                                                                                                                                                      |                      | <u>7,336,141</u>     |
| Net Position of Government Activities                                                                                                                                                                                  |                      | \$ <u>24,915,667</u> |

**B.** Exhibit C-4 provides reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances and the changes in net position of governmental activities as reported on the government-wide statement of activities. The details of these adjustment are as follows:

|                                                                                                                                                                                                                                                                                                                                            |              |                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------|
| Total Net Change in Fund Balances – Governmental Funds                                                                                                                                                                                                                                                                                     |              | \$ 25,396,481        |
| Amounts reported for governmental activities in the Statement of Net Position differ due to:                                                                                                                                                                                                                                               |              |                      |
| Net change in Net Position on Internal Service Funds (Exhibit D-2)                                                                                                                                                                                                                                                                         |              | (2,456,907)          |
| Current year Capital Outlays are expenditures in the fund financial statements, but they should be shown as increases in capital assets in the government-wide financial statements. The net effect of removing the 2021 capital outlays is to decrease net position.                                                                      |              |                      |
| Note 8: Capital Assets                                                                                                                                                                                                                                                                                                                     | 11,745,850   |                      |
| Less: Total Accumulated Depreciation                                                                                                                                                                                                                                                                                                       | (12,881,902) |                      |
| Exclude Internal Service Fund Capital Assets                                                                                                                                                                                                                                                                                               | (14,680)     |                      |
| Exclude Internal Service Fund Accumulated Depreciation                                                                                                                                                                                                                                                                                     | 28,502       |                      |
|                                                                                                                                                                                                                                                                                                                                            |              | (1,122,230)          |
| Current year Long-term debt principal payments and related debt are expenditures in the fund financial statements, but they should be shown as reductions in long term debt in the government-wide financial statements. The net effect of removing the 2021 debt principal payments is to increase net position.                          |              |                      |
| Note 11: General Obligation Bonds (net)                                                                                                                                                                                                                                                                                                    | 17,755,000   |                      |
| Issuance Premiums                                                                                                                                                                                                                                                                                                                          | 388,262      |                      |
| Maintenance Tax Note                                                                                                                                                                                                                                                                                                                       | 1,365,000    |                      |
| Capital Lease                                                                                                                                                                                                                                                                                                                              | 2,214,250    |                      |
| Accreted Interest                                                                                                                                                                                                                                                                                                                          | (211,365)    |                      |
| Compensated Absences                                                                                                                                                                                                                                                                                                                       | 121,980      |                      |
| Note 9: Deferred Loss on Refunding (net)                                                                                                                                                                                                                                                                                                   | (1,022,301)  |                      |
| Note 15: Accrued Expenses                                                                                                                                                                                                                                                                                                                  | 30,563       |                      |
| Note 10: Interest Payable                                                                                                                                                                                                                                                                                                                  | (2,431,569)  |                      |
| Rounding                                                                                                                                                                                                                                                                                                                                   | (1)          |                      |
| Sub-total Detailed Net effect for Long-term Liabilities                                                                                                                                                                                                                                                                                    |              | 18,209,819           |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) Also included recognizing unavailable revenue from property taxes, adjusting current year revenue to show the revenue earned from the current year taxes. The net effect of these reclassifications is to decrease net position. |              |                      |
| Note 26: Sale of Property                                                                                                                                                                                                                                                                                                                  | 49,219       |                      |
| Unavailable Revenue                                                                                                                                                                                                                                                                                                                        | 296,280      |                      |
| Rounding                                                                                                                                                                                                                                                                                                                                   | 1            |                      |
| Subtotal                                                                                                                                                                                                                                                                                                                                   |              | 345,500              |
| Net Position change due to GASB 68 Accounting and Financial Reporting for Pensions                                                                                                                                                                                                                                                         |              | (10,954,403)         |
| Net Position change due to GASB 75 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions                                                                                                                                                                                                         |              | <u>3,877,688</u>     |
| Change in Net Position of Government Activities                                                                                                                                                                                                                                                                                            |              | <u>\$ 33,295,948</u> |

### C. Net Investments in Capital Assets

The net investments in capital assets includes all capital assets (including restricted capital assets) net of accumulated depreciation and reduced by outstanding balances of debt relating to the acquisition, construction, or improvement of these assets. The calculation is summarized below:

|                                                                                 |                       |
|---------------------------------------------------------------------------------|-----------------------|
| Capital Assets Net of Depreciation (Note 8, including Business-type Activities) | \$ 413,342,498        |
| Long-term Liabilities (Note 11 – Subtotal Direct Debt)                          | (257,351,384)         |
| Deferred Charge on Refunding (Note 9)                                           | 7,660,414             |
| Unspent Bond Proceeds (Exclude from Long-term Liabilities)                      | <u>638,657</u>        |
| Total                                                                           | <u>\$ 164,290,185</u> |

The Board of Trustees adopts an "appropriated budget" on a basis consistent with generally accepted accounting principles 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 J-2 and J-3. The General Fund may include functions that normally pertain to the Debt Service Fund or the Food Service Fund, therefore the budgetary items on Exhibit C-5 may not correspond to the budgetary items on Exhibits J-2 or J-3.

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

1. Prior to June 19<sup>th</sup>, the District prepares a budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten days' public notice of the meeting must be given.
3. A summary of the proposed budget is posted on the District's website. The budget summary includes a comparison to the previous year's actual spending and information relating to per-student and aggregate spending on instruction, instructional support, central administration, district operations, debt service, and any other category designated by the commissioner.
4. Prior to July 1<sup>st</sup>, 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 fiscal year end. Because the District has a policy of careful budgetary control, several amendments were necessary during the year. However, none of these were significant.

## **B. FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS**

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures", violations of finance related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations, if applicable.

### *Expenditures Exceeding Appropriations*

For the ten-months ended June 30, 2021, the District did not have expenditures exceeding appropriated amounts.

### *Deficit Fund Balances of Individual Funds or Deficit Net Position*

The District does not have funds with deficit fund balances.

## **IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

### **NOTE 1 - DEPOSITS AND INVESTMENTS**

#### District Policies and Legal and Contractual Provisions Governing Investments

##### **Compliance with the Public Funds Investment Act**

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 a governmental entity 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.

| <u>Investment</u> | <u>Fair Value</u>    | <u>Weighted Average Maturity (In Days)</u> | <u>Ratings</u> |
|-------------------|----------------------|--------------------------------------------|----------------|
| BBVA Compass Bank | \$107,733,799        | 1                                          | A-3            |
| TexTerm - Daily   | 5                    | 1                                          | AAAm           |
| TexTerm - Fixed   | 10,000,000           | 114                                        | AAAm           |
| Total             | <u>\$117,733,804</u> |                                            |                |

Statutes authorize the entity to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas and its agencies; (2) guaranteed or secured certificates of deposit issued by state and national banks domiciled in Texas; (3) obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated as to investment quality not less than an "A"; (4) No load money market funds with a weighted average maturity of 90 days or less; (5) fully collateralized repurchase agreements; (6) commercial paper having a stated maturity of 270 days or less from the date of issuance and is not rated not less than A-1 or P-1 by two nationally recognized credit rating agencies or one nationally recognized credit agency and is fully secured by an irrevocable letter of credit; (7) secured corporate bonds rated not lower than "AA-" or the equivalent; (8) public funds investment pools; and (9) guaranteed investment contracts for bond proceeds investment only, with a defined termination date and secured by U.S. Government direct or agency obligations approved by the Texas Public Funds Investment Act in an amount equal to the bond proceeds. The Act also requires the entity to have independent auditors perform test procedures related to investment practices as provided by the Act. La Joya Independent School District is in substantial compliance with the requirements of the Act and with local policies.

As of June 30, 2021, La Joya Independent School District had the following cash, cash equivalents and current investments as classified in the accompanying financial statements are as follows:

|                                  |                   |
|----------------------------------|-------------------|
| Primary Government (Exhibit A-1) | \$116,778,912     |
| Fiduciary Funds (Exhibit E-1)    | <u>\$ 954,892</u> |
| Total                            | \$117,733,804     |

Cash and investments as of June 30, 2021 consist of the following.

| <u>Investment Type</u>                             | <u>Investment Maturities (in years)</u> |                        |            | <u>Rating<br/>S&amp;P</u> | <u>Exposure</u> |
|----------------------------------------------------|-----------------------------------------|------------------------|------------|---------------------------|-----------------|
|                                                    | <u>Fair<br/>Value</u>                   | <u>Less<br/>than 1</u> | <u>1-5</u> |                           |                 |
| BBVA Compass Bank                                  |                                         |                        |            | A-3                       | 91.51%          |
| Governmental Funds                                 | \$ 100,852,600                          | X                      |            |                           |                 |
| Internal Service Funds                             | 5,899,434                               | X                      |            |                           |                 |
| Fiduciary Funds                                    | 954,892                                 | X                      |            |                           |                 |
| Enterprise Funds                                   | 26,873                                  | X                      |            |                           |                 |
| TexasTerm Investment Pool - Daily                  |                                         |                        |            | AAAm                      | 0.00%           |
| Governmental Funds                                 | 2                                       | X                      |            |                           |                 |
| Internal Service Funds                             | 3                                       | X                      |            |                           |                 |
| Texas Term Investment Pool - Fixed                 | 10,000,000                              | X                      |            | AAAm                      | 8.49%           |
| Total District Cash Equivalents<br>and Investments | <u>\$ 117,733,804</u>                   |                        | .....      |                           |                 |

At June 30, 2021, the District's investments were comprised of collateralized certificates of deposits, money market savings accounts, and local government investment pools.

TexasTERM, Local Government Investment Pool: TexasTERM operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexasTERM uses amortized cost rather than fair value to report net position to compute share prices. Accordingly, the fair value of the position in the pool is the same as the value of the shares in each pool. Financial information for TexasTERM can be accessed on the internet (<http://www.texasterm.net>).

TexasTERM is organized under the authority of the Inter-local Cooperation Act, Chapter 791, Texas Government Code and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexasTERM is governed by a board of directors; PFM Asset Management LLC, act as the investment manager under agreement with the TexasTERM Advisory Board. In addition, the Advisory Board advises on the investment policies. This advisory board is composed of participants in TexasTERM and other persons who do not have a business relationship with the portfolios who are qualified to provide oversight.

Additional policies and contractual provisions governing deposits and investments for the District are specified below:

**Credit Risk** State law limits investments in commercial paper to not less than A1-P1 or equivalent rating by at least two nationally recognized credit agencies. The District's investments to Obligations of governmental entities, Certificates of Deposits, fully collateralized repurchase agreements, securities lending program, Banker's acceptances, commercial paper, no-load money market mutual funds and no-load mutual funds, Public Funds Investment Pools and Guaranteed Investment Contracts, collateralized by U.S. Government Securities. As of June 30, 2021, the District's investments were secured by Irrevocable Standby Letter of Credit issued by the Federal Home Loan Bank of Dallas. The District's investments in BBVA Compass was rated A-2 and TexasTerm Daily was rated AAAM.

**Custodial Credit Risk for Deposits** State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the District complies with this law, it has no custodial credit risk for deposits.

As of June 30, 2021, The District's bank balance of cash deposits, including money markets and certificate of deposit totaled \$104,531,065 and collateralized in the amount of \$160,000,000. This collateralized amount consists of letters of credit and covered by the FDIC insurance.

In addition, the following disclosure regarding coverage of combined balances on the date of the highest cash balance:

- Depository: BBVA Compass
- Letters of Credit as of the date of the highest balance: \$160,000,000
- Largest cash, savings, money market, certificate of deposits combined amounted to \$143,583,702 and occurred during January 2021.
- Total amount of FDIC coverage at the time of the largest combined balance was \$250,000

**Concentration of Credit Risk** To limit the risk of loss attributed to the magnitude of a government's investment in a single issuer, the investment portfolio shall be diversified in terms of investment instruments maturity scheduling, and financial institutions. To further limit the risk all of the District investments are collateralized by Irrevocable Standby Letter of Credit issued by the Federal Home Loan Bank of Dallas. As of June 30, 2021, the District had 91.51% of its investments in BBVA Compass Bank rated A-2 as noted above, and 8.49% invested in TexasTERM rated AAAM.

**Fair Value Measurement** The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy above.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements requires judgement and considers factors specific to each asset or liability.

The District's investments in public funds investment pools are not required to be measured at fair value but are measured at amortized cost.

**Interest Rate Risk** The District's investment policy is to reduce exposure to changes in interest rates that could adversely affect the value of investments. The District requires that the investments shall be monitored by using the weighted average maturity and specific identification. The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment. The District's strategy is that no individual transaction shall be undertaken that jeopardizes the total overall investment portfolio.

**Foreign Currency Risk** At year-end, the District was not exposed to foreign currency risk.

## NOTE 2 - 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.

## NOTE 3 - 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 without specific statutory authority from the Texas Legislature.

## NOTE 4 - DISAGGREGATION OF RECEIVABLES AND PAYABLES

Receivables at June 30, 2021 were as follows:

|                                   | Property<br>Taxes   | Due from Other<br>Governments | Due From<br>Other Funds | Other               | Total<br>Receivables |
|-----------------------------------|---------------------|-------------------------------|-------------------------|---------------------|----------------------|
| General Fund                      | \$ 7,538,383        | \$ 28,441,757                 | \$ 8,157,114            | \$ 1,629,317        | \$ 45,766,571        |
| Nonmajor Governmental Funds       | 1,272,116           | 10,646,145                    | -                       | 1,320               | 11,919,581           |
| Internal Service Funds            | -                   | 9,254                         | 2,067,829               | 51                  | 2,077,134            |
| Enterprise Funds                  | -                   | -                             | 66,317                  | 7,726               | 74,043               |
| Fiduciary Funds                   | -                   | -                             | -                       | 3                   | 3                    |
| Total - Governmental Activities   | <u>8,810,499</u>    | <u>39,097,156</u>             | <u>10,291,260</u>       | <u>1,638,417</u>    | <u>59,837,332</u>    |
| Less: Allowance for Uncollectible | <u>(1,474,358)</u>  | <u>-</u>                      | <u>-</u>                | <u>-</u>            | <u>(1,474,358)</u>   |
| <b>Net Total Receivables</b>      | <b>\$ 7,336,141</b> | <b>\$ 39,097,156</b>          | <b>\$ 10,291,260</b>    | <b>\$ 1,638,417</b> | <b>\$ 58,362,974</b> |

Payables at June 30, 2021, were as follows:

|                             | Accounts<br>Payable | Salaries<br>and<br>Benefits | Due To<br>Other<br>Funds | Due to<br>Other<br>Governments | Other               | Total<br>Payables   |
|-----------------------------|---------------------|-----------------------------|--------------------------|--------------------------------|---------------------|---------------------|
| General Fund                | \$ 5,850,460        | \$29,707,407                | \$ 66,403                | \$ -                           | \$ 222,861          | \$ 35,847,131       |
| Nonmajor Governmental Funds | 406,407             | 3,205,912                   | 8,157,114                | 187                            | 305,880             | 12,075,500          |
| Internal Service Funds      | 2,866,409           | -                           | 2,067,743                | 17,653                         | -                   | 4,951,805           |
| Enterprise Funds            | 79,378              | 16,447                      | -                        | 1,522                          | 6,793               | 104,140             |
| Fiduciary Funds             | -                   | -                           | -                        | -                              | 609,198             | 609,198             |
| Total - Gov. Activities     | <u>\$ 9,202,654</u> | <u>\$32,929,766</u>         | <u>\$10,291,260</u>      | <u>\$ 19,362</u>               | <u>\$ 1,144,732</u> | <u>\$53,587,774</u> |

## NOTE 5 - INTERFUND BALANCES

Inter-fund activity results from loans, services provided, reimbursements or transfers between funds. These balances resulted from the lag time between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between the funds are made. All amounts are repaid within one year.

Inter-fund balances at June 30, 2021, consisted of the following amounts:

| <u>Receivable Fund</u>    | <u>Payable Fund</u>         | <u>Amount</u>       |
|---------------------------|-----------------------------|---------------------|
| General Fund              | Nonmajor Governmental Funds | \$ 8,157,114        |
| Internal Service Funds    | General Fund                | 86                  |
| Nonmajor Enterprise Funds | General Fund                | 66,317              |
| Internal Service Funds    | Internal Service Funds      | <u>2,067,743</u>    |
| Total                     |                             | <u>\$10,291,260</u> |

## NOTE 6 - DUE TO AND FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due to and from federal and state governments as of June 30, 2021, are detailed below.

|                                    | <u>General Fund</u> | <u>Nonmajor Governmental Funds</u> | <u>Internal Service Funds</u> | <u>Total</u>        |
|------------------------------------|---------------------|------------------------------------|-------------------------------|---------------------|
| <u>Due from Other Governments:</u> |                     |                                    |                               |                     |
| Federal/State Entitlements:        |                     |                                    |                               |                     |
| Texas Education Agency             | \$25,322,005        | \$10,646,145                       | \$ -                          | \$35,968,150        |
| National School Lunch/Breakfast    | 1,065,281           | -                                  | -                             | 1,065,281           |
| SHARS                              | 2,041,330           | -                                  | -                             | 2,041,330           |
| Federal Agency (JROTC)             | 7,561               | -                                  | -                             | 7,561               |
| Other                              | <u>5,580</u>        | <u>-</u>                           | <u>9,254</u>                  | <u>14,834</u>       |
| Total                              | <u>\$28,441,757</u> | <u>\$10,646,145</u>                | <u>\$ 9,254</u>               | <u>\$39,097,156</u> |

|                                  | <u>Nonmajor Governmental Funds</u> | <u>Internal Service Funds</u> | <u>Nonmajor Enterprise Funds</u> | <u>Total</u>     |
|----------------------------------|------------------------------------|-------------------------------|----------------------------------|------------------|
| <u>Due to Other Governments:</u> |                                    |                               |                                  |                  |
| Due to State of Texas            | \$ 187                             | \$ -                          | \$ 1,522                         | \$ 1,709         |
| Other                            | <u>-</u>                           | <u>17,653</u>                 | <u>-</u>                         | <u>17,653</u>    |
| Total                            | <u>\$ 187</u>                      | <u>\$ 17,653</u>              | <u>\$ 1,522</u>                  | <u>\$ 19,362</u> |

## NOTE 7 - INVENTORY

As of June 30, 2021, the District inventory is as follows:

|                                     |                |
|-------------------------------------|----------------|
| Governmental Activities             |                |
| Food Service Supplies and Materials | \$ 611,620     |
| USDA Commodities                    | 219,065        |
| Supplies and Materials              | 986,191        |
| Facilities                          | 493,652        |
| Custodial                           | 32,010         |
| Bus Parts                           | <u>737,661</u> |
| Total Governmental Activities       | 3,080,199      |
| Business-Type Activities            |                |
| Golf Course – Pro Shop              | <u>3,224</u>   |
| Total Business-Type Activities      | 3,224          |

Total Primary Government Inventory (Exhibit A-1) \$ 3,083,423

The equal inventory dollar amount is recorded as nonspendable fund balance less the USDA Commodities based on the Texas Education Agency Financial Accounting Resource Guide and GASB 33.

## NOTE 8 - CAPITAL ASSET ACTIVITY

Capital asset activity for the District's Governmental and Business-Type Activities for the year ended June 30, 2021, was as follows:

|                                              | <b>Beginning<br/>Balance</b> | <b>Additions</b> | <b>Retirements</b> | <b>Adjustments</b> | <b>Ending<br/>Balance</b> |
|----------------------------------------------|------------------------------|------------------|--------------------|--------------------|---------------------------|
| <b>Governmental Activities</b>               |                              |                  |                    |                    |                           |
| Capital Assets, not being depreciated:       |                              |                  |                    |                    |                           |
| 1510 Land                                    | \$ 21,258,678                | \$ -             | \$ -               | \$ -               | \$ 21,258,678             |
| 1580 Construction in Progress                | 26,098,539                   | 1,589,797        | -                  | (21,586,616)       | 6,101,720                 |
| Subtotal                                     | 47,357,217                   | 1,589,797        | -                  | (21,586,616)       | 27,360,398                |
| Capital Assets being depreciated:            |                              |                  |                    |                    |                           |
| 1520 Buildings                               | 550,434,133                  | 11,073,584       | -                  | 21,586,616         | 583,094,333               |
| 1530 Furniture and Equipment                 | 53,038,693                   | 2,543,542        | (3,459,463)        | -                  | 52,122,772                |
| 1560 Library Books and Media                 | 451,404                      | -                | -                  | -                  | 451,404                   |
| Capital Lease                                |                              |                  |                    |                    |                           |
| 1550 Leased Property                         | 23,689,913                   | -                | (1,610)            | -                  | 23,688,303                |
| Subtotal                                     | 627,614,143                  | 13,617,126       | (3,461,073)        | 21,586,616         | 659,356,812               |
| Totals at Historic Cost                      | 674,971,360                  | 15,206,923       | (3,461,073)        | -                  | 686,717,210               |
| Less Accumulated Depreciation for:           |                              |                  |                    |                    |                           |
| 1520 Buildings                               | 211,121,935                  | 12,184,242       | -                  | -                  | 223,306,177               |
| 1530 Furniture and Equipment                 | 40,897,354                   | 2,867,698        | (3,459,463)        | -                  | 40,305,589                |
| 1560 Library Books and Media                 | 451,404                      | -                | -                  | -                  | 451,404                   |
| 1550 Leased Property                         | 8,022,117                    | 1,290,722        | (1,297)            | -                  | 9,311,542                 |
| Total Accumulated Depreciation               | 260,492,810                  | 16,342,662       | (3,460,760)        | -                  | 273,374,712               |
| Total Capital Assets being Depreciated (Net) | 367,121,333                  | (2,725,536)      | (313)              | 21,586,616         | 385,982,100               |
| Governmental Activities Capital Assets, Net  | \$414,478,550                | \$ (1,135,739)   | \$ (313)           | \$ -               | \$413,342,498             |
| <b>Internal Service Fund</b>                 |                              |                  |                    |                    |                           |
| 1520 Buildings and Improvements              | \$ 89,720                    | \$ -             | \$ -               | \$ -               | \$ 89,720                 |
| 1530 Furniture and Equipment                 | 254,624                      | 14,680           | -                  | -                  | 269,304                   |
| Capital Lease                                |                              |                  |                    |                    |                           |
| 1550 Leased Property                         | 23,589                       | -                | -                  | -                  | 23,589                    |
| Totals at Historic Cost                      | 367,933                      | 14,680           | -                  | -                  | 382,613                   |
| Less Accumulated Depreciation for:           |                              |                  |                    |                    |                           |
| 1520 Buildings and Improvements              | 2,243                        | 1,869            | -                  | -                  | 4,112                     |
| 1530 Furniture and Equipment                 | 200,232                      | 26,633           | -                  | -                  | 226,865                   |
| 1550 Leased Property                         | 23,589                       | -                | -                  | -                  | 23,589                    |
| Total Accumulated Depreciation               | 226,064                      | 28,502           | -                  | -                  | 254,566                   |
| Net Capital Assets                           | \$ 141,869                   | \$ (13,822)      | \$ -               | \$ -               | \$ 128,047                |
| <b>Business-Type Activities</b>              |                              |                  |                    |                    |                           |
| Capital Lease                                |                              |                  |                    |                    |                           |
| 1520 Buildings                               | \$ 75,035                    | \$ -             | \$ -               | \$ -               | \$ 75,035                 |
| 1530 Furniture and Equipment                 | 306,867                      | 25,194           | -                  | -                  | 332,061                   |
| Totals at Historic Cost                      | 381,902                      | 25,194           | -                  | -                  | 407,096                   |
| Less Accumulated Depreciation for:           |                              |                  |                    |                    |                           |
| 1520 Buildings                               | 10,942                       | 1,564            | -                  | -                  | 12,506                    |
| 1530 Furniture and Equipment                 | 188,002                      | 37,873           | -                  | -                  | 225,875                   |
| Total Accumulated Depreciation               | 198,944                      | 39,437           | -                  | -                  | 238,381                   |
| Business-Type Activities Capital Assets, Net | \$ 182,958                   | \$ (14,243)      | \$ -               | \$ -               | \$ 168,715                |

Depreciation expense was charged to governmental functions as follows:

|                                                                 |                     |
|-----------------------------------------------------------------|---------------------|
| 6011-Instruction                                                | \$ 9,050,915        |
| 6012-Instructional Resources and Media Services                 | 349,692             |
| 6013-Curriculum Development and Instructional Staff Development | 362,819             |
| 6021-Instructional Leadership                                   | 247,906             |
| 6023-School Leadership                                          | 823,532             |
| 6031-Guidance, Counseling, and Evaluation Services              | 762,593             |
| 6032-Social Work Services                                       | 144,288             |
| 6033-Health Services                                            | 180,313             |
| 6034-Student (Pupil) Transportation                             | 629,839             |
| 6035-Food Services                                              | 997,573             |
| 6036-Co-Curricular/Extracurricular Activities                   | 381,477             |
| 6041-General Administration                                     | 399,843             |
| 6051-Plant Maintenance and Operations                           | 1,658,551           |
| 6052-Security and Monitoring Service                            | 232,376             |
| 6053-Data Processing Services                                   | 62,937              |
| 6061-Community Services                                         | 58,008              |
| Total Depreciation Expense                                      | <u>\$16,342,662</u> |

## NOTE 9 - DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

On the Governmental Fund Balance Sheet (Exhibit C-1), the District has the following Deferred Inflows of Resources:

|                                      | General Fund | Nonmajor Governmental Fund | Total       |
|--------------------------------------|--------------|----------------------------|-------------|
| Unavailable Revenue – Property Taxes | \$6,265,180  | \$1,070,961                | \$7,336,141 |

On the Statement of Net Position (Exhibit A-1), the District reports cumulative deferred charges on refunding as Deferred Outflow of Resources in the amount of \$7,660,414 which is net of cumulative amortization of \$7,551,018.

|                                           | Beginning<br>Balance | Additions          | Reductions           | Ending<br>Balance   |
|-------------------------------------------|----------------------|--------------------|----------------------|---------------------|
| Deferred Loss on refunding 2010           | \$ 302,930           | \$ -               | (\$302,930)          | \$ -                |
| Deferred Loss on refunding 2011           | 736,782              | -                  | (736,782)            | -                   |
| Deferred Loss on refunding 2012           | 5,307,199            | -                  | (4,928,114)          | 379,085             |
| Deferred Loss on refunding 2013 (Taxable) | 324,406              | -                  | (162,201)            | 162,205             |
| Deferred Loss on refunding 2014           | 1,747,232            | -                  | (873,617)            | 873,615             |
| Deferred Loss on refunding 2017           | 264,166              | -                  | (44,028)             | 220,138             |
| Deferred Loss on refunding 2020A          | -                    | 287,849            | (57,570)             | 230,279             |
| Deferred Loss on refunding 2020B          | -                    | 6,240,868          | (445,776)            | 5,795,092           |
| Total                                     | <u>\$ 8,682,715</u>  | <u>\$6,528,717</u> | <u>(\$7,551,018)</u> | <u>\$ 7,660,414</u> |

Refer to Note 12 and 13 for TRS related deferred inflows and deferred outflows.

## NOTE 10 - BONDS AND LONG-TERM OBLIGATIONS

Bonded debt will be paid by the Debt Service Fund. Current requirements for principal and interest expenditures are accounted for in the Debt Service Fund. A summary of changes in long-term debt for the ten-months ended June 30, 2021 are as follows:

| Description                                         | Interest Rate Payable | Amounts Original Issue | Maturity Date | Interest Current Year | Payable Amounts Outstanding 09-01-20 | Issued       | Retired      | Outstanding 06-30-2021 |
|-----------------------------------------------------|-----------------------|------------------------|---------------|-----------------------|--------------------------------------|--------------|--------------|------------------------|
| Unlimited Tax Refunding Bonds Series 2010           | 2.00% - 4.50%         | \$25,015,000           | 2/15/2023     | \$ -                  | \$4,050,000                          | \$ -         | \$4,050,000  | \$ -                   |
| Unlimited Tax Refunding Bonds Series 2011           | 2.00% - 4.00%         | 17,253,266             | 2/15/2025     | 47,863                | 14,735,000                           | -            | 14,735,000   | -                      |
| Unlimited Tax Refunding Bonds Series 2012           | 3.50% - 5.00%         | 65,965,000             | 2/15/2034     | 115,300               | 58,000,000                           | -            | 55,285,000   | 2,715,000              |
| Unlimited Tax Refunding Bonds Series 2013           | 2.00% - 5.00%         | 87,847,680             | 2/15/2038     | 1,675,350             | 83,857,680                           | -            | 625,000      | 83,232,680             |
| Unlimited Tax Refunding Bonds Series 2013 (Taxable) | 2.00% - 3.50%         | 20,239,883             | 2/15/2022     | 94,556                | 5,600,000                            | -            | 2,755,000    | 2,845,000              |
| Unlimited Tax Refunding Bonds Series 2014           | 2.00% - 5.00%         | 35,540,000             | 2/15/2026     | 400,125               | 25,100,000                           | -            | 11,335,000   | 13,765,000             |
| Unlimited Tax Refunding Bonds Series 2017           | 2.00% - 4.00%         | 7,765,000              | 2/15/2027     | 141,000               | 7,765,000                            | -            | 1,430,000    | 6,335,000              |
| Unlimited Tax Refunding Bonds Series 2020A          | 5.00%                 | 14,910,000             | 2/15/2025     | 180,163               | -                                    | 14,910,000   | 1,370,000    | 13,540,000             |
| Unlimited Tax Refunding Bonds Series 2020B          | 1.837% - 5.00%        | 59,975,000             | 2/15/2034     | 603,381               | -                                    | 59,975,000   | 1,055,000    | 58,920,000             |
| Total                                               |                       |                        |               | \$3,257,738           | \$199,107,680                        | \$74,885,000 | \$92,640,000 | \$181,352,680          |

Two Maintenance Tax Notes were issued during the 2019-2020 fiscal year. The Maintenance Tax Notes will be paid by the General Fund. Current requirements for principal and interest expenditures are accounted for in the General Fund. A summary of the issued amounts for the ten-months ended June 30, 2021 are as follows:

| Description                      | Interest Rate Payable | Amounts Original Issue | Maturity Date | Interest Current Year | Payable Amounts Outstanding 09-01-20 | Retired     | Outstanding 06-30-2021 |
|----------------------------------|-----------------------|------------------------|---------------|-----------------------|--------------------------------------|-------------|------------------------|
| Maintenance Tax Note Series 2019 | 4.00% - 5.00%         | 30,980,000             | 2/15/2038     | \$686,125             | \$30,980,000                         | \$1,140,000 | \$29,840,000           |
| Maintenance Tax Note Series 2020 | 5.00%                 | 4,690,000              | 2/15/2025     | 117,250               | 4,690,000                            | 225,000     | 4,465,000              |
| Total                            |                       |                        |               | \$803,375             | \$35,670,000                         | \$1,365,000 | \$34,305,000           |

#### Part I: Series 2013 CAB Accreted Values

|                         |                     |                | Per \$5K Maturity:          |                             | Total CAB Accreted Values:  |                          |                          |                          |
|-------------------------|---------------------|----------------|-----------------------------|-----------------------------|-----------------------------|--------------------------|--------------------------|--------------------------|
| Maturity Date           | Payment at Maturity | Number of CABS | Accreted Value at 8/15/2019 | Accreted Value at 8/15/2020 | Accreted Value at 2/15/2021 | Accreted Value 8/15/2019 | Accreted Value 8/15/2020 | Accreted Value 2/15/2021 |
| 2/15/2029               | \$8,265,000         | 1653           | \$ 503                      | \$ 640                      | \$ 723                      | \$ 831,211               | \$ 1,058,499             | \$ 1,194,540             |
| 2/15/2030               | 5,830,000           | 1166           | 395                         | 503                         | 567                         | 460,395                  | 586,323                  | 661,647                  |
| Subtotal                |                     |                |                             |                             |                             | \$ 1,291,606             | \$ 1,644,822             | \$ 1,856,187             |
| Less CAB Principal      |                     |                |                             |                             |                             | (267,680)                | (267,680)                | (267,680)                |
| Total Accreted Interest |                     |                |                             |                             |                             | \$ 1,023,926             | \$ 1,377,142             | \$ 1,588,507             |

The Total Accreted Value for the Series 2013 Capital Appreciation Bonds at February 15, 2021, is \$1,856,187. The Accreted Values of the Series 2013 Capital Appreciation Bonds includes the principal amount of \$267,680 and \$1,588,507 in accreted interest as of June 30, 2021.

## **Refunding**

In 2021, the district refunded the following:

|                                             |                     |
|---------------------------------------------|---------------------|
| Unlimited Tax Refunding Bonds – Series 2010 | \$ 4,050,000        |
| Unlimited Tax Refunding Bonds – Series 2011 | 12,000,000          |
| Total 2020A                                 | <u>\$16,050,000</u> |
| Unlimited Tax Refunding Bonds – Series 2012 | 52,685,000          |
| Unlimited Tax Refunding Bonds – Series 2014 | 9,095,000           |
| Total 2020B                                 | <u>\$61,780,000</u> |

The district issued \$14,910,000 in Unlimited Tax Refunding Bonds – Series 2020A to provide resources to cover the costs of issuance to purchase qualifying securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The aggregate difference between the refunding debt and refunded debt is \$1,062,625. The economic gain on this transaction is a net present value of \$1,051,430. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements.

The district issued \$59,975,000 in Unlimited Tax Refunding Bonds – Series 2020B to provide resources to cover the costs of issuance to purchase qualifying securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The aggregate difference between the refunding debt and refunded debt is \$7,287,920. The economic gain on this transaction is a net present value of \$7,075,980. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements.

As of June 30, 2021, \$61,780,000 of outstanding bonds is considered defeased.

There are a number of limitations and restrictions contained in the general obligation bond indenture. Management has indicated that the District is in compliance with all significant limitations and restrictions at June 30, 2021.

Debt service requirements for bonds and capital leases are as follows:

| <u>Year Ended June 30,</u> | <u>Principal</u>     | <u>Interest</u>     | <u>Total Requirements</u> |
|----------------------------|----------------------|---------------------|---------------------------|
| 2022                       | \$13,880,000         | \$ 7,602,776        | \$21,482,776              |
| 2023                       | 14,535,000           | 7,006,351           | 21,541,351                |
| 2024                       | 12,145,000           | 6,308,501           | 18,453,501                |
| 2025                       | 12,745,000           | 5,714,951           | 18,459,951                |
| 2026                       | 10,245,000           | 5,091,801           | 15,336,801                |
| 2027-2031                  | 45,602,680           | 32,233,173          | 77,835,853                |
| 2032-2036                  | 61,635,000           | 7,652,879           | 69,287,879                |
| 2037-2038                  | <u>10,565,000</u>    | <u>477,750</u>      | <u>11,042,750</u>         |
| Total                      | <u>\$181,352,680</u> | <u>\$72,088,182</u> | <u>\$253,440,862</u>      |

**Interest Payable.** For the government wide statement of net position, the District is recognizing as interest payable the amount of \$2,791,156, as of June 30, 2021 compared to \$359,587 last year. This amount is derived by amortizing \$7,602,776 for 134 days through June 30, 2021.

Below is a listing of the Series 2013 CAB Accreted Values as of February 15, 2021. Accreted Interest is included in the interest column above.

| <u>Year Ended February 15,</u> | <u>Accreted Interest</u> |
|--------------------------------|--------------------------|
| 2029                           | \$ 1,022,276             |
| 2030                           | 566,231                  |
| Total                          | <u>\$ 1,588,507</u>      |

La Joya ISD issued a 2019 Maintenance Tax Note for the amount of \$30,980,000 for the purpose of renovating and equipping various existing District facilities, to wit: the District's radio communication equipment and designing, renovating, improving, maintaining, and equipping the energy system of the facilities in the District.

The original cost of the bond is to be paid over a period of nineteen years beginning in the 2019-2020 fiscal year.

| 2019 Tax Maintenance Note Payment Schedule |                      |                     |                           |
|--------------------------------------------|----------------------|---------------------|---------------------------|
| Year Ended June 30,                        | <u>Principal</u>     | <u>Interest</u>     | <u>Total Requirements</u> |
| 2022                                       | \$ 1,190,000         | \$ 1,326,650        | \$ 2,516,650              |
| 2023                                       | 1,240,000            | 1,279,050           | 2,519,050                 |
| 2024                                       | 1,290,000            | 1,229,450           | 2,519,450                 |
| 2025                                       | 1,350,000            | 1,177,850           | 2,527,850                 |
| 2026                                       | 1,415,000            | 1,110,350           | 2,525,350                 |
| 2027-2031                                  | 8,220,000            | 4,431,950           | 12,651,950                |
| 2032-2036                                  | 10,345,000           | 2,338,300           | 12,683,300                |
| 2037-2038                                  | <u>4,790,000</u>     | <u>289,400</u>      | <u>5,079,400</u>          |
| Total                                      | <u>\$ 29,840,000</u> | <u>\$13,183,000</u> | <u>\$ 43,023,000</u>      |

La Joya ISD issued a 2020 Tax Maintenance Note for the amount of \$4,690,000 for the purpose of paying for maintenance throughout the District, including, but not limited to, the purchase of school buses.

The original cost of the bond is to be paid over a period of six years beginning in the 2019-2020 fiscal year.

| 2020 Tax Maintenance Note Payment Schedule |                     |                   |                           |
|--------------------------------------------|---------------------|-------------------|---------------------------|
| Year Ended June30,                         | <u>Principal</u>    | <u>Interest</u>   | <u>Total Requirements</u> |
| 2022                                       | 1,040,000           | 223,250           | 1,263,250                 |
| 2023                                       | 1,075,000           | 171,250           | 1,246,250                 |
| 2024                                       | 1,150,000           | 117,500           | 1,267,500                 |
| 2025                                       | <u>1,200,000</u>    | <u>60,000</u>     | <u>1,260,000</u>          |
| Total                                      | <u>\$ 4,465,000</u> | <u>\$ 572,000</u> | <u>\$ 5,037,000</u>       |

La Joya ISD entered into a Capital Lease contract with Texas Capital Bank, N.A. in connection with Performance Services of Texas, Inc. for various energy conversation measures including lighting upgrades, HVAC controls, windows and other items as per Texas Education Code 44.901 utilizing the Inter-local Purchasing System Contract #170103 for Phase I of the Guaranteed Energy Savings. The original cost of the equipment was \$12,998,791 and is to be paid over a period of fifteen years beginning in the 2018-2019 fiscal year.

| Capital Lease Payment Schedule |                      |                     |                           |
|--------------------------------|----------------------|---------------------|---------------------------|
| Year Ended June 30,            | <u>Principal</u>     | <u>Interest</u>     | <u>Total Requirements</u> |
| 2022                           | \$ 765,661           | \$ 355,603          | \$ 1,121,264              |
| 2023                           | 790,392              | 330,872             | 1,121,264                 |
| 2024                           | 815,922              | 305,342             | 1,121,264                 |
| 2025                           | 842,276              | 278,988             | 1,121,264                 |
| 2026                           | 869,482              | 251,782             | 1,121,264                 |
| 2027-2031                      | 4,787,260            | 819,060             | 5,606,320                 |
| 2032-2033                      | <u>2,077,896</u>     | <u>104,154</u>      | <u>2,182,050</u>          |
| Total                          | <u>\$ 10,948,889</u> | <u>\$ 2,445,801</u> | <u>\$ 13,394,690</u>      |

La Joya ISD entered into a Capital Lease contract with Government Capital Corporation (GCC) for the purpose of financing "Police Vehicles". The original cost of the equipment was \$748,740 and is to be paid over a period of seven years beginning in the 2018-2019 fiscal year.

| Capital Lease Payment Schedule |                   |                  |                           |
|--------------------------------|-------------------|------------------|---------------------------|
| Year Ended June 30,            | <u>Principal</u>  | <u>Interest</u>  | <u>Total Requirements</u> |
| 2022                           | 103,891           | 17,507           | 121,398                   |
| 2023                           | 108,015           | 13,382           | 121,397                   |
| 2024                           | 112,303           | 9,094            | 121,397                   |
| 2025                           | <u>116,762</u>    | <u>4,635</u>     | <u>121,397</u>            |
| Total                          | <u>\$ 440,971</u> | <u>\$ 44,618</u> | <u>\$ 485,589</u>         |

La Joya ISD entered into a Capital Lease contract with Government Capital Corporation (GCC) for the purpose of financing "Maintenance and Police Vehicles". The original cost of the equipment was \$620,250 and is to be paid over a period of seven years beginning in the 2018-2019 fiscal year.

| Capital Lease Payment Schedule |                   |                  |                           |
|--------------------------------|-------------------|------------------|---------------------------|
| Year Ended June 30,            | <u>Principal</u>  | <u>Interest</u>  | <u>Total Requirements</u> |
| 2022                           | 88,439            | 11,603           | 100,042                   |
| 2023                           | 91,207            | 8,835            | 100,042                   |
| 2024                           | 94,062            | 5,981            | 100,043                   |
| 2025                           | <u>97,006</u>     | <u>3,036</u>     | <u>100,042</u>            |
| Total                          | <u>\$ 370,714</u> | <u>\$ 29,455</u> | <u>\$ 400,169</u>         |

La Joya ISD entered into a Capital Lease contract with Government Capital Corporation (GCC) for the purpose of financing "Maintenance and Police Vehicles". The original cost of the equipment was \$701,554 and is to be paid over a period of seven years beginning in the 2018-2019 fiscal year.

| Capital Lease Payment Schedule |                   |                  |                           |
|--------------------------------|-------------------|------------------|---------------------------|
| Year Ended June 30,            | <u>Principal</u>  | <u>Interest</u>  | <u>Total Requirements</u> |
| 2022                           | 100,024           | 13,418           | 113,442                   |
| 2023                           | 103,221           | 10,220           | 113,441                   |
| 2024                           | 106,522           | 6,920            | 113,442                   |
| 2025                           | <u>109,927</u>    | <u>3,514</u>     | <u>113,441</u>            |
| Total                          | <u>\$ 419,694</u> | <u>\$ 34,072</u> | <u>\$ 453,766</u>         |

Recap of Debt requirements, excluding compensated absences:

|                           |                       |
|---------------------------|-----------------------|
| Due Within One Year       | \$ 17,168,015         |
| Due in More Than One Year | <u>212,258,440</u>    |
| Total Debt Requirements   | <u>\$ 229,426,455</u> |

## NOTE 11 - LONG-TERM LIABILITIES

Long-term activity for the ten-months ended June 30, 2021, was as follows:

|                                         | Beginning<br>Balance | Additions    | Reductions    | Ending<br>Balance | Due Within<br>One Year |
|-----------------------------------------|----------------------|--------------|---------------|-------------------|------------------------|
| <b>Governmental Activities:</b>         |                      |              |               |                   |                        |
| General Obligation Bonds                | \$199,107,680        | \$74,885,000 | \$92,640,000  | \$181,352,680     | \$13,880,000           |
| Subtotal General Obligation Bonds       | 199,107,680          | 74,885,000   | 92,640,000    | 181,352,680       | 13,880,000             |
| Premium on 2020A Bond Issue             | -                    | 1,619,212    | 323,842       | 1,295,370         | -                      |
| Premium on 2020B Bond Issue             | -                    | 8,573,407    | 612,386       | 7,961,021         | -                      |
| Premium on 2017 Bond Issue              | 547,908              | -            | 91,318        | 456,590           | -                      |
| Premium on 2014 Bond Issue              | 2,888,959            | -            | 1,444,480     | 1,444,479         | -                      |
| Premium on 2013 (Taxable) Bond Issue    | 388,872              | -            | 194,434       | 194,438           | -                      |
| Premium on 2013 Bond Issue              | 13,955,897           | -            | 775,328       | 13,180,569        | -                      |
| Premium on 2012 Bond Issue              | 6,044,850            | -            | 5,609,188     | 435,662           | -                      |
| Premium on 2011 Bond Issue              | 826,159              | -            | 826,159       | -                 | -                      |
| Premium on 2010 Bond Issue              | 367,382              | -            | 367,382       | -                 | -                      |
| Premium on 2019 Maint. Tax Note         | 4,430,565            | -            | 246,143       | 4,184,422         | -                      |
| Premium on 2020 Maint. Tax Note         | 451,106              | -            | 90,221        | 360,885           | -                      |
| Maintenance Tax Note 2019               | 30,980,000           | -            | 1,140,000     | 29,840,000        | 1,190,000              |
| Maintenance Tax Note 2020               | 4,690,000            | -            | 225,000       | 4,465,000         | 1,040,000              |
| Capital Lease                           | 1,135,704            | -            | 1,135,704     | -                 | -                      |
| Capital Lease                           | 11,690,593           | -            | 741,704       | 10,948,889        | 765,661                |
| Capital Lease                           | 540,895              | -            | 99,924        | 440,971           | 103,891                |
| Capital Lease                           | 456,469              | -            | 85,755        | 370,714           | 88,439                 |
| Capital Lease                           | 516,619              | -            | 96,925        | 419,694           | 100,024                |
| Capital Lease                           | 54,238               | -            | 54,238        | -                 | -                      |
| Subtotal Direct Debt                    | \$279,073,896        | \$85,077,619 | \$106,800,131 | \$257,351,384     | \$17,168,015           |
| Accretion on 2013 Capital Appreciation* | 1,377,142            | 211,365      | -             | 1,588,507         | -                      |
| Sub-Total                               | \$280,451,038        | \$85,288,984 | \$106,800,131 | \$258,939,891     | \$17,168,015           |
| Compensated Absences                    | 1,378,592            | 141,312      | 263,292       | 1,256,612         | 106,875                |
| Changes in Governmental Activities      | \$281,829,630        | \$85,430,296 | \$107,063,423 | \$260,196,503     | \$17,274,890           |

\*Capital Appreciation as of February 15, 2021

Compensated Absences are paid from the General Fund and the Federal and State Fund as applicable.

## NOTE 12 - DEFINED BENEFIT PENSION PLAN

**Plan Description.** La Joya Independent School District 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). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution.

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.texas.gov>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

**Benefits Provided.** TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension benefits are established or amended under the authority of the Texas Constitution, Article XVI, Section 67 and by the Legislature in the Texas Government Code, Title 8, Subtitle C. The Board of Trustees does not have the authority to establish or amend benefits. State law requires the plan to be actuarially sound in order for the Legislature to consider a benefit enhancement, such as supplemental payment to the retirees. In May 2019, the 86<sup>th</sup> Texas Legislature approved the TRS Pension Reform Bill (SB12) that provides for gradual contribution increases from the State, participating employers and active employees to make the pension fund actuarially sound. These increases immediately made the pension fund actuarially sound and the legislature approved funding for a 13<sup>th</sup> check. All eligible members retired as of December 31, 2018 received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment of \$2,000, whichever was less.

**Contributions.** Contribution requirements are established or amended pursuant to Article 16, Section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. 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. SB12 in the 86th Legislature set contribution rates for fiscal year 2020 and fiscal year 2021. Beginning September 1, 2019, all employers are required to pay the Public Education Employer contribution of 1.5%. Contribution Rates can be found in the TRS 2020 CAFR, Note 11, on page 82.

| <b>Contribution Rates</b>                          |                    |                    |
|----------------------------------------------------|--------------------|--------------------|
|                                                    | <u><b>2020</b></u> | <u><b>2021</b></u> |
| Member                                             | 7.7%               | 7.7%               |
| Non-Employer Contributing Entity (State)           | 7.5%               | 7.5%               |
| Employers                                          | 7.5%               | 7.5%               |
| District's 2021 Employer Contributions             |                    | \$ 8,505,181       |
| District's 2021 Member Contributions               |                    | \$16,972,025       |
| 2020 Measurement Year NECE On-Behalf Contributions |                    | \$11,060,991       |

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

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (including public schools) are required to pay the employer contribution rate in the following instances and funded by all governmental funds:

- 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 or a privately sponsored source.

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

- Employers must contribute 1.5% of the member's salary ("Public Education Employer Surcharge").
- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

***Actuarial Assumptions.***

**Roll Forward** - The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the total pension liability to August 31, 2020.

The total pension liability is determined by an annual actuarial valuation. The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the Plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the three-year period ending August 31, 2017 and were adopted in July 2018.

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 with full generational projection using the ultimate improvement rates from the most recently published projection scale U-MP.

The following table discloses the assumptions that were applied to this measurement period.

|                                                             |                                                                                                                                                                                                                                                |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation Date                                              | August 31, 2019 rolled forward to August 31, 2020                                                                                                                                                                                              |
| Actuarial Cost Method                                       | Individual Entry Age Normal                                                                                                                                                                                                                    |
| Asset Valuation Method                                      | Market Value                                                                                                                                                                                                                                   |
| Single Discount Rate                                        | 7.25%                                                                                                                                                                                                                                          |
| Long-term expected Rate                                     | 7.25%                                                                                                                                                                                                                                          |
| Municipal Bond Rate as of August, 2020                      | 2.33% - Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity index's "20-Year Municipal GO AA Index." |
| Last year ending August 31 in Projection Period (100 years) | 2119                                                                                                                                                                                                                                           |
| Inflation                                                   | 2.30%                                                                                                                                                                                                                                          |
| Salary Increases                                            | 3.05% to 9.05% including inflation                                                                                                                                                                                                             |
| Ad hoc Post Employment Benefit Changes                      | None                                                                                                                                                                                                                                           |

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. For a full description of these assumptions please see the TRS actuarial valuation report dated November 14, 2019.

**Discount Rate.** The single discount rate used to measure the total pension liability was 7.25%. The 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 active members, employers and the non-employer contributing entity will be made at the statutorily required rates set by the Legislature during the 2019 legislative session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.66 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payment 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.

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2020 are presented in the Asset Allocations the following table from the TRS Comprehensive Annual Financial Report for 2020, page 53.

| Asset Class                                              | Target Allocation % * | Long-Term Expected Geometric Real Rate of Return % ** | Expected Contribution to Long-Term Portfolio Returns % |
|----------------------------------------------------------|-----------------------|-------------------------------------------------------|--------------------------------------------------------|
| <b>Global Equity</b>                                     |                       |                                                       |                                                        |
| U.S.                                                     | 18.0                  | 3.9                                                   | 0.99                                                   |
| Non-U.S. Developed                                       | 13.0                  | 5.1                                                   | 0.92                                                   |
| Emerging Markets                                         | 9.0                   | 5.6                                                   | 0.83                                                   |
| Private Equity                                           | 14.0                  | 6.7                                                   | 1.41                                                   |
| <b>Stable Value</b>                                      |                       |                                                       |                                                        |
| Government Bonds                                         | 16.0                  | (0.7)                                                 | (0.05)                                                 |
| Stable Value Hedge Funds                                 | 5.0                   | 1.9                                                   | 0.11                                                   |
| Absolute Return (including Credit Sensitive Investments) | -                     | 1.8                                                   | -                                                      |
| <b>Real Return</b>                                       |                       |                                                       |                                                        |
| Real Estate                                              | 15.0                  | 4.6                                                   | 1.02                                                   |
| Energy, Natural Resources and Infrastructure             | 6.0                   | 6.0                                                   | 0.42                                                   |
| Commodities                                              | -                     | 0.8                                                   | -                                                      |
| <b>Risk Parity</b>                                       |                       |                                                       |                                                        |
| Risk Parity                                              | 8.0                   | 3.0                                                   | 0.30                                                   |
| <b>Asset Allocation Leverage</b>                         |                       |                                                       |                                                        |
| Cash                                                     | 2.00                  | (1.5)                                                 | (0.03)                                                 |
| Asset Allocation Leverage                                | (6.0)                 | (1.3)                                                 | 0.08                                                   |
| Inflation Expectation                                    |                       |                                                       | 2.00                                                   |
| Volatility Drag ***                                      |                       |                                                       | (0.67)                                                 |
| <b>Expected Return</b>                                   | 100.0%                |                                                       | <b>7.33%</b>                                           |

\* Target Allocations are based on FY2020 policy model.

\*\* Capital Market Assumptions come from Aon Hewitt (as of 08/31/2020).

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

**Discount Rate Sensitivity Analysis.** The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.25%) in measuring the Net Pension Liability. The discount rate can be found in the 2020 TRS CAFR, Note 11, page 84.

|                                                   | 1% Decrease<br>In Discount<br>Rate (6.25%) | Discount<br>Rate (7.25%) | 1% Increase<br>In Discount<br>Rate (8.25%) |
|---------------------------------------------------|--------------------------------------------|--------------------------|--------------------------------------------|
| Proportionate share of the net pension liability: | \$169,731,181                              | \$110,073,379            | \$61,602,722                               |

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At June 30, 2021, La Joya Independent School District reported a liability of \$110,073,379 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

|                                                                        |                       |
|------------------------------------------------------------------------|-----------------------|
| District's Proportionate share of the collective net pension liability | \$ 110,073,379        |
| State's proportionate share that is associated with the District       | <u>143,577,599</u>    |
| Total                                                                  | <u>\$ 253,650,978</u> |

#### **Long-term Liability Disclosure**

|                                                                  | Beginning<br>Balance | Additions      | Retirements | Ending<br>Balance |
|------------------------------------------------------------------|----------------------|----------------|-------------|-------------------|
| District's Proportionate of the collective Net Pension Liability | \$103,334,248        | (\$15,219,024) | \$8,479,893 | \$110,073,379     |

The net pension liability was measured as of August 31, 2020 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, 2019 through August 31, 2020.

At August 31, 2020 the employer's proportion of the collective net pension liability was 0.2055219791% which was an increase of 0.0067377671% from its proportion measured as of August 31, 2019.

**Changes Since the Prior Actuarial Valuation** – There were no changes in assumptions since the prior measurement date.

In May 2019, the 86th Texas legislature approved the TRS Pension Reform Bill (SB12) that provides for gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. The increases immediately made the pension fund actuarially sound and the legislature approved funding for a 13th check.

All eligible members retired as of December 31, 2018 received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment or \$2,000, whichever was less.

For the year ended June 30, 2021, La Joya Independent School District recognized pension expense of \$35,157,642 and revenue of \$17,269,197 for support provided by the State in the Government Wide Statement of Activities.

At June 30, 2021, La Joya Independent School District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                                                        | Deferred Outflows of<br>Resources | Deferred Inflows of<br>Resources |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------------|
| Differences between expected and actual actuarial experiences                                                          | \$ 200,985                        | \$ 3,071,856                     |
| Changes in actuarial assumptions                                                                                       | 25,540,940                        | 10,859,830                       |
| Difference between projected and actual investment earnings                                                            | 2,228,341                         | -                                |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | <u>7,021,295</u>                  | <u>1,929,679</u>                 |
| Total as of August 31, 2020 measurement date                                                                           | \$ 34,991,561                     | \$ 15,861,365                    |
| Contributions paid to TRS subsequent to the measurement date                                                           | 6,934,042                         | -                                |
| Total as of June 30, 2021                                                                                              | <u>\$ 41,925,603</u>              | <u>\$ 15,861,365</u>             |

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 pensions will be recognized in pension expense as follows:

| Year ended June 30, | Pension Expense Amount |
|---------------------|------------------------|
| 2022                | \$ 5,029,640           |
| 2023                | 6,780,114              |
| 2024                | 6,020,592              |
| 2025                | 1,948,174              |
| 2026                | (762,041)              |
| Thereafter          | \$ 113,717             |

#### **NOTE 13 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN**

**Plan Description.** The La Joya Independent School District 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.texas.gov>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Components of the net OPEB liability of the TRS-Care plan as of August 31, 2020 are as follows:

|                           |                   |
|---------------------------|-------------------|
| <u>Net OPEB Liability</u> | <u>Total</u>      |
| Total OPEB Liability      | \$ 40,010,833,815 |

|                                                      |                          |
|------------------------------------------------------|--------------------------|
| Less: plan fiduciary net position                    | (1,996,317,932)          |
| Net OPEB liability                                   | <u>\$ 38,014,515,883</u> |
| Net position as a percentage of total OPEB liability | 4.99%                    |

**Benefits Provided.** TRS-Care provides health insurance coverage to retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension system. Eligible non-Medicare retirees and their dependents may pay premiums to participate in the high-deductible health plans. Eligible Non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system.

The General Appropriations Act passed by the 86th Legislature included funding to maintain TRS Care premiums at their current level through 2021. The 86th legislature also passed SB 1682 which requires TRS to establish a contingency reserve in the TRS-Care fund equal to 60 days of expenditures. This amount is estimated at \$277,490,586 as of August 31, 2020.

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

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                 |

**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 participating employers based on active employee compensation. 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 salary. Section 1575.204 establishes a public school 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 employer. The actual public school contribution rate is prescribed by the Legislature in the General Appropriations Act which is 0.75% of each active employee's pay for fiscal year 2020. The following table shows contributions to the TRS-Care plan by type of contributor.

|                                                    | <u>2020</u>   | <u>2021</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%       |
| District's 2021 FY Employer Contributions          | \$ 3,939,401  |             |
| District's 2021 FY Member Contributions            | \$ 16,972,025 |             |
| 2020 Measurement Year NECE On-Behalf Contributions | \$ 2,848,762  |             |

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.

A supplemental appropriation was authorized by Senate Bill 1264 of the 86th Texas Legislature to provide \$2,208,147 for FY 2020 and \$3,312,206 for fiscal year 2021, for consumer protections against medical and health care billing by certain out-of-network providers. Funding will be in fiscal years 2021.

**Actuarial Assumptions.** The total OPEB liability in the August 31, 2019 actuarial valuation was rolled forward to August 31, 2020. The actuarial valuation was determined using the following actuarial assumptions:

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2020 TRS pension actuarial valuation:

|                      |                   |
|----------------------|-------------------|
| Rates of Mortality   | General Inflation |
| Rates of Retirement  | Wage Inflation    |
| Rates of Termination | Salary Increases  |
| Rates of Disability  |                   |

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

Additional Actuarial Methods and Assumptions:

|                                        |                                                                                                                                                             |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation Date                         | August 31, 2019 Rolled forward to August 31, 2020                                                                                                           |
| Actuarial Cost Method                  | Individual Entry Age Normal                                                                                                                                 |
| Inflation                              | 2.30%                                                                                                                                                       |
| Single Discount Rate                   | 2.33% as of August 31, 2020                                                                                                                                 |
| Aging Factors                          | Based on Plan Specific Experience                                                                                                                           |
| Election Rates                         | Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65. 25% pre-65 retirees are assumed to discontinue coverage at age 65. |
| Expenses                               | Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.                          |
| Projected Salary Increases             | 3.05% - 9.05%, including inflation                                                                                                                          |
| Ad-hoc Post Employment Benefit Changes | None                                                                                                                                                        |

The initial medical trend rates were 9.00 percent for Medicare retirees and 7.30 percent for non-medicare retirees and 7.30 percent for non-medicare retirees. There was an initial prescription drug trend rate of 9.00 percent for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25 percent over a period of 13 years.

**Discount Rate.** A single discount rate of 2.33% was used to measure the total OPEB liability. There was a decrease of .30 percent in the discount rate since the previous year. The Discount Rate can be found in the 2020 TRS CAFR on page 76. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate.

#### Sensitivity of the Net OPEB Liability:

**Discount Rate Sensitivity Analysis.** The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.33%) in measuring the Net OPEB Liability.

|                                                              | 1% Decrease in<br>Discount Rate<br>(1.33%) | Discount Rate (2.33%) | 1% Increase in<br>Discount Rate<br>(3.33%) |
|--------------------------------------------------------------|--------------------------------------------|-----------------------|--------------------------------------------|
| District's proportionate share of the<br>Net OPEB Liability: | \$ 127,237,970                             | \$ 106,031,844        | \$ 89,282,048                              |

**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.

|                                                           | <u>1% Decrease</u> | <u>Current Healthcare<br/>Cost Trend Rate</u> | <u>1% Increase</u> |
|-----------------------------------------------------------|--------------------|-----------------------------------------------|--------------------|
| District's proportionate share of the Net OPEB Liability: | \$ 86,614,432      | \$ 106,031,844                                | \$ 131,893,093     |

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.**  
At June 30, 2021, La Joya Independent School District reported a liability of \$106,031,844 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 La Joya Independent School District were as follows:

|                                                                     |                      |
|---------------------------------------------------------------------|----------------------|
| District's Proportionate share of the collective net OPEB liability | \$ 106,031,844       |
| State's proportionate share that is associated with the District    | <u>142,481,382</u>   |
| Total                                                               | <u>\$248,513,226</u> |

|                                                                 | <u>Beginning<br/>Balance</u> | <u>Additions</u> | <u>Retirements</u> | <u>Ending<br/>Balance</u> |
|-----------------------------------------------------------------|------------------------------|------------------|--------------------|---------------------------|
| District's Proportionate Share of collective net OPEB Liability | \$130,359,927                | (\$22,208,061)   | \$ 2,120,022       | \$106,031,844             |

The Net OPEB Liability was measured as of August 31, 2020 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, 2019 thru August 31, 2020.

At August 31, 2020 the employer's proportion of the collective Net OPEB Liability was 0.2789426204% which was an increase of 0.0032710944% from its proportion measured as of August 31, 2019.

**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:

The discount rate changed from 2.63% as of August 31, 2019 to 2.33% as of August 31, 2020. This change increased the Total OPEB liability (TOL).

The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.

The ultimate health care trend assumption was lowered from 4.50 percent to 4.25 percent as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB liability.

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

For the year ended June 30, 2021, La Joya Independent School District recognized OPEB expense of \$1,661,497 and revenue of \$989,337 for support provided by the State.

At June 30, 2021, La Joya Independent School District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|                                                                                                                        | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred Inflows of<br/>Resources</u> |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------|
| Differences between expected and actual actuarial experience                                                           | \$ 5,551,785                                  | \$ 48,525,594                            |
| Changes in actuarial assumptions                                                                                       | 6,539,960                                     | 29,116,892                               |
| Difference between projected and actual investment earnings                                                            | 34,456                                        | -                                        |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | <u>1,827,327</u>                              | <u>7,992,004</u>                         |

|                                                              |                     |                      |
|--------------------------------------------------------------|---------------------|----------------------|
| Total as of August 31, 2020 Measurement Date                 | \$13,953,528        | \$ 85,634,490        |
| Contributions paid to TRS subsequent to the measurement date | <u>3,205,528</u>    | <u>-</u>             |
| Total                                                        | <u>\$17,159,056</u> | <u>\$ 85,634,490</u> |

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 June 30: | OPEB Expense Amount |
|---------------------|---------------------|
| 2022                | \$ (11,897,921)     |
| 2023                | \$ (11,902,527)     |
| 2024                | \$ (11,905,161)     |
| 2025                | \$ (11,904,440)     |
| 2026                | \$ (9,072,285)      |
| Thereafter          | \$ (14,998,628)     |

#### ***Medicare Part D – On Behalf Payments for Reporting Entities***

**Funding Policy.** The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries, also 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. The amount of subsidy reimbursement received by TRS on behalf of the District for the year ended June 30, 2021 was \$1,007,744.

#### **NOTE 14 - 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 and are based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. 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 period ended June 30, 2021, to \$400,000 for any individual participant.

Estimates of claims payable and of claims incurred, but not reported at June 30, 2021, are reflected as accounts and claims payable of the Fund. The plan is funded to discharge liabilities of the Fund as they become due.

Changes in the balances of claims liabilities during the past year are as follows:

|                                      | Year Ended<br><u>June 30, 2021</u> | Year Ended<br><u>August 31, 2020</u> |
|--------------------------------------|------------------------------------|--------------------------------------|
| Unpaid claims, beginning fiscal year | \$ 1,461,255                       | \$ 1,119,390                         |
| Incurred claims (including IBNR'S)   | 19,825,605                         | 24,603,839                           |
| Claim Payments                       | <u>(19,968,552)</u>                | <u>(24,261,974)</u>                  |
| Unpaid claims, end fiscal year       | <u>\$ 1,318,308</u>                | <u>\$ 1,461,255</u>                  |

#### **NOTE 15 - ACCRUED EXPENSES**

Accrued Interest Liability for the bond refundings at year end consisted of the following:

|                       | <u>Beginning</u> | <u>Reductions</u> | <u>Ending</u> |
|-----------------------|------------------|-------------------|---------------|
| 2010 Refunding Bond   | \$13,288         | (\$13,288)        | \$ -          |
| 2011 Refunding Bond   | <u>17,275</u>    | <u>(17,275)</u>   | <u>-</u>      |
| Total Accrued Expense | <u>\$30,563</u>  | <u>(\$30,563)</u> | <u>\$ -</u>   |

**NOTE 16 - UNEARNED REVENUE**

Unearned revenue at year end consisted of the following:

|                                      | <u>General<br/>Fund</u> | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Nonmajor<br/>Enterprise<br/>Funds</u> | <u>Total</u>     |
|--------------------------------------|-------------------------|--------------------------------------------|------------------------------------------|------------------|
| Food Service USDA Commodities        | \$219,066               | \$ -                                       | \$ -                                     | \$219,066        |
| ESEA II A Supporting Effective Ins   | -                       | 781                                        | -                                        | 781              |
| Other Federal Special Revenue Fund   | -                       | 23,187                                     | -                                        | 23,187           |
| Advanced Placement Incentives        | -                       | 86,855                                     | -                                        | 86,855           |
| State Textbook Fund                  | -                       | 24,030                                     | -                                        | 24,030           |
| Other State Special Revenue Funds    | -                       | 122,988                                    | -                                        | 122,988          |
| Locally Funded Special Revenue Funds | -                       | 48,039                                     | -                                        | 48,039           |
| Membership Fees                      | -                       | -                                          | 6,793                                    | 6,793            |
| Total Unearned Revenue               | <u>\$219,066</u>        | <u>\$305,880</u>                           | <u>\$ 6,793</u>                          | <u>\$531,739</u> |

**NOTE 17 - REVENUE FROM LOCAL AND INTERMEDIATE SOURCES**

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

|                                                | <u>General Fund</u> | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total</u>        |
|------------------------------------------------|---------------------|--------------------------------------------|---------------------|
| Property Taxes                                 | \$28,386,114        | \$6,344,808                                | \$34,730,922        |
| Penalties, Interest & Other Tax-related income | 1,167,167           | 211,845                                    | 1,379,012           |
| Investment Income                              | 87,181              | 2,251                                      | 89,432              |
| Insurance Recoveries                           | 1,673,815           | -                                          | 1,673,815           |
| Other                                          | <u>313,236</u>      | <u>358,061</u>                             | <u>671,297</u>      |
| Total                                          | <u>\$31,627,513</u> | <u>\$6,916,965</u>                         | <u>\$38,544,478</u> |

**NOTE 18 - GENERAL FUND FEDERAL SOURCE REVENUES**

Included in the General Fund revenues, the following are funded by the federal government:

|                       | <u>Program or Source</u>                                      | <u>CFDA Number</u> | <u>Amount</u>       |
|-----------------------|---------------------------------------------------------------|--------------------|---------------------|
|                       | National School Lunch/Breakfast Program                       | 10.555/10.553      | \$17,197,495        |
|                       | USDA Commodity                                                | 10.555             | 1,580,866           |
|                       | Child & Adult Care Food Program (CACFP)                       | 10.558             | 979,071             |
|                       | JROTC Program                                                 | 12.000             | 76,105              |
|                       | CRF-Texas Division of Emergency Management                    | 21.019             | 1,917,241           |
|                       | Prior Purchase Reimbursement Program (PPRP)                   | 84.425D            | 1,329,697           |
|                       | SHARS Program                                                 | Not Applicable     | 2,413,169           |
|                       | ERATE                                                         | Not Applicable     | 194,995             |
| <b>INDIRECT COSTS</b> |                                                               |                    |                     |
|                       | National School Lunch/Breakfast Program                       | 10.555/10.553      | 576,616             |
| 211                   | ESEA, Title I, Part A – Improving Basic Programs              | 84.010A            | 592,359             |
| 212                   | ESEA, Title I, Part C – Migratory Children                    | 84.011A            | 64,104              |
| 224                   | IDEA – Part B Formula                                         | 84.027A            | 159,050             |
| 225                   | IDEA – Part B Preschool                                       | 84.173A            | 620                 |
| 244                   | Career and Technical – Basic Grant                            | 84.048A            | 22,070              |
| 255                   | ESEA, Title II, Part A, Supporting Effective Instruction      | 84.367A            | 57,134              |
| 263                   | Title III, A English Language Acquisition                     | 84.365A            | 21,604              |
| 265                   | Title IV B 21 <sup>st</sup> Century Community Learning Center | 84.287C            | 936                 |
| 274                   | College in ACTION! Gear Up (Univ of Texas RGV)                | 84.334A            | 9,262               |
| 287                   | Project RISE                                                  | 87.374A            | 51,250              |
| 289                   | Title IV, Part A-Subpart 1                                    | 84.424A            | 24,165              |
|                       |                                                               |                    | <u>\$27,267,809</u> |

## NOTE 19 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS AND CONTIGENCIES

| Project                                  | Architect                    | Location           | Projected Starting Date | Projected Completion Date | Estimated Project Amount |
|------------------------------------------|------------------------------|--------------------|-------------------------|---------------------------|--------------------------|
| HVAC Renovations<br>La Joya HS           | MEP Solutions<br>Engineering | E. Expressway 83   | December 2015           | December 2021             | \$ 2,675,588             |
| HVAC Renovations<br>Benavides Elem.      | Trinity Engineering          | 1882 El Pinto Road | May 2016                | December 2021             | \$ 1,356,307             |
| Benavides Roof &<br>Building Renovations | ARKiiFORM LLC                | 1882 El Pinto Road | December 2020           | December 2021             | \$ 1,672,125             |

## NOTE 20 - MAINTENANCE OF EFFORT

The total amount paid by the district (a self-funded plan) for the employee health care premiums is as follows:

|                                                              |                      |
|--------------------------------------------------------------|----------------------|
| a.) Total District Premium paid for health care in 2020-2021 | \$ 19,294,140        |
| b.) Subtract any non-medical expenditures                    | -                    |
| c.) 2020-2021 Maintenance of Effort                          | <u>\$ 19,294,140</u> |

## NOTE 21 - COMPENSATED ABSENCES

Upon retirement from the District and receipt of notice of retirement from TRS, the District shall reimburse professional employees for up to 60 days of unused accumulated state and local sick leave days at the rate of \$100 per day. All non-professional employees shall be reimbursed for up to 60 days of unused accumulated state and local sick leave days at the rate of \$40 per day. This benefit will be available only once to each employee. All compensated absences are accrued when incurred in the government-wide financial statement. The accumulated unpaid leave liability as of June 30, 2021 is \$1,256,612.

## NOTE 22 - LITIGATION

The District is the defendant in several legal proceedings arising from its operations. The District administration believes the outcome of these proceedings, if not favorable to the district, will not materially affect the District's financial position and therefore no allowances have been made.

## NOTE 23 - PRIOR PERIOD ADJUSTMENTS & ADJUSTMENT TO BEGINNING NET POSITION

The District recognized prior period adjustments. The following is an analysis of these adjustments:

|                                                   |                 |                   |
|---------------------------------------------------|-----------------|-------------------|
| Governmental Fund                                 |                 |                   |
| General Fund                                      |                 |                   |
| Final TEA Entitlements payments                   | \$ 665,663      |                   |
| Prior Year Revenues Settlements                   | <u>(22,657)</u> |                   |
| Total General Fund                                |                 | 643,006           |
| Nonmajor Governmental Funds                       |                 |                   |
| Prior Year Revenue Settlement (Debt Service Fund) | <u>250,430</u>  |                   |
| Total Nonmajor Governmental Funds                 |                 | <u>250,430</u>    |
| Total Net Prior Period Adjustments (Exhibit C-3)  |                 | <u>\$ 893,436</u> |

## NOTE 24 - SHARED SERVICE ARRANGEMENT

The District is a participant in a shared service arrangement with McAllen ISD which provides deaf education services to students who are enrolled in the Regional Day School Program for the Deaf. As of June 30, 2021, McAllen ISD allocated expenditures to the amount of \$233,493.

## NOTE 25 - FUND BALANCE

The District has classified its fund balances with the following hierarchy:

**Nonspendable:** The District has a total inventory amount of \$2,861,134 and \$170,103 of prepaid items.

**Spendable:** The District has classified the spendable fund balances as Restricted, Committed, Assigned, and Unassigned and considered each to have been spent when expenditures are incurred.

- **Restricted for Food Service, Federal and State Programs, Debt Service, and Capital Projects:** Federal laws, Texas Statutes and local ordinances require that certain revenues be specifically designed for the purposes of food service, federal and state programs, debt service, and capital projects. The funds have been included in restricted category of fund balance. The restricted fund balances totaled \$19,968,831 which consists of \$1,189,339 in food service and \$403,686 in the Child & Adult Care Food Program (CACFP), \$15,517,709 in state programs, consisting of \$2,472,540 in the CATE Program, \$6,765,657 in the State Compensatory Program, \$3,404,549 in the State Bilingual Program, \$203,817 in the Dyslexia Program, \$201,172 in the Teacher Incentive Allotment, \$220,392 in the School Safety Allotment, \$1,892,781 in the Early Education Allotment, and \$356,801 in the College Career & Military Readiness Program. The nonmajor governmental fund restricted fund balance in the amount of \$512,823 consists of the Medicaid Administration Claims Program (MAC) and retirement of long-term debt in the amount of \$2,345,274.
- **Committed for Construction:** The La Joya ISD School Board has committed \$5,001,610 for construction related projects and \$428,798 in campus activity funds.
- **Assigned:** The District has assigned \$5,042,913 of the fund balance for outstanding encumbrances which includes \$638,655 for a Tax Maintenance Bond on maintenance projects around the District, and \$4,404,258 for purchase orders opened during the fiscal year and merchandise received the following fiscal year. The 2021-22 budgetary gap for the General Fund has been assigned \$13,553,361 and \$412,685 for the Debt Service Fund.
- **Unassigned:** The unassigned fund balance for the General Fund is \$67,616,491.

|                              | General<br>Fund      | Nonmajor<br>Governmental Funds | Total<br>Governmental<br>Funds |
|------------------------------|----------------------|--------------------------------|--------------------------------|
| <b>Fund Balances:</b>        |                      |                                |                                |
| <b>Nonspendable:</b>         |                      |                                |                                |
| Inventories                  |                      |                                |                                |
| General Fund                 | \$ 2,249,514         | -                              | \$ 2,249,514                   |
| Food Service                 | 611,620              | -                              | 611,620                        |
| Prepaid Items                | 170,103              | -                              | 170,103                        |
| <b>Restricted</b>            |                      |                                |                                |
| Food Service                 | 1,189,339            | -                              | 1,189,339                      |
| Child & Adult Care Food Prog | 403,686              | -                              | 403,686                        |
| State Programs               | 15,517,709           | -                              | 15,517,709                     |
| Retirement of Long-term Debt | -                    | 2,345,274                      | 2,345,274                      |
| Federal Programs             | -                    | 512,823                        | 512,823                        |
| <b>Committed</b>             |                      |                                |                                |
| Construction                 | 5,001,610            | -                              | 5,001,610                      |
| Campus Activity Funds        | -                    | 428,798                        | 428,798                        |
| <b>Assigned</b>              |                      |                                |                                |
| Outstanding Encumbrances     | 5,042,913            | -                              | 5,042,913                      |
| 2021-22 Budgetary Gap        |                      |                                |                                |
| General Fund                 | 13,553,361           | -                              | 13,553,361                     |
| Debt Service Fund            | -                    | 412,685                        | 412,685                        |
| <b>Unassigned</b>            | <u>67,616,491</u>    | <u>-</u>                       | <u>67,616,491</u>              |
| <b>Total Fund Balance</b>    | <u>\$111,356,346</u> | <u>\$ 3,699,580</u>            | <u>\$115,055,926</u>           |

## NOTE 26 - OTHER FINANCING SOURCES AND USES

Other resources and uses during the fiscal were as follows:

|                                          | <u>General Fund</u> | <u>Nonmajor<br/>Governmental Funds</u> | <u>Total Governmental<br/>Funds</u> |
|------------------------------------------|---------------------|----------------------------------------|-------------------------------------|
| Issuance of Bonds - Refunding            | \$ -                | \$ 74,885,000                          | \$ 74,885,000                       |
| Sale of Real and Personal Property       | 49,219              | -                                      | 49,219                              |
| Premium or Discount on Issuance of Bonds | -                   | 10,192,619                             | 10,192,619                          |
| Transfers Out (Use)                      | (481,712)           | -                                      | (481,712)                           |
| Other (Uses)                             | -                   | (84,358,717)                           | (84,358,717)                        |
| Total Other Financing Sources (Uses)     | <u>\$ (432,493)</u> | <u>\$ 718,902</u>                      | <u>\$ 286,409</u>                   |

*Transfers between funds:* The General Fund transferred \$148,382, \$203,444, and \$129,886 to the Sports & Learning Complex, Howling Trails Golf Course, and the Print Shop respectively to cover expenses incurred for operations.

## NOTE 27 – RECONCILIATION OF CHANGE IN AGGREGATE SELF-INSURANCE LIABILITIES FOR WORKER'S COMPENSATION AND UNEMPLOYMENT COMPENSATION

Self-insurance liabilities is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the balances of claims liabilities during the past two years are as follows:

|                                      | <u>Worker's Compensation</u> |                  | <u>Unemployment Compensation</u> |                 |
|--------------------------------------|------------------------------|------------------|----------------------------------|-----------------|
|                                      | <u>2020</u>                  | <u>2021</u>      | <u>2020</u>                      | <u>2021</u>     |
| Unpaid Claims, fiscal year beginning | \$ 1,058,658                 | \$ 238,421       | \$ -                             | \$ -            |
| Incurred claims (including IBNR'S)   | (195,072)                    | 183,206          | 96,699                           | 88,150          |
| Claim Payments                       | <u>(625,165)</u>             | <u>(342,863)</u> | <u>(96,699)</u>                  | <u>(88,150)</u> |
| Unpaid claims, fiscal year ending    | <u>\$ 238,421</u>            | <u>\$ 78,764</u> | <u>\$ -</u>                      | <u>\$ -</u>     |

## NOTE 28 - USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and/or disclosures of contingent 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.

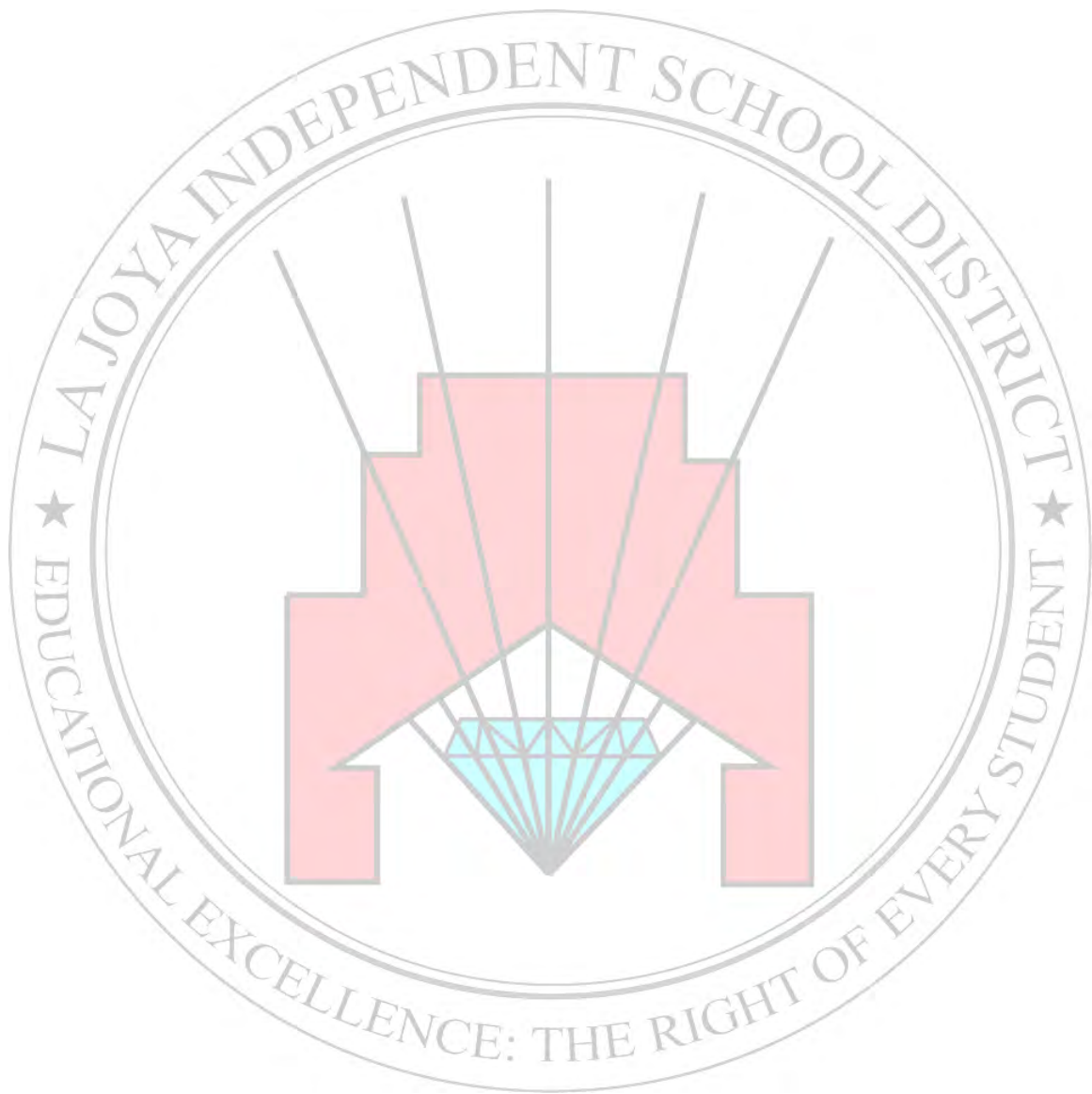
## NOTE 29 – SUBSEQUENT EVENTS

As of the date of the Auditor's report, the following event has taken place:

- The District was awarded \$65,603,080 by the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act of 2021, Section 313 Elementary and Secondary School Emergency Relief (ESSER II) Fund. The purpose of ESSER II funding is to prevent, prepare for, or respond to the COVID-19 pandemic, including its impact on the social, emotional, mental health, and academics needs of students.
- The District was awarded \$147,335,197 by the American Rescue Plan (ARP) Act of 2021, Elementary and Secondary School Emergency Relief (ESSER III) Fund. The intent and the purposes of the ARP of 2021, ESSER III funding is to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on students.

## NOTE 30 – COVID-19

The COVID-19 pandemic continues to impact the District's student enrollment and attendance. Longer-term operational and financial performance will depend on future developments, many of which are outside of the District's control, including the effectiveness of the mitigation strategies related to COVID-19, the duration and spread of COVID-19, and future governmental actions, all of which are highly uncertain and cannot be predicted.



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**REQUIRED SUPPLEMENTARY  
INFORMATION**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

|                                                                                                            | FY 2021<br><u>Plan Year 2020</u> | FY 2020<br><u>Plan Year 2019</u> | FY 2019<br><u>Plan Year 2018</u> |
|------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| District's Proportion of the Net Pension Liability (Asset)                                                 | 0.205521979%                     | 0.198784212%                     | 0.206218454%                     |
| District's Proportionate Share of Net Pension Liability (Asset)                                            | \$ 110,073,379                   | \$ 103,334,248                   | \$ 113,504,642                   |
| State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District              | 143,577,599                      | 140,253,518                      | 156,139,781                      |
| Total                                                                                                      | <u>\$ 253,650,978</u>            | <u>\$ 243,587,766</u>            | <u>\$ 269,644,423</u>            |
| District's Covered Payroll                                                                                 | \$ 224,256,352                   | \$ 206,420,442                   | \$ 206,399,167                   |
| District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | 49.08%                           | 50.06%                           | 54.99%                           |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                                 | 75.54%                           | 75.24%                           | 73.74%                           |

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, 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 2018<br>Plan Year 2017 |             | FY 2017<br>Plan Year 2016 |             | FY 2016<br>Plan Year 2015 |             | FY 2015<br>Plan Year 2014 |             |
|---------------------------|-------------|---------------------------|-------------|---------------------------|-------------|---------------------------|-------------|
| 0.201861684%              |             | 0.193700711%              |             | 0.1885325%                |             | 0.1428364%                |             |
| \$                        | 64,544,492  | \$                        | 73,196,619  | \$                        | 66,643,729  | \$                        | 38,153,577  |
| 96,104,907                |             | 113,447,491               |             | 109,013,695               |             | 89,274,831                |             |
| \$                        | 160,649,399 | \$                        | 186,644,110 | \$                        | 175,657,424 | \$                        | 127,428,408 |
| \$                        | 204,384,122 | \$                        | 193,654,710 | \$                        | 186,016,949 | \$                        | 175,879,815 |
| 31.58%                    |             | 37.80%                    |             | 35.83%                    |             | 21.69%                    |             |
| 82.17%                    |             | 78.00%                    |             | 78.43%                    |             | 83.25%                    |             |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR FISCAL YEAR 2021

|                                                                     | 2021           | 2020           | 2019           |
|---------------------------------------------------------------------|----------------|----------------|----------------|
| Contractually Required Contribution                                 | \$ 8,505,181   | \$ 8,444,810   | \$ 6,982,135   |
| Contribution in Relation to the Contractually Required Contribution | (8,505,181)    | (8,444,810)    | (6,982,135)    |
| Contribution Deficiency (Excess)                                    | \$ -           | \$ -           | \$ -           |
| District's Covered Payroll                                          | \$ 220,559,044 | \$ 224,256,352 | \$ 206,420,442 |
| Contributions as a Percentage of Covered Payroll                    | 3.86%          | 3.77%          | 3.38%          |

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.

| 2018 |             | 2017 |             | 2016 |             | 2015 |             |
|------|-------------|------|-------------|------|-------------|------|-------------|
| \$   | 6,932,392   | \$   | 6,615,848   | \$   | 6,157,087   | \$   | 5,654,414   |
|      | (6,932,392) |      | (6,615,848) |      | (6,157,087) |      | (5,654,414) |
| \$   | -           | \$   | -           | \$   | -           | \$   | -           |
| \$   | 206,399,167 | \$   | 204,384,122 | \$   | 193,654,710 | \$   | 186,016,949 |
|      | 3.36%       |      | 3.24%       |      | 3.18%       |      | 3.04%       |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

|                                                                                                         | FY 2021<br>Plan Year 2020 | FY 2020<br>Plan Year 2019 | FY 2019<br>Plan Year 2018 | FY 2018<br>Plan Year 2017 |
|---------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits                    | 0.27892462%               | 0.275653526%              | 0.286093177%              | \$ 0.293202101%           |
| District's Proportionate Share of Net OPEB Liability (Asset)                                            | \$ 106,031,844            | \$ 130,359,927            | \$ 142,848,942            | \$ 127,502,595            |
| State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District              | 142,481,382               | 173,219,187               | 164,569,990               | \$ 149,167,687            |
| Total                                                                                                   | <u>\$ 248,513,226</u>     | <u>\$ 303,579,114</u>     | <u>\$ 307,418,932</u>     | <u>\$ 276,670,282</u>     |
| District's Covered Payroll                                                                              | \$ 224,256,352            | \$ 206,420,442            | \$ 206,399,167            | \$ 204,384,122            |
| District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll | 47.28%                    | 63.15%                    | 69.21%                    | \$ 62.38%                 |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability                                 | 4.99%                     | 2.66%                     | 1.57%                     | \$ 0.91%                  |

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

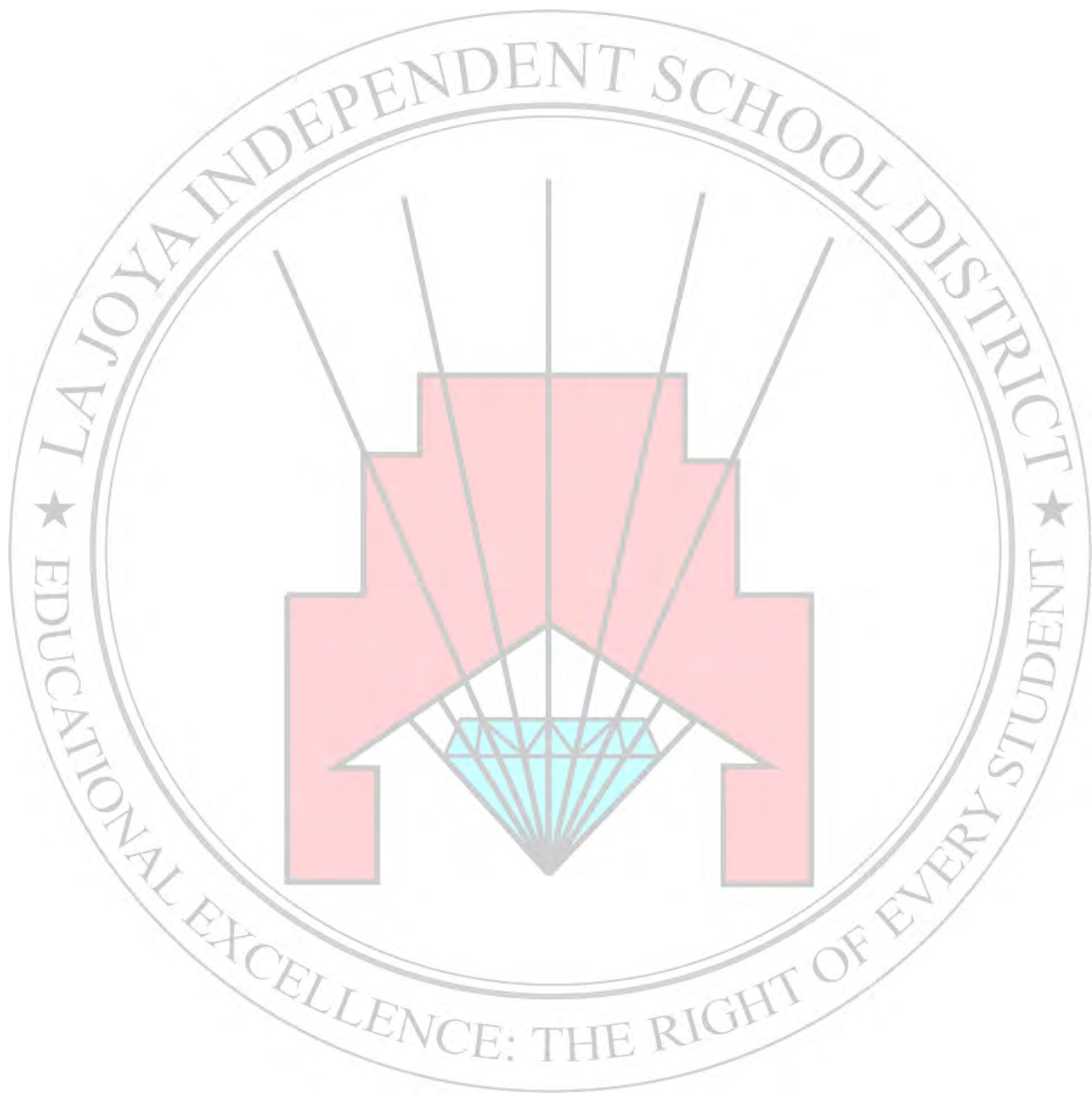
This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR FISCAL YEAR 2021

|                                                                     | 2021           | 2020           | 2019           | 2018           |
|---------------------------------------------------------------------|----------------|----------------|----------------|----------------|
| Contractually Required Contribution                                 | \$ 3,939,401   | \$ 3,917,237   | \$ 3,321,290   | \$ 3,415,458   |
| Contribution in Relation to the Contractually Required Contribution | (3,939,401)    | (3,917,237)    | (3,321,290)    | (3,415,458)    |
| Contribution Deficiency (Excess)                                    | \$ -           | \$ -           | \$ -           | \$ -           |
| District's Covered Payroll                                          | \$ 220,559,044 | \$ 224,256,352 | \$ 206,420,442 | \$ 206,399,167 |
| Contributions as a Percentage of Covered Payroll                    | 1.79%          | 1.75%          | 1.61%          | 1.65%          |

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.



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LA JOYA INDEPENDENT SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

A. Notes to Schedules for the TRS Pension

*Changes of Benefit terms.*

In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (SB12) that provides for gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. The increases immediately made the pension fund actuarially sound, and the Legislature approved funding for a 13th check.

All eligible members retired as of December 31, 2018, received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment or \$2,000, whichever was less.

*Changes of Assumptions.*

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

B. Notes to Schedules for the TRS OPEB Plan

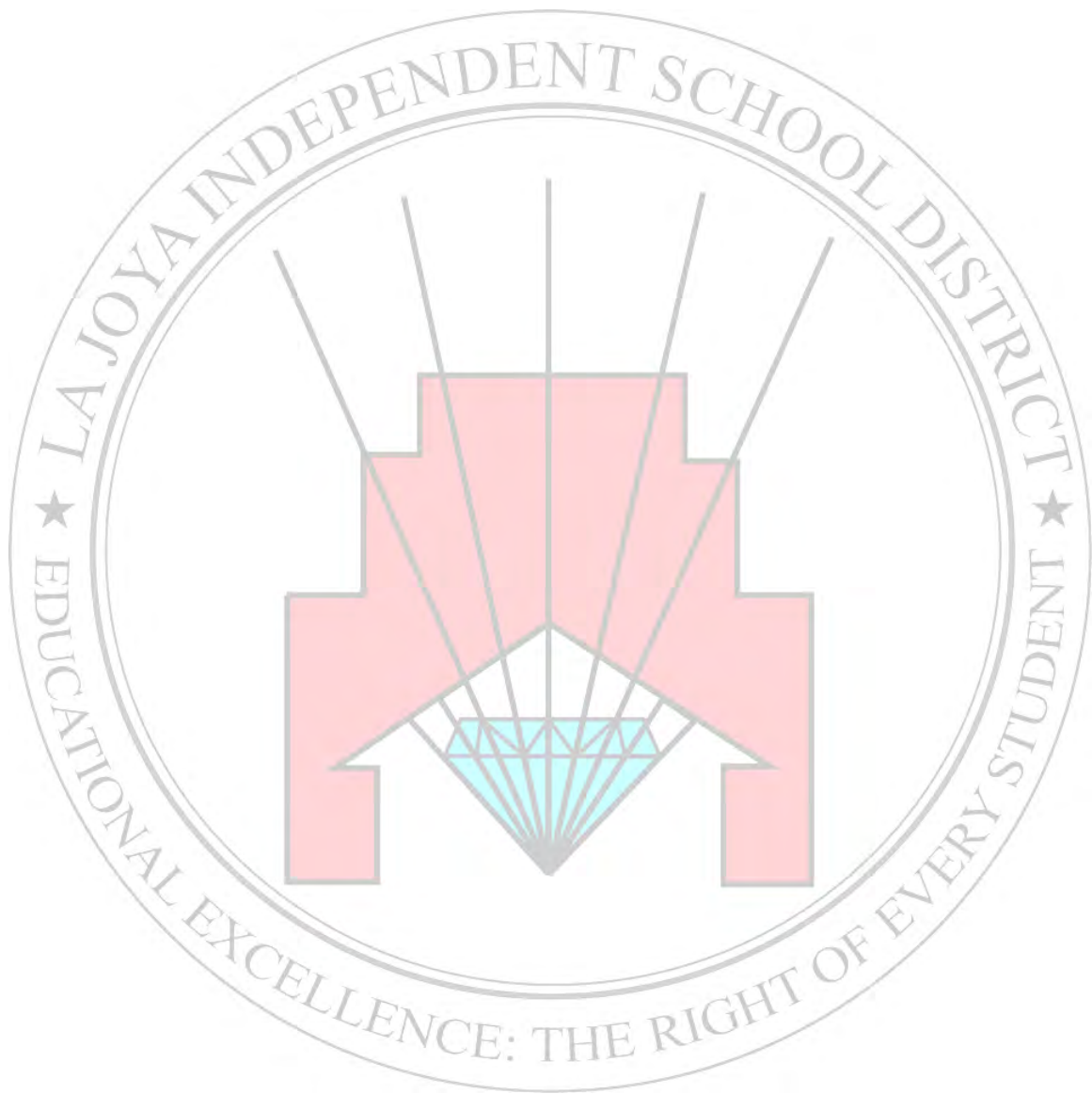
*Changes in Benefits.*

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

*Changes in Assumptions.*

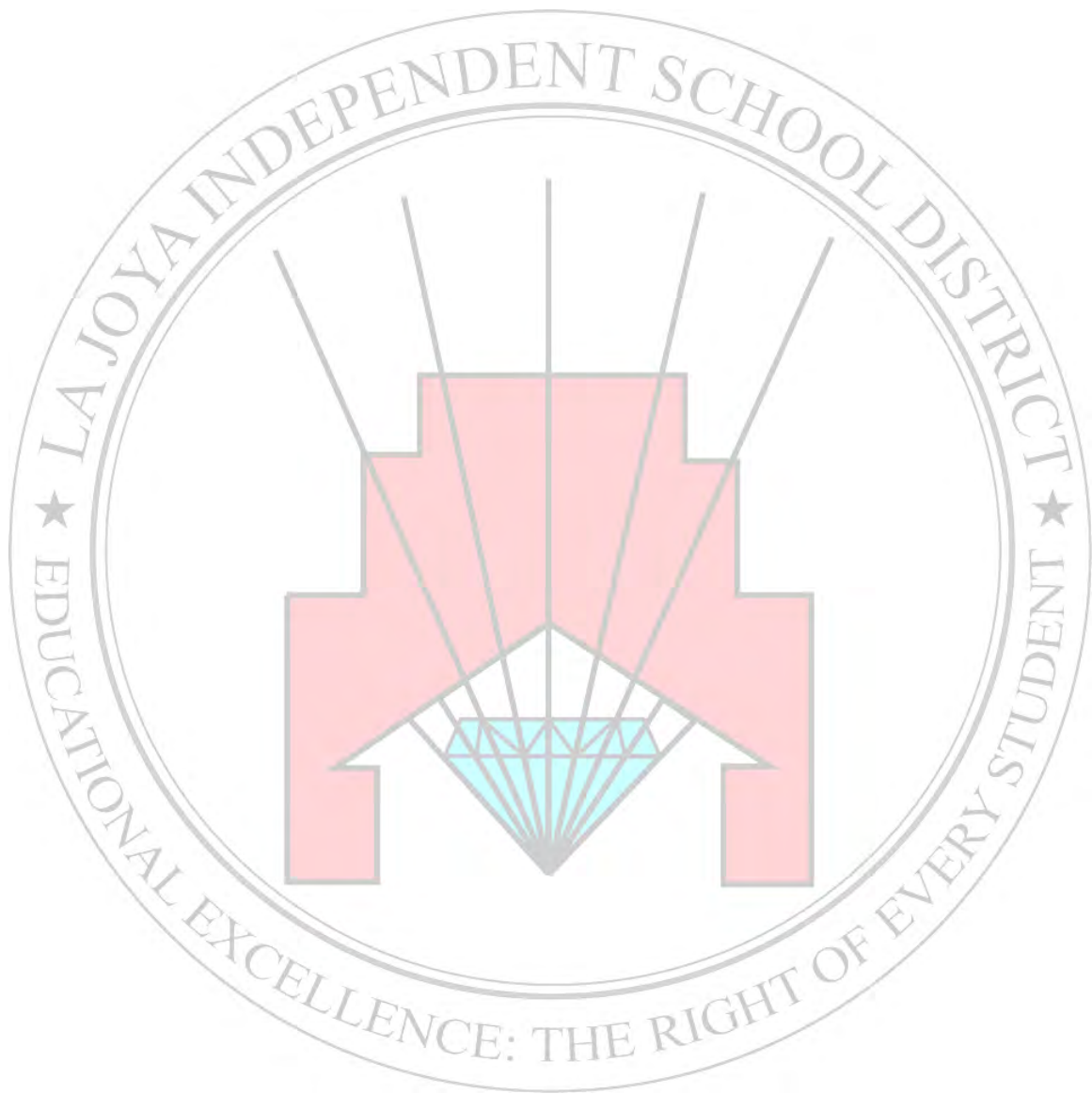
The following assumptions, methods and plan changes which are specific to TRS-Care were updated from the prior year's report:

- The discount rate changed from 2.63 % as of August 31, 2019 to 2.33%, as of August 31, 2020. This change increased the Total OPEB Liability.
- The participation rate for post-65 retirees was lowered from 50% to 40%. This change lowered the Total OPEB Liability.
- The ultimate health care trend assumption was lowered from 4.50% to 4.25% as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB Liability.



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## **COMBINING AND OTHER STATEMENTS**



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LA JOYA INDEPENDENT SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS DEFINED

Special Revenue Funds are used to account for resources restricted to specific purposes by a grantor or for purposes committed by the Board of Trustees. Federal financial assistance often is accounted for in a Special Revenue Fund. In most Special Revenue Funds, unused balances are recorded as deferred revenue and carried forward to the subsequent fiscal year. In some cases, the unused balances are returned to the grantor at the close of the specified project period. The District budgets for Special Revenue Funds as grants are awarded. The District uses project accounting for them in order to maintain integrity for the various sources of funds. These funds utilize the modified accrual basis of accounting. The District's Special Revenue funds and the Debt Service Fund (599) are as follows:

**211 ESEA, Title I, Part A, Improving Basic Programs** – is to be used to account for funds allocated to local educational agencies to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children.

**212 ESEA, Title I, Part C, Education of Migratory Children** – is to be used to account for funds granted for programs benefitting children of migrant agriculture or agriculture-related workers and children of migrant fishermen.

**224 IDEA - Part B, Formula** – is to be used to account for funds granted to operate educational programs for children with disabilities.

**225 IDEA – Part B, Preschool** – is to be used to account for funds granted for preschool children with disabilities.

**226 IDEA – Part B, Discretionary** – is to be used to account, on a project basis, for funds used to support an Education Service Center (ESC) special education component.

**244 Career and Technical – Basic Grant** – is to be used for funds granted to provide Career and Technical education to develop new and/or improve Career and Technical education programs for paid and unpaid employment.

**255 ESEA, Title II, Part A, Supporting Effective Instruction** – is to be used to provide financial assistance to local education agencies to a) increase student academic achievement through improving teacher and principal quality and increasing number of highly qualified teachers in classrooms and highly qualified principals in schools, and b) hold local education agencies and schools accountable for improving student academic achievement.

**263 Title III, Part A, English Language Acquisition and Language Enhancement LEP** – is to be used to account for funds granted to improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic achievement standards.

**265 Title IV, Part B - 21st Century Community Learning Centers** - is to be used to account, on a project basis, for funds granted to provide opportunities for communities to establish or expand activities in community learning centers that provide opportunities for academic enrichment and additional services to students and literary and related educational development for families of students (P. L. 107-110, Title IV, Part B) (84.287) (U.S. Department of Education).

**272 Medicaid Administrative Claiming Program - MAC** – is to be used to account for funds allocated to local education agencies for reimbursement of eligible administrative costs for activities attributed to the implementation of the Medicaid state plan. Expenditures attributed to the required matching amount are recorded in the General Fund.

**274 GEAR UP** - is to be used to account, on a project basis, for funds granted to provide services and support to low-income minority school districts to ensure that students are academically prepared for higher education, graduate from high school, and have access to higher education opportunities. (84.334S) (U.S. Department of Education)

**276 Title I SIP Academy Grant** – Section 1003(g) of Title I of the NCLB Act authorizes funds to help TEA and LEAs address the needs of campuses in improvement, corrective action, and restructuring in order to improve student achievement. In conjunction with the Title I School Improvement Program funds under section 1003(a), SIP Academy grants are to be used to leverage change and improve technical assistance under sections 1116 and 1117 of Title I, Part A through TEA’s and LEAs’ targeting activities towards measurable outcomes as required by USDE.

**277 Coronavirus Relief Fund (CRF) of the CARES Act** – is used to account for federal stimulus CRF granted to LEAs through the CARES Act for necessary expenditures incurred due to the public health emergency with respect to COVID-19 and to reimburse LEAs for expenses related to COVID-19 that were incurred dating back to March 1, 2020.

**281 Elementary and Secondary School Emergency Relief Fund II (ESSER II) of the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act** - is used to account for federal stimulus ESSER II funds granted to LEAs through the CRRSA Act to support an LEA’s ability to operate, instruct its students, address learning loss, prepare schools for reopening, test, repair, and upgrade projects to improve air quality in school buildings during the coronavirus pandemic.

**287 Project RISE** – is to be used to increase educator effectiveness and leadership by establishing an effective human capital management system and a performance-based compensation system.

**289 Federally Funded Special Revenue Funds** – is to be used to account for federally funded special revenue funds that have not been specified above. The following federal programs are reported within this fund:

- Title IV, Part A Subpart 1
- Texas School Ready! Project
- CARE Act Provider Relief Fund
- Project HEAL2 (Health Education and Leadership)

**397 Advanced Placement Incentives** – is to be used for funds awarded to school districts under the Texas Advanced Placement Award Incentive Program, Chapter 28, Subchapter C, TEC.

**410 State Textbook Fund** – is to be used to account for funds awarded to school districts under the textbook allotment.

**429 State Special Revenue Fund** – are State funded special revenue funds not listed above are to be accounted for in this fund.

**461 Campus Activity Funds** – is to account for transactions related to a principal’s activity fund if the monies generated are not subject to recall by the school district’s board of trustees into the General Fund.

**499 Locally Funded Special Revenue Funds** - are funds not listed above are to be accounted for in this fund. The following locally defined grants are to be converted to Fund 499 for PEIMS reporting:

- 497 Miscellaneous Grants
- 498 MDRC Grant
- 499 Local Special Revenue Funds

**599 – Debt Service Fund** – is used to combine all debt service funds for reporting. This fund classification is also used to record transactions involving the FSP instructional facilities allotment for bonded indebtedness (voter approved debt) related purposes.

## **NONMAJOR GOVERNMENTAL FUNDS**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2021

| Data<br>Control<br>Codes             |                                                     | 211<br>ESEA I, A<br>Improving<br>Basic Program | 212<br>ESEA Title I<br>Part C<br>Migrant | 224<br>IDEA - Part B<br>Formula | 225<br>IDEA - Part B<br>Preschool |
|--------------------------------------|-----------------------------------------------------|------------------------------------------------|------------------------------------------|---------------------------------|-----------------------------------|
| <b>ASSETS</b>                        |                                                     |                                                |                                          |                                 |                                   |
| 1110                                 | Cash and Cash Equivalents                           | \$ -                                           | \$ -                                     | \$ -                            | \$ -                              |
| 1120                                 | Investments - Current                               | -                                              | -                                        | -                               | -                                 |
| 1220                                 | Property Taxes - Delinquent                         | -                                              | -                                        | -                               | -                                 |
| 1230                                 | Allowance for Uncollectible Taxes                   | -                                              | -                                        | -                               | -                                 |
| 1240                                 | Due from Other Governments                          | 3,591,326                                      | 363,841                                  | 933,003                         | 620                               |
| 1250                                 | Accrued Interest                                    | -                                              | -                                        | -                               | -                                 |
| 1290                                 | Other Receivables                                   | -                                              | -                                        | -                               | -                                 |
| 1000                                 | Total Assets                                        | <u>\$ 3,591,326</u>                            | <u>\$ 363,841</u>                        | <u>\$ 933,003</u>               | <u>\$ 620</u>                     |
| <b>LIABILITIES</b>                   |                                                     |                                                |                                          |                                 |                                   |
| 2110                                 | Accounts Payable                                    | \$ 238,777                                     | \$ 572                                   | \$ 5,561                        | \$ -                              |
| 2160                                 | Accrued Wages Payable                               | 1,713,056                                      | 217,482                                  | 574,115                         | -                                 |
| 2170                                 | Due to Other Funds                                  | 1,639,493                                      | 145,787                                  | 353,327                         | 620                               |
| 2180                                 | Due to Other Governments                            | -                                              | -                                        | -                               | -                                 |
| 2300                                 | Unearned Revenue                                    | -                                              | -                                        | -                               | -                                 |
| 2000                                 | Total Liabilities                                   | <u>3,591,326</u>                               | <u>363,841</u>                           | <u>933,003</u>                  | <u>620</u>                        |
| <b>DEFERRED INFLOWS OF RESOURCES</b> |                                                     |                                                |                                          |                                 |                                   |
| 2601                                 | Unavailable Revenue - Property Taxes                | -                                              | -                                        | -                               | -                                 |
| 2600                                 | Total Deferred Inflows of Resources                 | <u>-</u>                                       | <u>-</u>                                 | <u>-</u>                        | <u>-</u>                          |
| <b>FUND BALANCES</b>                 |                                                     |                                                |                                          |                                 |                                   |
| Restricted Fund Balance:             |                                                     |                                                |                                          |                                 |                                   |
| 3480                                 | Retirement of Long-Term Debt                        | -                                              | -                                        | -                               | -                                 |
| 3490                                 | Other Restricted Fund Balance                       | -                                              | -                                        | -                               | -                                 |
| Committed Fund Balance:              |                                                     |                                                |                                          |                                 |                                   |
| 3545                                 | Other Committed Fund Balance                        | -                                              | -                                        | -                               | -                                 |
| Assigned Fund Balance:               |                                                     |                                                |                                          |                                 |                                   |
| 3590                                 | Other Assigned Fund Balance                         | -                                              | -                                        | -                               | -                                 |
| 3000                                 | Total Fund Balances                                 | <u>-</u>                                       | <u>-</u>                                 | <u>-</u>                        | <u>-</u>                          |
| 4000                                 | Total Liabilities, Deferred Inflows & Fund Balances | <u>\$ 3,591,326</u>                            | <u>\$ 363,841</u>                        | <u>\$ 933,003</u>               | <u>\$ 620</u>                     |

| 226<br>IDEA - Part B<br>Discretionary | 244<br>Career and<br>Technical -<br>Basic Grant | 255<br>ESEA II,A<br>Training and<br>Recruiting | 263<br>Title III, A<br>English Lang.<br>Acquisition | 265<br>Title IV, B<br>Community<br>Learning | 272<br>Medicaid<br>Admin. Claim<br>MAC | 274<br>GEAR UP    | 276<br>Title I - SIP<br>Academy<br>Grant |
|---------------------------------------|-------------------------------------------------|------------------------------------------------|-----------------------------------------------------|---------------------------------------------|----------------------------------------|-------------------|------------------------------------------|
| \$ 1,017                              | \$ -                                            | \$ -                                           | \$ -                                                | \$ -                                        | \$ 517,744                             | \$ -              | \$ -                                     |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | 74,970                                          | 352,647                                        | 495,452                                             | 267,175                                     | -                                      | 199,990           | 35,000                                   |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| <u>\$ 1,017</u>                       | <u>\$ 74,970</u>                                | <u>\$ 352,647</u>                              | <u>\$ 495,452</u>                                   | <u>\$ 267,175</u>                           | <u>\$ 517,744</u>                      | <u>\$ 199,990</u> | <u>\$ 35,000</u>                         |
| \$ -                                  | \$ 8,216                                        | \$ -                                           | \$ 126,443                                          | \$ 10,926                                   | \$ 4,921                               | \$ 669            | \$ -                                     |
| 1,017                                 | 17,916                                          | 219,549                                        | 185,691                                             | 117,909                                     | -                                      | 35,044            | -                                        |
| -                                     | 48,838                                          | 132,317                                        | 183,183                                             | 138,340                                     | -                                      | 164,277           | 35,000                                   |
| -                                     | -                                               | -                                              | 135                                                 | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | 781                                            | -                                                   | -                                           | -                                      | -                 | -                                        |
| <u>1,017</u>                          | <u>74,970</u>                                   | <u>352,647</u>                                 | <u>495,452</u>                                      | <u>267,175</u>                              | <u>4,921</u>                           | <u>199,990</u>    | <u>35,000</u>                            |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| -                                     | -                                               | -                                              | -                                                   | -                                           | -                                      | -                 | -                                        |
| \$ 1,017                              | \$ 74,970                                       | \$ 352,647                                     | \$ 495,452                                          | \$ 267,175                                  | \$ 517,744                             | \$ 199,990        | \$ 35,000                                |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2021

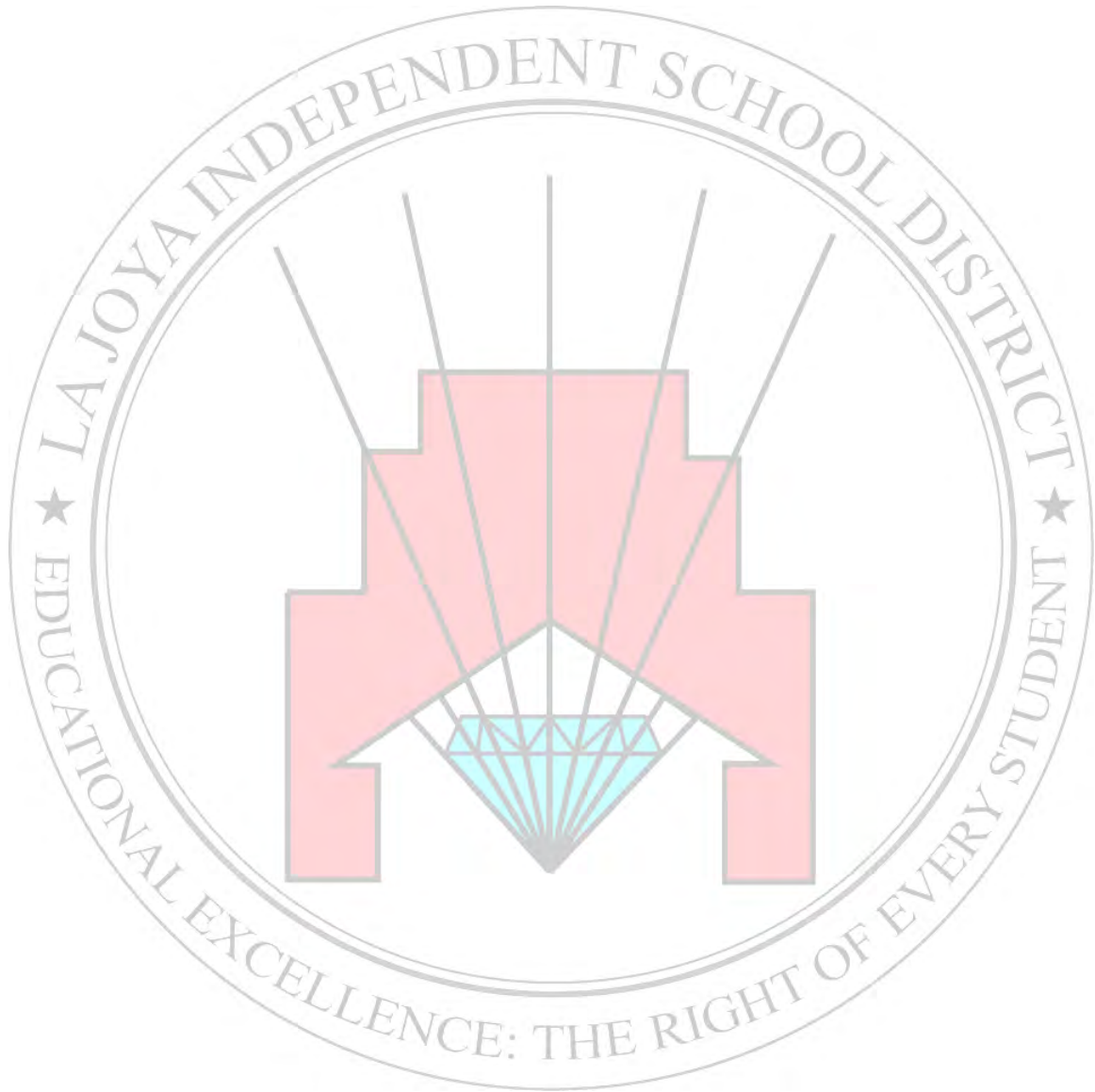
| Data<br>Control<br>Codes             |                                                     | 277<br>Coronavirus<br>Relief Fund<br>CARES | 281<br>ESSER II     | 287<br>Project<br>Rise | 289<br>Other Federal<br>Special<br>Revenue Funds |
|--------------------------------------|-----------------------------------------------------|--------------------------------------------|---------------------|------------------------|--------------------------------------------------|
| <b>ASSETS</b>                        |                                                     |                                            |                     |                        |                                                  |
| 1110                                 | Cash and Cash Equivalents                           | \$ -                                       | \$ -                | \$ -                   | \$ -                                             |
| 1120                                 | Investments - Current                               | -                                          | -                   | -                      | -                                                |
| 1220                                 | Property Taxes - Delinquent                         | -                                          | -                   | -                      | -                                                |
| 1230                                 | Allowance for Uncollectible Taxes                   | -                                          | -                   | -                      | -                                                |
| 1240                                 | Due from Other Governments                          | -                                          | 2,617,849           | 1,054,381              | 181,996                                          |
| 1250                                 | Accrued Interest                                    | -                                          | -                   | -                      | -                                                |
| 1290                                 | Other Receivables                                   | -                                          | -                   | 1,287                  | -                                                |
| 1000                                 | Total Assets                                        | <u>\$ -</u>                                | <u>\$ 2,617,849</u> | <u>\$ 1,055,668</u>    | <u>\$ 181,996</u>                                |
| <b>LIABILITIES</b>                   |                                                     |                                            |                     |                        |                                                  |
| 2110                                 | Accounts Payable                                    | \$ -                                       | \$ -                | \$ -                   | \$ 9,305                                         |
| 2160                                 | Accrued Wages Payable                               | -                                          | -                   | 31,548                 | 65,837                                           |
| 2170                                 | Due to Other Funds                                  | -                                          | 2,617,849           | 1,024,093              | 83,642                                           |
| 2180                                 | Due to Other Governments                            | -                                          | -                   | 27                     | 25                                               |
| 2300                                 | Unearned Revenue                                    | -                                          | -                   | -                      | 23,187                                           |
| 2000                                 | Total Liabilities                                   | <u>-</u>                                   | <u>2,617,849</u>    | <u>1,055,668</u>       | <u>181,996</u>                                   |
| <b>DEFERRED INFLOWS OF RESOURCES</b> |                                                     |                                            |                     |                        |                                                  |
| 2601                                 | Unavailable Revenue - Property Taxes                | -                                          | -                   | -                      | -                                                |
| 2600                                 | Total Deferred Inflows of Resources                 | <u>-</u>                                   | <u>-</u>            | <u>-</u>               | <u>-</u>                                         |
| <b>FUND BALANCES</b>                 |                                                     |                                            |                     |                        |                                                  |
| Restricted Fund Balance:             |                                                     |                                            |                     |                        |                                                  |
| 3480                                 | Retirement of Long-Term Debt                        | -                                          | -                   | -                      | -                                                |
| 3490                                 | Other Restricted Fund Balance                       | -                                          | -                   | -                      | -                                                |
| Committed Fund Balance:              |                                                     |                                            |                     |                        |                                                  |
| 3545                                 | Other Committed Fund Balance                        | -                                          | -                   | -                      | -                                                |
| Assigned Fund Balance:               |                                                     |                                            |                     |                        |                                                  |
| 3590                                 | Other Assigned Fund Balance                         | -                                          | -                   | -                      | -                                                |
| 3000                                 | Total Fund Balances                                 | <u>-</u>                                   | <u>-</u>            | <u>-</u>               | <u>-</u>                                         |
| 4000                                 | Total Liabilities, Deferred Inflows & Fund Balances | <u>\$ -</u>                                | <u>\$ 2,617,849</u> | <u>\$ 1,055,668</u>    | <u>\$ 181,996</u>                                |

## EXHIBIT H-1 (Cont'd)

| 397<br>Advanced Placement Incentives | 410<br>State Textbook Fund | 429<br>Other State Special Revenue Funds | 461<br>Campus Activity Funds | 497<br>Misc Grants | 498<br>MDRC Grant | 499<br>Other Local Special Revenue Funds | Total Nonmajor Special Revenue Funds |
|--------------------------------------|----------------------------|------------------------------------------|------------------------------|--------------------|-------------------|------------------------------------------|--------------------------------------|
| \$ 86,855                            | \$ 24,034                  | \$ -                                     | \$ 428,798                   | \$ 1,641           | \$ 41,417         | \$ 5,998                                 | \$ 1,107,504                         |
| -                                    | -                          | -                                        | -                            | -                  | -                 | -                                        | -                                    |
| -                                    | -                          | -                                        | -                            | -                  | -                 | -                                        | -                                    |
| -                                    | -                          | -                                        | -                            | -                  | -                 | -                                        | -                                    |
| -                                    | -                          | 440,080                                  | -                            | -                  | -                 | -                                        | 10,608,330                           |
| -                                    | -                          | -                                        | -                            | -                  | -                 | -                                        | -                                    |
| -                                    | -                          | -                                        | -                            | -                  | -                 | -                                        | 1,287                                |
| <u>\$ 86,855</u>                     | <u>\$ 24,034</u>           | <u>\$ 440,080</u>                        | <u>\$ 428,798</u>            | <u>\$ 1,641</u>    | <u>\$ 41,417</u>  | <u>\$ 5,998</u>                          | <u>\$ 11,717,121</u>                 |
|                                      |                            |                                          |                              |                    |                   |                                          |                                      |
| \$ -                                 | \$ -                       | \$ -                                     | \$ -                         | \$ -               | \$ 1,017          | \$ -                                     | \$ 406,407                           |
| -                                    | -                          | 26,748                                   | -                            | -                  | -                 | -                                        | 3,205,912                            |
| -                                    | 4                          | 290,344                                  | -                            | -                  | -                 | -                                        | 6,857,114                            |
| -                                    | -                          | -                                        | -                            | -                  | -                 | -                                        | 187                                  |
| <u>86,855</u>                        | <u>24,030</u>              | <u>122,988</u>                           | <u>-</u>                     | <u>1,641</u>       | <u>40,400</u>     | <u>5,998</u>                             | <u>305,880</u>                       |
| <u>86,855</u>                        | <u>24,034</u>              | <u>440,080</u>                           | <u>-</u>                     | <u>1,641</u>       | <u>41,417</u>     | <u>5,998</u>                             | <u>10,775,500</u>                    |
|                                      |                            |                                          |                              |                    |                   |                                          |                                      |
| <u>-</u>                             | <u>-</u>                   | <u>-</u>                                 | <u>-</u>                     | <u>-</u>           | <u>-</u>          | <u>-</u>                                 | <u>-</u>                             |
| <u>-</u>                             | <u>-</u>                   | <u>-</u>                                 | <u>-</u>                     | <u>-</u>           | <u>-</u>          | <u>-</u>                                 | <u>-</u>                             |
|                                      |                            |                                          |                              |                    |                   |                                          |                                      |
| -                                    | -                          | -                                        | -                            | -                  | -                 | -                                        | -                                    |
| -                                    | -                          | -                                        | -                            | -                  | -                 | -                                        | 512,823                              |
|                                      |                            |                                          |                              |                    |                   |                                          |                                      |
| -                                    | -                          | -                                        | 428,798                      | -                  | -                 | -                                        | 428,798                              |
|                                      |                            |                                          |                              |                    |                   |                                          |                                      |
| <u>-</u>                             | <u>-</u>                   | <u>-</u>                                 | <u>-</u>                     | <u>-</u>           | <u>-</u>          | <u>-</u>                                 | <u>-</u>                             |
| <u>-</u>                             | <u>-</u>                   | <u>-</u>                                 | <u>428,798</u>               | <u>-</u>           | <u>-</u>          | <u>-</u>                                 | <u>941,621</u>                       |
|                                      |                            |                                          |                              |                    |                   |                                          |                                      |
| \$ 86,855                            | \$ 24,034                  | \$ 440,080                               | \$ 428,798                   | \$ 1,641           | \$ 41,417         | \$ 5,998                                 | \$ 11,717,121                        |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2021

| Data<br>Control<br>Codes             |                                                     | 599                 | Total                |
|--------------------------------------|-----------------------------------------------------|---------------------|----------------------|
|                                      |                                                     | Debt                | Nonmajor             |
|                                      |                                                     | Service             | Governmental         |
|                                      |                                                     | Fund                | Funds                |
| <b>ASSETS</b>                        |                                                     |                     |                      |
| 1110                                 | Cash and Cash Equivalents                           | \$ 4,020,110        | \$ 5,127,614         |
| 1120                                 | Investments - Current                               | 1                   | 1                    |
| 1220                                 | Property Taxes - Delinquent                         | 1,272,116           | 1,272,116            |
| 1230                                 | Allowance for Uncollectible Taxes                   | (201,155)           | (201,155)            |
| 1240                                 | Due from Other Governments                          | 37,815              | 10,646,145           |
| 1250                                 | Accrued Interest                                    | 33                  | 33                   |
| 1290                                 | Other Receivables                                   | -                   | 1,287                |
| 1000                                 | Total Assets                                        | <u>\$ 5,128,920</u> | <u>\$ 16,846,041</u> |
| <b>LIABILITIES</b>                   |                                                     |                     |                      |
| 2110                                 | Accounts Payable                                    | \$ -                | \$ 406,407           |
| 2160                                 | Accrued Wages Payable                               | -                   | 3,205,912            |
| 2170                                 | Due to Other Funds                                  | 1,300,000           | 8,157,114            |
| 2180                                 | Due to Other Governments                            | -                   | 187                  |
| 2300                                 | Unearned Revenue                                    | -                   | 305,880              |
| 2000                                 | Total Liabilities                                   | <u>1,300,000</u>    | <u>12,075,500</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b> |                                                     |                     |                      |
| 2601                                 | Unavailable Revenue - Property Taxes                | 1,070,961           | 1,070,961            |
| 2600                                 | Total Deferred Inflows of Resources                 | <u>1,070,961</u>    | <u>1,070,961</u>     |
| <b>FUND BALANCES</b>                 |                                                     |                     |                      |
| Restricted Fund Balance:             |                                                     |                     |                      |
| 3480                                 | Retirement of Long-Term Debt                        | 2,345,274           | 2,345,274            |
| 3490                                 | Other Restricted Fund Balance                       | -                   | 512,823              |
| Committed Fund Balance:              |                                                     |                     |                      |
| 3545                                 | Other Committed Fund Balance                        | -                   | 428,798              |
| Assigned Fund Balance:               |                                                     |                     |                      |
| 3590                                 | Other Assigned Fund Balance                         | 412,685             | 412,685              |
| 3000                                 | Total Fund Balances                                 | <u>2,757,959</u>    | <u>3,699,580</u>     |
| 4000                                 | Total Liabilities, Deferred Inflows & Fund Balances | <u>\$ 5,128,920</u> | <u>\$ 16,846,041</u> |



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LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

| Data<br>Control<br>Codes                                       | 211<br>ESEA I, A<br>Improving<br>Basic Program | 212<br>ESEA Title I<br>Part C<br>Migrant | 224<br>IDEA - Part B<br>Formula | 225<br>IDEA - Part B<br>Preschool |
|----------------------------------------------------------------|------------------------------------------------|------------------------------------------|---------------------------------|-----------------------------------|
| REVENUES:                                                      |                                                |                                          |                                 |                                   |
| 5700 Total Local and Intermediate Sources                      | \$ -                                           | \$ -                                     | \$ -                            | \$ -                              |
| 5800 State Program Revenues                                    | -                                              | -                                        | -                               | -                                 |
| 5900 Federal Program Revenues                                  | 16,785,281                                     | 1,722,536                                | 4,317,501                       | 17,358                            |
| 5020 Total Revenues                                            | 16,785,281                                     | 1,722,536                                | 4,317,501                       | 17,358                            |
| EXPENDITURES:                                                  |                                                |                                          |                                 |                                   |
| Current:                                                       |                                                |                                          |                                 |                                   |
| 0011 Instruction                                               | 11,122,266                                     | 1,027,154                                | 4,121,201                       | 17,358                            |
| 0012 Instructional Resources and Media Services                | 800,088                                        | -                                        | -                               | -                                 |
| 0013 Curriculum and Instructional Staff Development            | 1,683,214                                      | 283                                      | 14,273                          | -                                 |
| 0021 Instructional Leadership                                  | 170,238                                        | 155,076                                  | -                               | -                                 |
| 0023 School Leadership                                         | 262,585                                        | -                                        | -                               | -                                 |
| 0031 Guidance, Counseling, and Evaluation Services             | 762,343                                        | 54,539                                   | 182,027                         | -                                 |
| 0032 Social Work Services                                      | 1,059,443                                      | 446,196                                  | -                               | -                                 |
| 0033 Health Services                                           | -                                              | -                                        | -                               | -                                 |
| 0034 Student (Pupil) Transportation                            | -                                              | -                                        | -                               | -                                 |
| 0035 Food Services                                             | -                                              | -                                        | -                               | -                                 |
| 0051 Facilities Maintenance and Operations                     | -                                              | 129                                      | -                               | -                                 |
| 0052 Security and Monitoring Services                          | -                                              | -                                        | -                               | -                                 |
| 0061 Community Services                                        | 925,104                                        | 39,159                                   | -                               | -                                 |
| Debt Service:                                                  |                                                |                                          |                                 |                                   |
| 0071 Principal on Long-Term Debt                               | -                                              | -                                        | -                               | -                                 |
| 0072 Interest on Long-Term Debt                                | -                                              | -                                        | -                               | -                                 |
| 0073 Bond Issuance Cost and Fees                               | -                                              | -                                        | -                               | -                                 |
| 6030 Total Expenditures                                        | 16,785,281                                     | 1,722,536                                | 4,317,501                       | 17,358                            |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | -                                              | -                                        | -                               | -                                 |
| OTHER FINANCING SOURCES (USES):                                |                                                |                                          |                                 |                                   |
| 7911 Issuance of Bonds - Refunding                             | -                                              | -                                        | -                               | -                                 |
| 7916 Premium or Discount on Issuance of Bonds                  | -                                              | -                                        | -                               | -                                 |
| 8949 Other (Uses)                                              | -                                              | -                                        | -                               | -                                 |
| 7080 Total Other Financing Sources (Uses)                      | -                                              | -                                        | -                               | -                                 |
| 1200 Net Change in Fund Balance                                | -                                              | -                                        | -                               | -                                 |
| 0100 Fund Balance - September 1 (Beginning)                    | -                                              | -                                        | -                               | -                                 |
| 1300 Increase (Decrease) in Fund Balance                       | -                                              | -                                        | -                               | -                                 |
| 3000 Fund Balance - June 30 (Ending)                           | \$ -                                           | \$ -                                     | \$ -                            | \$ -                              |

| 226<br>IDEA - Part B<br>Discretionary | 244<br>Career and<br>Technical -<br>Basic Grant | 255<br>ESEA II, A<br>Training and<br>Recruiting | 263<br>Title III, A<br>English Lang.<br>Acquisition | 265<br>Title IV, B<br>Community<br>Learning | 272<br>Medicaid<br>Admin. Claim<br>MAC | 274<br>GEAR UP | 276<br>Title I - SIP<br>Academy<br>Grant |
|---------------------------------------|-------------------------------------------------|-------------------------------------------------|-----------------------------------------------------|---------------------------------------------|----------------------------------------|----------------|------------------------------------------|
| \$ -                                  | \$ -                                            | \$ -                                            | \$ -                                                | \$ -                                        | \$ -                                   | \$ -           | \$ -                                     |
| 1,000                                 | 584,211                                         | 1,597,375                                       | 1,299,695                                           | 1,382,645                                   | 120,238                                | 547,981        | 35,000                                   |
| 1,000                                 | 584,211                                         | 1,597,375                                       | 1,299,695                                           | 1,382,645                                   | 120,238                                | 547,981        | 35,000                                   |
| 1,000                                 | 372,580                                         | 1,563,258                                       | 619,983                                             | 576,228                                     | -                                      | 129,084        | 35,000                                   |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | 211,631                                         | 13,004                                          | 646,984                                             | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | 16,863                                              | 745,862                                     | -                                      | -              | -                                        |
| -                                     | -                                               | 21,113                                          | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | 3,175                                               | -                                           | -                                      | 416,200        | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | 44,842                                 | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | 12,690                                              | 60,555                                      | -                                      | 2,697          | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| 1,000                                 | 584,211                                         | 1,597,375                                       | 1,299,695                                           | 1,382,645                                   | 44,842                                 | 547,981        | 35,000                                   |
| -                                     | -                                               | -                                               | -                                                   | -                                           | 75,396                                 | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | 75,396                                 | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | 437,427                                | -              | -                                        |
| -                                     | -                                               | -                                               | -                                                   | -                                           | -                                      | -              | -                                        |
| \$ -                                  | \$ -                                            | \$ -                                            | \$ -                                                | \$ -                                        | \$ 512,823                             | \$ -           | \$ -                                     |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

| Data<br>Control<br>Codes                                          | 277<br>Coronavirus<br>Relief Fund<br>CARES | 281<br>ESSER II | 287<br>Project<br>Rise | 289<br>Other Federal<br>Special<br>Revenue Funds |
|-------------------------------------------------------------------|--------------------------------------------|-----------------|------------------------|--------------------------------------------------|
| REVENUES:                                                         |                                            |                 |                        |                                                  |
| 5700 Total Local and Intermediate Sources                         | \$ -                                       | \$ -            | \$ -                   | \$ -                                             |
| 5800 State Program Revenues                                       | -                                          | -               | -                      | -                                                |
| 5900 Federal Program Revenues                                     | 2,226,876                                  | 2,617,849       | 1,454,370              | 1,504,558                                        |
| 5020 Total Revenues                                               | 2,226,876                                  | 2,617,849       | 1,454,370              | 1,504,558                                        |
| EXPENDITURES:                                                     |                                            |                 |                        |                                                  |
| Current:                                                          |                                            |                 |                        |                                                  |
| 0011 Instruction                                                  | 2,226,876                                  | 2,615,106       | 584,617                | 132,262                                          |
| 0012 Instructional Resources and Media Services                   | -                                          | 2,743           | 2,920                  | -                                                |
| 0013 Curriculum and Instructional Staff Development               | -                                          | -               | 795,918                | -                                                |
| 0021 Instructional Leadership                                     | -                                          | -               | 17,608                 | -                                                |
| 0023 School Leadership                                            | -                                          | -               | 46,738                 | 80,524                                           |
| 0031 Guidance, Counseling, and Evaluation Services                | -                                          | -               | 6,569                  | 1,291,772                                        |
| 0032 Social Work Services                                         | -                                          | -               | -                      | -                                                |
| 0033 Health Services                                              | -                                          | -               | -                      | -                                                |
| 0034 Student (Pupil) Transportation                               | -                                          | -               | -                      | -                                                |
| 0035 Food Services                                                | -                                          | -               | -                      | -                                                |
| 0051 Facilities Maintenance and Operations                        | -                                          | -               | -                      | -                                                |
| 0052 Security and Monitoring Services                             | -                                          | -               | -                      | -                                                |
| 0061 Community Services                                           | -                                          | -               | -                      | -                                                |
| Debt Service:                                                     |                                            |                 |                        |                                                  |
| 0071 Principal on Long-Term Debt                                  | -                                          | -               | -                      | -                                                |
| 0072 Interest on Long-Term Debt                                   | -                                          | -               | -                      | -                                                |
| 0073 Bond Issuance Cost and Fees                                  | -                                          | -               | -                      | -                                                |
| 6030 Total Expenditures                                           | 2,226,876                                  | 2,617,849       | 1,454,370              | 1,504,558                                        |
| 1100 Excess (Deficiency) of Revenues Over (Under)<br>Expenditures | -                                          | -               | -                      | -                                                |
| OTHER FINANCING SOURCES (USES):                                   |                                            |                 |                        |                                                  |
| 7911 Issuance of Bonds - Refunding                                | -                                          | -               | -                      | -                                                |
| 7916 Premium or Discount on Issuance of Bonds                     | -                                          | -               | -                      | -                                                |
| 8949 Other (Uses)                                                 | -                                          | -               | -                      | -                                                |
| 7080 Total Other Financing Sources (Uses)                         | -                                          | -               | -                      | -                                                |
| 1200 Net Change in Fund Balance                                   | -                                          | -               | -                      | -                                                |
| 0100 Fund Balance - September 1 (Beginning)                       | -                                          | -               | -                      | -                                                |
| 1300 Increase (Decrease) in Fund Balance                          | -                                          | -               | -                      | -                                                |
| 3000 Fund Balance - June 30 (Ending)                              | \$ -                                       | \$ -            | \$ -                   | \$ -                                             |

| 397<br>Advanced<br>Placement<br>Incentives | 410<br>State<br>Textbook<br>Fund | 429<br>Other State<br>Special<br>Revenue Funds | 461<br>Campus<br>Activity<br>Funds | 497<br>Misc<br>Grants | 498<br>MDRC<br>Grant | 499<br>Other Local<br>Special<br>Revenue Funds | Total<br>Nonmajor<br>Special<br>Revenue Funds |
|--------------------------------------------|----------------------------------|------------------------------------------------|------------------------------------|-----------------------|----------------------|------------------------------------------------|-----------------------------------------------|
| \$ -                                       | \$ -                             | \$ -                                           | \$ 301,173                         | \$ 2,878              | \$ 52,408            | \$ 1,602                                       | \$ 358,061                                    |
| -                                          | 675,628                          | 817,634                                        | -                                  | -                     | -                    | -                                              | 1,493,262                                     |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | 36,214,474                                    |
| -                                          | 675,628                          | 817,634                                        | 301,173                            | 2,878                 | 52,408               | 1,602                                          | 38,065,797                                    |
| -                                          | 675,628                          | 406,204                                        | 280,096                            | -                     | 45,376               | -                                              | 26,551,277                                    |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | 805,751                                       |
| -                                          | -                                | -                                              | -                                  | -                     | 400                  | -                                              | 3,365,707                                     |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | 1,105,647                                     |
| -                                          | -                                | 1,012                                          | -                                  | -                     | -                    | -                                              | 411,972                                       |
| -                                          | -                                | 26,140                                         | -                                  | -                     | 6,632                | -                                              | 2,749,397                                     |
| -                                          | -                                | -                                              | -                                  | 2,765                 | -                    | -                                              | 1,508,404                                     |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | 44,842                                        |
| -                                          | -                                | 369,000                                        | -                                  | -                     | -                    | -                                              | 369,000                                       |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | 1,602                                          | 1,602                                         |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | 129                                           |
| -                                          | -                                | 15,278                                         | -                                  | -                     | -                    | -                                              | 15,278                                        |
| -                                          | -                                | -                                              | -                                  | 113                   | -                    | -                                              | 1,040,318                                     |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | -                                             |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | -                                             |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | -                                             |
| -                                          | 675,628                          | 817,634                                        | 280,096                            | 2,878                 | 52,408               | 1,602                                          | 37,969,324                                    |
| -                                          | -                                | -                                              | 21,077                             | -                     | -                    | -                                              | 96,473                                        |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | -                                             |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | -                                             |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | -                                             |
| -                                          | -                                | -                                              | 21,077                             | -                     | -                    | -                                              | 96,473                                        |
| -                                          | -                                | -                                              | 407,721                            | -                     | -                    | -                                              | 845,148                                       |
| -                                          | -                                | -                                              | -                                  | -                     | -                    | -                                              | -                                             |
| \$ -                                       | \$ -                             | \$ -                                           | \$ 428,798                         | \$ -                  | \$ -                 | \$ -                                           | \$ 941,621                                    |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE TEN MONTHS ENDED JUNE 30, 2021

| Data<br>Control<br>Codes                                       |              |              |
|----------------------------------------------------------------|--------------|--------------|
|                                                                | 599          | Total        |
|                                                                | Debt         | Nonmajor     |
|                                                                | Service      | Governmental |
|                                                                | Fund         | Funds        |
| REVENUES:                                                      |              |              |
| 5700 Total Local and Intermediate Sources                      | \$ 6,558,904 | \$ 6,916,965 |
| 5800 State Program Revenues                                    | 13,995,592   | 15,488,854   |
| 5900 Federal Program Revenues                                  | -            | 36,214,474   |
| 5020 Total Revenues                                            | 20,554,496   | 58,620,293   |
| EXPENDITURES:                                                  |              |              |
| Current:                                                       |              |              |
| 0011 Instruction                                               | -            | 26,551,277   |
| 0012 Instructional Resources and Media Services                | -            | 805,751      |
| 0013 Curriculum and Instructional Staff Development            | -            | 3,365,707    |
| 0021 Instructional Leadership                                  | -            | 1,105,647    |
| 0023 School Leadership                                         | -            | 411,972      |
| 0031 Guidance, Counseling, and Evaluation Services             | -            | 2,749,397    |
| 0032 Social Work Services                                      | -            | 1,508,404    |
| 0033 Health Services                                           | -            | 44,842       |
| 0034 Student (Pupil) Transportation                            | -            | 369,000      |
| 0035 Food Services                                             | -            | 1,602        |
| 0051 Facilities Maintenance and Operations                     | -            | 129          |
| 0052 Security and Monitoring Services                          | -            | 15,278       |
| 0061 Community Services                                        | -            | 1,040,318    |
| Debt Service:                                                  |              |              |
| 0071 Principal on Long-Term Debt                               | 14,810,000   | 14,810,000   |
| 0072 Interest on Long-Term Debt                                | 3,257,738    | 3,257,738    |
| 0073 Bond Issuance Cost and Fees                               | 698,131      | 698,131      |
| 6030 Total Expenditures                                        | 18,765,869   | 56,735,193   |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,788,627    | 1,885,100    |
| OTHER FINANCING SOURCES (USES):                                |              |              |
| 7911 Issuance of Bonds - Refunding                             | 74,885,000   | 74,885,000   |
| 7916 Premium or Discount on Issuance of Bonds                  | 10,192,619   | 10,192,619   |
| 8949 Other (Uses)                                              | (84,358,717) | (84,358,717) |
| 7080 Total Other Financing Sources (Uses)                      | 718,902      | 718,902      |
| 1200 Net Change in Fund Balance                                | 2,507,529    | 2,604,002    |
| 0100 Fund Balance - September 1 (Beginning)                    | -            | 845,148      |
| 1300 Increase (Decrease) in Fund Balance                       | 250,430      | 250,430      |
| 3000 Fund Balance - June 30 (Ending)                           | \$ 2,757,959 | \$ 3,699,580 |

## **INTERNAL SERVICE FUNDS**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2021

|                                         | 752<br>Print<br>Shop<br>Fund | 753<br>Health<br>Insurance<br>Fund | 770<br>Worker's<br>Compensation<br>Fund | 780<br>Unemployment<br>Compensation<br>Fund | Total<br>Internal<br>Service Funds |
|-----------------------------------------|------------------------------|------------------------------------|-----------------------------------------|---------------------------------------------|------------------------------------|
| <b>ASSETS</b>                           |                              |                                    |                                         |                                             |                                    |
| Current Assets:                         |                              |                                    |                                         |                                             |                                    |
| Cash and Cash Equivalents               | \$ 2,543                     | \$ 708,074                         | \$ 2,532,889                            | \$ 2,655,928                                | \$ 5,899,434                       |
| Investments - Current                   | -                            | 1                                  | 1                                       | 1                                           | 3                                  |
| Due from Other Governments              | -                            | -                                  | -                                       | 9,254                                       | 9,254                              |
| Accrued Interest                        | -                            | 6                                  | 22                                      | 23                                          | 51                                 |
| Due from Other Funds                    | 86                           | 2,067,743                          | -                                       | -                                           | 2,067,829                          |
| Total Current Assets                    | 2,629                        | 2,775,824                          | 2,532,912                               | 2,665,206                                   | 7,976,571                          |
| Noncurrent Assets:                      |                              |                                    |                                         |                                             |                                    |
| Capital Assets:                         |                              |                                    |                                         |                                             |                                    |
| Buildings and Improvements              | -                            | -                                  | 89,720                                  | -                                           | 89,720                             |
| Depreciation on Buildings               | -                            | -                                  | (4,112)                                 | -                                           | (4,112)                            |
| Furniture and Equipment                 | 142,115                      | -                                  | 127,189                                 | -                                           | 269,304                            |
| Depreciation on Furniture and Equipment | (100,985)                    | -                                  | (125,880)                               | -                                           | (226,865)                          |
| Leased Property Under Capital Leases    | 23,589                       | -                                  | -                                       | -                                           | 23,589                             |
| Depreciation on Capital Leases          | (23,589)                     | -                                  | -                                       | -                                           | (23,589)                           |
| Total Noncurrent Assets                 | 41,130                       | -                                  | 86,917                                  | -                                           | 128,047                            |
| Total Assets                            | 43,759                       | 2,775,824                          | 2,619,829                               | 2,665,206                                   | 8,104,618                          |
| <b>LIABILITIES</b>                      |                              |                                    |                                         |                                             |                                    |
| Current Liabilities:                    |                              |                                    |                                         |                                             |                                    |
| Accounts Payable                        | 2,629                        | 2,775,824                          | 87,956                                  | -                                           | 2,866,409                          |
| Due to Other Funds                      | -                            | -                                  | 2,067,743                               | -                                           | 2,067,743                          |
| Due to Other Governments                | -                            | -                                  | -                                       | 17,653                                      | 17,653                             |
| Total Liabilities                       | 2,629                        | 2,775,824                          | 2,155,699                               | 17,653                                      | 4,951,805                          |
| <b>NET POSITION</b>                     |                              |                                    |                                         |                                             |                                    |
| Net Investment in Capital Assets        | \$ 41,130                    | \$ -                               | \$ 86,917                               | \$ -                                        | \$ 128,047                         |
| Unrestricted Net Position               | -                            | -                                  | 377,213                                 | 2,647,553                                   | 3,024,766                          |
| Total Net Position                      | \$ 41,130                    | \$ -                               | \$ 464,130                              | \$ 2,647,553                                | \$ 3,152,813                       |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 INTERNAL SERVICE FUNDS  
 FOR THE TEN MONTHS ENDED JUNE 30, 2021

|                                              | 752<br>Print<br>Shop<br>Fund | 753<br>Health<br>Insurance<br>Fund | 770<br>Worker's<br>Compensation<br>Fund | 780<br>Unemployment<br>Compensation<br>Fund | Total<br>Internal<br>Service Funds |
|----------------------------------------------|------------------------------|------------------------------------|-----------------------------------------|---------------------------------------------|------------------------------------|
| <b>OPERATING REVENUES:</b>                   |                              |                                    |                                         |                                             |                                    |
| Local and Intermediate Sources               | \$ 49,989                    | \$ 26,336,567                      | \$ 15                                   | \$ -                                        | \$ 26,386,571                      |
| Federal Revenues                             | -                            | -                                  | -                                       | 79,753                                      | 79,753                             |
| Total Operating Revenues                     | 49,989                       | 26,336,567                         | 15                                      | 79,753                                      | 26,466,324                         |
| <b>OPERATING EXPENSES:</b>                   |                              |                                    |                                         |                                             |                                    |
| Payroll Costs                                | 119,537                      | -                                  | -                                       | -                                           | 119,537                            |
| Professional and Contracted Services         | 44,005                       | 28,182,129                         | 44,725                                  | 5,000                                       | 28,275,859                         |
| Supplies and Materials                       | 30,257                       | 204,038                            | 2,543                                   | -                                           | 236,838                            |
| Other Operating Costs                        | -                            | 19,240                             | 291,911                                 | 88,150                                      | 399,301                            |
| Depreciation Expense                         | 20,082                       | -                                  | 8,419                                   | -                                           | 28,501                             |
| Total Operating Expenses                     | 213,881                      | 28,405,407                         | 347,598                                 | 93,150                                      | 29,060,036                         |
| Operating Income (Loss)                      | (163,892)                    | (2,068,840)                        | (347,583)                               | (13,397)                                    | (2,593,712)                        |
| <b>NONOPERATING REVENUES (EXPENSES):</b>     |                              |                                    |                                         |                                             |                                    |
| Earnings from Temporary Deposits &           | 7                            | 1,097                              | 3,511                                   | 2,304                                       | 6,919                              |
| Total Nonoperating Revenues (Expenses)       | 7                            | 1,097                              | 3,511                                   | 2,304                                       | 6,919                              |
| Income (Loss) Before Transfers               | (163,885)                    | (2,067,743)                        | (344,072)                               | (11,093)                                    | (2,586,793)                        |
| Transfer In                                  | 129,886                      | 2,067,743                          | -                                       | -                                           | 2,197,629                          |
| Transfers Out                                | -                            | -                                  | (2,067,743)                             | -                                           | (2,067,743)                        |
| Change in Net Position                       | (33,999)                     | -                                  | (2,411,815)                             | (11,093)                                    | (2,456,907)                        |
| Total Net Position - September 1 (Beginning) | 75,129                       | -                                  | 2,875,945                               | 2,658,646                                   | 5,609,720                          |
| Total Net Position - June 30 (Ending)        | \$ 41,130                    | \$ -                               | \$ 464,130                              | \$ 2,647,553                                | \$ 3,152,813                       |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

|                                                                                      | 752          | 753            | 770          | 780          | Total          |
|--------------------------------------------------------------------------------------|--------------|----------------|--------------|--------------|----------------|
|                                                                                      | Print        | Health         | Worker's     | Unemployment | Total          |
|                                                                                      | Shop         | Insurance      | Compensation | Compensation | Internal       |
|                                                                                      | Fund         | Fund           | Fund         | Fund         | Service Funds  |
| <u>Cash Flows from Operating Activities:</u>                                         |              |                |              |              |                |
| Cash Received from User Charges                                                      | \$ 49,904    | \$ 26,367,508  | \$ 1,547     | \$ 71,144    | \$ 26,490,103  |
| Cash Payments to Employees for Services                                              | (119,537)    | -              | -            | -            | (119,537)      |
| Cash Payments for Suppliers                                                          | (95,116)     | (28,457,750)   | (69,507)     | 12,653       | (28,609,720)   |
| Cash Payments for Other Operating Expenses                                           | -            | (19,240)       | (291,910)    | (88,150)     | (399,300)      |
| Net Cash Used For Operating Activities                                               | (164,749)    | (2,109,482)    | (359,870)    | (4,353)      | (2,638,454)    |
| <u>Cash Flows from Non-Capital Financing Activities:</u>                             |              |                |              |              |                |
| Operating Transfer Out                                                               | -            | -              | (2,067,743)  | -            | (2,067,743)    |
| <u>Cash Flows from Capital &amp; Related Financing Activities:</u>                   |              |                |              |              |                |
| Acquisition of Capital Assets                                                        | (14,680)     | -              | -            | -            | (14,680)       |
| Capital Contributed by Other Funds                                                   | 129,886      | 2,067,743      | -            | -            | 2,197,629      |
| Net Cash Provided by Capital and Related Financing Activities                        | 115,206      | 2,067,743      | -            | -            | 2,182,949      |
| <u>Cash Flows from Investing Activities:</u>                                         |              |                |              |              |                |
| Purchase of Investment Securities                                                    | -            | -              | 43           | 59           | 102            |
| Interest and Dividends on Investments                                                | 7            | 1,097          | 3,511        | 2,304        | 6,919          |
| Net Cash Provided by Investing Activities                                            | 7            | 1,097          | 3,554        | 2,363        | 7,021          |
| Net Decrease in Cash and Cash Equivalents                                            | (49,536)     | (40,642)       | (2,424,059)  | (1,990)      | (2,516,227)    |
| Cash and Cash Equivalents at Beginning of the Period                                 | 52,079       | 748,716        | 4,956,948    | 2,657,918    | 8,415,661      |
| Cash and Cash Equivalents at End of the Period                                       | \$ 2,543     | \$ 708,074     | \$ 2,532,889 | \$ 2,655,928 | \$ 5,899,434   |
| <u>Reconciliation of Operating Income (Loss) to Net Cash</u>                         |              |                |              |              |                |
| <u>Used for Operating Activities:</u>                                                |              |                |              |              |                |
| Operating Income (Loss):                                                             | \$ (163,892) | \$ (2,068,840) | \$ (347,583) | \$ (13,397)  | \$ (2,593,712) |
| Adjustments to Reconcile Operating Income to Net Cash Used for Operating Activities: |              |                |              |              |                |
| Depreciation                                                                         | 20,082       | -              | 8,419        | -            | 28,501         |
| Effect of Increases and Decreases in Current Assets and Liabilities:                 |              |                |              |              |                |
| Decrease (increase) in Receivables                                                   | (85)         | 30,728         | -            | (9,254)      | 21,389         |
| Increase (decrease) in Accounts Payable                                              | (20,854)     | (71,583)       | (161,386)    | -            | (253,823)      |
| Increase (decrease) in Due to Others                                                 | -            | -              | 139,148      | 17,653       | 156,801        |
| Increase (decrease) in Accrued Interest                                              | -            | 213            | 1,532        | 645          | 2,390          |
| Net Cash Used for Operating Activities                                               | \$ (164,749) | \$ (2,109,482) | \$ (359,870) | \$ (4,353)   | \$ (2,638,454) |

## **NONMAJOR ENTERPRISE FUNDS**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
JUNE 30, 2021

|                                         | 745<br>Sports &<br>Learning<br>Complex | 749<br>Howling<br>Trails<br>Golf Course | Total<br>Nonmajor<br>Enterprise<br>Funds |
|-----------------------------------------|----------------------------------------|-----------------------------------------|------------------------------------------|
| <b>ASSETS</b>                           |                                        |                                         |                                          |
| Current Assets:                         |                                        |                                         |                                          |
| Cash and Cash Equivalents               | \$ 17,823                              | \$ 9,050                                | \$ 26,873                                |
| Due from Other Funds                    | 10,382                                 | 55,935                                  | 66,317                                   |
| Other Receivables                       | 83                                     | 7,643                                   | 7,726                                    |
| Inventories                             | -                                      | 3,224                                   | 3,224                                    |
| Total Current Assets                    | 28,288                                 | 75,852                                  | 104,140                                  |
| Noncurrent Assets:                      |                                        |                                         |                                          |
| Capital Assets:                         |                                        |                                         |                                          |
| Buildings and Improvements              | -                                      | 75,035                                  | 75,035                                   |
| Depreciation on Buildings               | -                                      | (12,506)                                | (12,506)                                 |
| Furniture and Equipment                 | 102,019                                | 230,042                                 | 332,061                                  |
| Depreciation on Furniture and Equipment | (62,143)                               | (163,732)                               | (225,875)                                |
| Total Noncurrent Assets                 | 39,876                                 | 128,839                                 | 168,715                                  |
| Total Assets                            | 68,164                                 | 204,691                                 | 272,855                                  |
| <b>LIABILITIES</b>                      |                                        |                                         |                                          |
| Current Liabilities:                    |                                        |                                         |                                          |
| Accounts Payable                        | 22,218                                 | 57,160                                  | 79,378                                   |
| Accrued Wages Payable                   | 5,094                                  | 11,353                                  | 16,447                                   |
| Due to Other Governments                | 976                                    | 546                                     | 1,522                                    |
| Unearned Revenues                       | -                                      | 6,793                                   | 6,793                                    |
| Total Liabilities                       | 28,288                                 | 75,852                                  | 104,140                                  |
| <b>NET POSITION</b>                     |                                        |                                         |                                          |
| Net Investment in Capital Assets        | 39,876                                 | 128,839                                 | 168,715                                  |
| Total Net Position                      | \$ 39,876                              | \$ 128,839                              | \$ 168,715                               |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE TEN MONTHS ENDED JUNE 30, 2021

|                                                | 745<br>Sports &<br>Learning<br>Complex | 749<br>Howling<br>Trails<br>Golf Course | Total<br>Nonmajor<br>Enterprise<br>Funds |
|------------------------------------------------|----------------------------------------|-----------------------------------------|------------------------------------------|
| OPERATING REVENUES:                            |                                        |                                         |                                          |
| Local and Intermediate Sources                 | \$ 18,823                              | \$ 333,460                              | \$ 352,283                               |
| Total Operating Revenues                       | 18,823                                 | 333,460                                 | 352,283                                  |
| OPERATING EXPENSES:                            |                                        |                                         |                                          |
| Payroll Costs                                  | 113,463                                | 358,593                                 | 472,056                                  |
| Professional and Contracted Services           | 11,500                                 | 58,682                                  | 70,182                                   |
| Supplies and Materials                         | 40,175                                 | 78,827                                  | 119,002                                  |
| Other Operating Costs                          | 2,073                                  | 15,631                                  | 17,704                                   |
| Depreciation Expense                           | 17,003                                 | 22,434                                  | 39,437                                   |
| Total Operating Expenses                       | 184,214                                | 534,167                                 | 718,381                                  |
| Operating Income (Loss)                        | (165,391)                              | (200,707)                               | (366,098)                                |
| NONOPERATING REVENUES (EXPENSES):              |                                        |                                         |                                          |
| Earnings from Temporary Deposits & Investments | 6                                      | 23                                      | 29                                       |
| Total Nonoperating Revenues (Expenses)         | 6                                      | 23                                      | 29                                       |
| Income (Loss) Before Transfers                 | (165,385)                              | (200,684)                               | (366,069)                                |
| Transfer In                                    | 148,382                                | 203,444                                 | 351,826                                  |
| Change in Net Position                         | (17,003)                               | 2,760                                   | (14,243)                                 |
| Total Net Position - September 1 (Beginning)   | 56,879                                 | 126,079                                 | 182,958                                  |
| Total Net Position - June 30 (Ending)          | \$ 39,876                              | \$ 128,839                              | \$ 168,715                               |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

|                                                                    | 745<br>Sports &<br>Learning<br>Complex | 749<br>Howling<br>Trails<br>Golf Course | Total<br>Nonmajor<br>Enterprise<br>Funds |
|--------------------------------------------------------------------|----------------------------------------|-----------------------------------------|------------------------------------------|
| <u>Cash Flows from Operating Activities:</u>                       |                                        |                                         |                                          |
| Cash Received from User Charges                                    | \$ 10,622                              | \$ 286,110                              | \$ 296,732                               |
| Cash Payments to Employees for Services                            | (108,369)                              | (347,240)                               | (455,609)                                |
| Cash Payments for Suppliers                                        | (51,675)                               | (136,598)                               | (188,273)                                |
| Cash Payments for Other Operating Expenses                         | 18,851                                 | 27,848                                  | 46,699                                   |
| Net Cash Used For Operating Activities                             | (130,571)                              | (169,880)                               | (300,451)                                |
| <u>Cash Flows from Capital &amp; Related Financing Activities:</u> |                                        |                                         |                                          |
| Acquisition of Capital Assets                                      | -                                      | (25,194)                                | (25,194)                                 |
| Capital Contributed by Other Funds                                 | 148,382                                | 203,444                                 | 351,826                                  |
| Net Cash Provided by Capital and Related Financing                 | 148,382                                | 178,250                                 | 326,632                                  |
| <u>Cash Flows from Investing Activities:</u>                       |                                        |                                         |                                          |
| Interest and Dividends on Investments                              | 6                                      | 23                                      | 29                                       |
| Net Increase in Cash and Cash Equivalents                          | 17,817                                 | 8,393                                   | 26,210                                   |
| Cash and Cash Equivalents at Beginning of the Period               | 6                                      | 657                                     | 663                                      |
| Cash and Cash Equivalents at End of the Period                     | \$ 17,823                              | \$ 9,050                                | \$ 26,873                                |
| <u>Reconciliation of Operating Income (Loss) to Net Cash</u>       |                                        |                                         |                                          |
| <u>Used for Operating Activities:</u>                              |                                        |                                         |                                          |
| Operating Income (Loss):                                           | \$ (165,391)                           | \$ (200,707)                            | \$ (366,098)                             |
| Adjustments to Reconcile Operating Income                          |                                        |                                         |                                          |
| to Net Cash Used for Operating Activities:                         |                                        |                                         |                                          |
| Depreciation                                                       | 17,003                                 | 22,434                                  | 39,437                                   |
| Effect of Increases and Decreases in Current                       |                                        |                                         |                                          |
| Assets and Liabilities:                                            |                                        |                                         |                                          |
| Decrease (increase) in Receivables                                 | (51)                                   | 7,069                                   | 7,018                                    |
| Decrease (increase) in Inventories                                 | -                                      | 911                                     | 911                                      |
| Increase (decrease) in Accounts Payable                            | 19,948                                 | 53,953                                  | 73,901                                   |
| Increase (decrease) in Unearned Revenues                           | -                                      | 1,512                                   | 1,512                                    |
| Increase (decrease) in Accrued Wages Payable                       | 5,094                                  | 11,353                                  | 16,447                                   |
| Increase (decrease) in Due to Others                               | 976                                    | (10,474)                                | (9,498)                                  |
| Increase (decrease) in Accrued Interest                            | (1)                                    | 4                                       | 3                                        |
| Increase (decrease) in Due to Other                                | (8,149)                                | (55,935)                                | (64,084)                                 |
| Net Cash Used for Operating                                        |                                        |                                         |                                          |
| Activities                                                         | \$ (130,571)                           | \$ (169,880)                            | \$ (300,451)                             |

## **FIDUCIARY FUNDS**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
JUNE 30, 2021

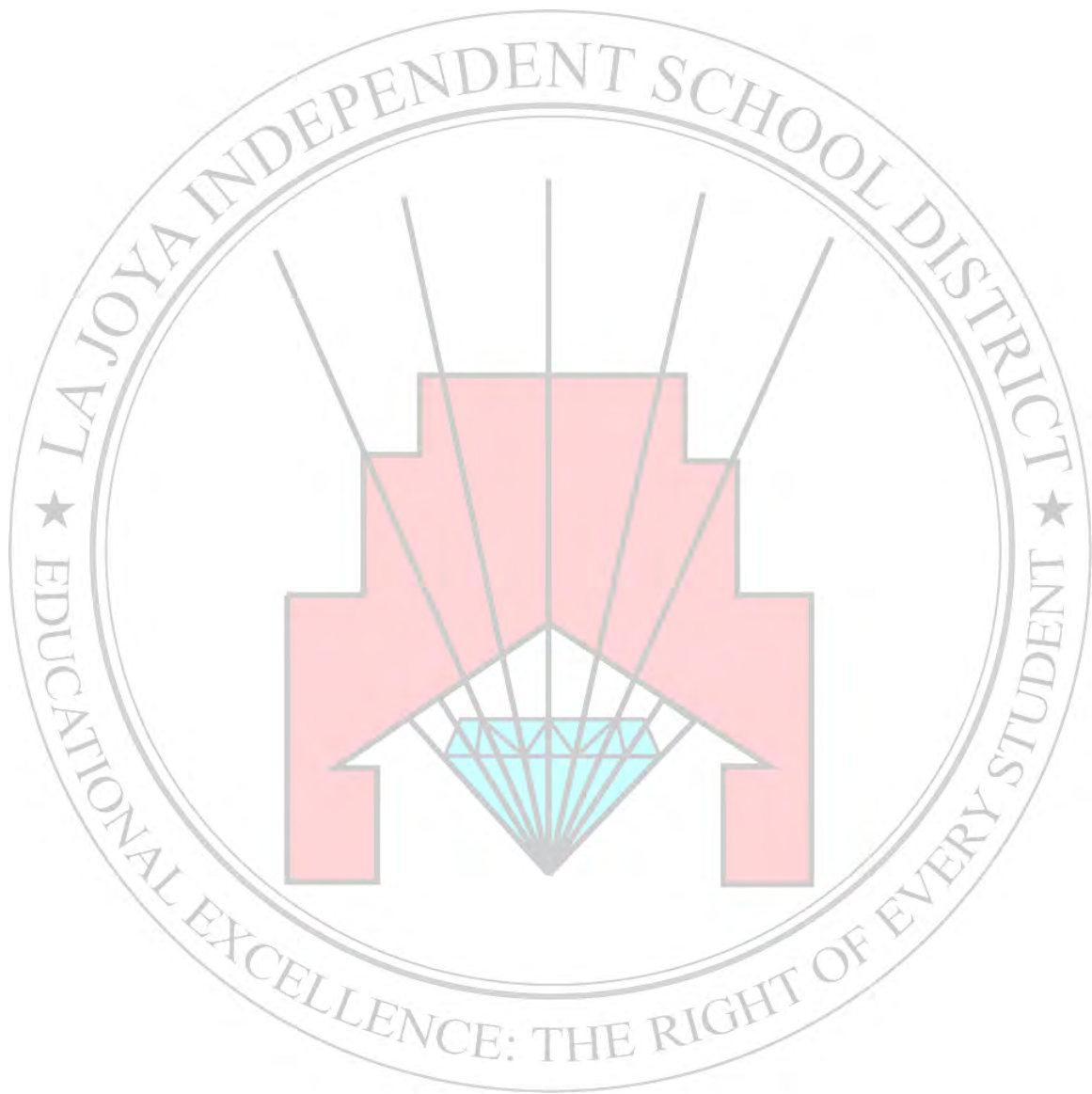
|                                | 865<br>Student<br>Activity<br>Fund | 876<br>Merit<br>Scholarship<br>Fund | 877<br>Employee<br>Memorial<br>Fund | 878<br>Superintndnts<br>Sholarship<br>Fund |
|--------------------------------|------------------------------------|-------------------------------------|-------------------------------------|--------------------------------------------|
| ASSETS                         |                                    |                                     |                                     |                                            |
| Cash and Cash Equivalents      | \$ 587,505                         | \$ 150,061                          | \$ 1,177                            | \$ 191,544                                 |
| Accrued Interest               | -                                  | 1                                   | -                                   | 2                                          |
| Total Assets                   | <u>587,505</u>                     | <u>150,062</u>                      | <u>1,177</u>                        | <u>191,546</u>                             |
| LIABILITIES                    |                                    |                                     |                                     |                                            |
| Due to Student Groups          | 587,505                            | -                                   | -                                   | -                                          |
| Payable from Restricted Assets | -                                  | -                                   | -                                   | -                                          |
| Total Liabilities              | <u>587,505</u>                     | <u>-</u>                            | <u>-</u>                            | <u>-</u>                                   |
| NET POSITION                   |                                    |                                     |                                     |                                            |
| Restricted for Scholarships    | -                                  | 150,062                             | 1,177                               | 191,546                                    |
| Total Net Position             | <u>\$ -</u>                        | <u>\$ 150,062</u>                   | <u>\$ 1,177</u>                     | <u>\$ 191,546</u>                          |

| 880<br>Adm & Finance<br>Sholarship<br>Fund | 899<br>Staff<br>Activity<br>Fund | Total<br>Custodial<br>Funds |
|--------------------------------------------|----------------------------------|-----------------------------|
| \$ 2,912                                   | \$ 21,693                        | \$ 954,892                  |
| -                                          | -                                | 3                           |
| <u>2,912</u>                               | <u>21,693</u>                    | <u>954,895</u>              |
| -                                          | -                                | 587,505                     |
| -                                          | 21,693                           | 21,693                      |
| <u>-</u>                                   | <u>21,693</u>                    | <u>609,198</u>              |
| 2,912                                      | -                                | 345,697                     |
| <u>\$ 2,912</u>                            | <u>\$ -</u>                      | <u>\$ 345,697</u>           |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 FOR THE TEN MONTHS ENDED JUNE 30, 2021

|                                            | 865<br>Student<br>Activity<br>Fund | 876<br>Merit<br>Scholarship<br>Fund | 877<br>Employee<br>Memorial<br>Fund | 878<br>Superintndnts<br>Sholarship<br>Fund |
|--------------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|--------------------------------------------|
| ADDITIONS:                                 |                                    |                                     |                                     |                                            |
| Miscellaneous Revenue - Student Activities | \$ 284,821                         | \$ -                                | \$ -                                | \$ -                                       |
| Earnings from Temporary Deposits           | -                                  | 152                                 | 2                                   | 105                                        |
| Miscellaneous Additions                    | -                                  | 33,311                              | -                                   | 86,330                                     |
| Total Additions                            | <u>284,821</u>                     | <u>33,463</u>                       | <u>2</u>                            | <u>86,435</u>                              |
| DEDUCTIONS:                                |                                    |                                     |                                     |                                            |
| Other Deductions                           | <u>284,821</u>                     | <u>53,125</u>                       | <u>1,120</u>                        | <u>15,105</u>                              |
| Total Deductions                           | <u>284,821</u>                     | <u>53,125</u>                       | <u>1,120</u>                        | <u>15,105</u>                              |
| Change in Net Position                     | -                                  | (19,662)                            | (1,118)                             | 71,330                                     |
| Net Position - September 1 (Beginning)     | <u>-</u>                           | <u>169,724</u>                      | <u>2,295</u>                        | <u>120,216</u>                             |
| Net Position - June 30 (Ending)            | <u>\$ -</u>                        | <u>\$ 150,062</u>                   | <u>\$ 1,177</u>                     | <u>\$ 191,546</u>                          |

| 880<br>Adm & Finance<br>Scholarship<br>Fund | 899<br>Staff<br>Activity<br>Fund | Total<br>Total<br>Custodial<br>Funds |
|---------------------------------------------|----------------------------------|--------------------------------------|
| \$ -                                        | \$ -                             | \$ 284,821                           |
| 2                                           | -                                | 261                                  |
| 1,176                                       | 48,287                           | 169,104                              |
| <u>1,178</u>                                | <u>48,287</u>                    | <u>454,186</u>                       |
| -                                           | 48,287                           | 402,458                              |
| <u>-</u>                                    | <u>48,287</u>                    | <u>402,458</u>                       |
| 1,178                                       | -                                | 51,728                               |
| 1,734                                       | -                                | 293,969                              |
| <u>1,734</u>                                | <u>-</u>                         | <u>293,969</u>                       |
| <u>\$ 2,912</u>                             | <u>\$ -</u>                      | <u>\$ 345,697</u>                    |



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## **REQUIRED TEA SCHEDULES**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
FISCAL YEAR ENDED JUNE 30, 2021

| Last 10 Years                  | (1)         | (2)          | (3)                              |
|--------------------------------|-------------|--------------|----------------------------------|
|                                | Tax Rates   |              | Assessed/Appraised               |
|                                | Maintenance | Debt Service | Value for School<br>Tax Purposes |
| 2012 and prior years           | Various     | Various      | \$ Various                       |
| 2013                           | 1.170000    | 0.141000     | 2,131,558,977                    |
| 2014                           | 1.170000    | 0.141000     | 2,138,455,660                    |
| 2015                           | 1.170000    | 0.141000     | 2,133,476,497                    |
| 2016                           | 1.170000    | 0.141000     | 2,188,672,812                    |
| 2017                           | 1.170000    | 0.141000     | 2,253,390,102                    |
| 2018                           | 1.170000    | 0.141000     | 2,311,816,193                    |
| 2019                           | 1.170000    | 0.141000     | 2,558,622,080                    |
| 2020                           | 1.068300    | 0.242700     | 2,632,958,569                    |
| 2021 (School year under audit) | 1.068300    | 0.242700     | 2,739,802,126                    |
| 1000 TOTALS                    |             |              |                                  |

July 2021 & August 2021 Tax Collection \*

1000 TOTALS ENDING BALANCE 08/31/2021\*

\*TEA required supplemental financial data reporting tax collections for 12-months due to change of fiscal year

| (10)<br>Beginning<br>Balance<br>9/1/2020 | (20)<br>Current<br>Year's<br>Total Levy | (31)<br>Maintenance<br>Collections | (32)<br>Debt Service<br>Collections | (40)<br>Entire<br>Year's<br>Adjustments | (50)<br>Ending<br>Balance<br>6/30/2021 |
|------------------------------------------|-----------------------------------------|------------------------------------|-------------------------------------|-----------------------------------------|----------------------------------------|
| \$ 1,936,835                             | \$ -                                    | \$ 65,693                          | \$ 9,505                            | \$ (7,304)                              | \$ 1,854,333                           |
| 225,502                                  | -                                       | 20,589                             | 2,481                               | (114)                                   | 202,318                                |
| 245,506                                  | -                                       | 27,179                             | 3,275                               | (114)                                   | 214,938                                |
| 300,716                                  | -                                       | 40,802                             | 4,917                               | (369)                                   | 254,628                                |
| 352,154                                  | -                                       | 65,865                             | 7,938                               | (963)                                   | 277,388                                |
| 477,391                                  | -                                       | 101,322                            | 12,211                              | (8,187)                                 | 355,671                                |
| 684,246                                  | -                                       | 209,521                            | 25,250                              | 14,736                                  | 464,211                                |
| 1,363,584                                | -                                       | 459,323                            | 55,355                              | (16,304)                                | 832,602                                |
| 2,802,106                                | -                                       | 1,026,495                          | 233,203                             | (65,417)                                | 1,476,991                              |
| -                                        | 35,077,606                              | 26,369,325                         | 5,990,673                           | 159,811                                 | 2,877,419                              |
| <u>\$ 8,388,040</u>                      | <u>\$ 35,077,606</u>                    | <u>\$ 28,386,114</u>               | <u>\$ 6,344,808</u>                 | <u>\$ 75,775</u>                        | <u>\$ 8,810,499</u>                    |
| -                                        | -                                       | 619,889                            | 129,360                             | (33,256)                                |                                        |
| <u>\$ 8,388,040</u>                      | <u>\$ 35,077,606</u>                    | <u>\$ 29,006,003</u>               | <u>\$ 6,474,168</u>                 | <u>\$ 42,519</u>                        | <u>\$ 8,027,994</u>                    |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

| Data<br>Control<br>Codes                    | Budgeted Amounts |              | Actual Amounts<br>(GAAP BASIS) | Variance With<br>Final Budget<br>Positive or<br>(Negative) |
|---------------------------------------------|------------------|--------------|--------------------------------|------------------------------------------------------------|
|                                             | Original         | Final        |                                |                                                            |
| REVENUES:                                   |                  |              |                                |                                                            |
| 5700 Total Local and Intermediate Sources   | \$ 114,676       | \$ 114,676   | \$ 34,684                      | \$ (79,992)                                                |
| 5800 State Program Revenues                 | -                | -            | 96,280                         | 96,280                                                     |
| 5900 Federal Program Revenues               | 19,620,293       | 19,620,293   | 19,757,433                     | 137,140                                                    |
| 5020 Total Revenues                         | 19,734,969       | 19,734,969   | 19,888,397                     | 153,428                                                    |
| EXPENDITURES:                               |                  |              |                                |                                                            |
| Current:                                    |                  |              |                                |                                                            |
| 0035 Food Services                          | 19,734,969       | 19,734,969   | 19,436,550                     | 298,419                                                    |
| 6030 Total Expenditures                     | 19,734,969       | 19,734,969   | 19,436,550                     | 298,419                                                    |
| 1200 Net Change in Fund Balances            | -                | -            | 451,847                        | 451,847                                                    |
| 0100 Fund Balance - September 1 (Beginning) | 1,752,792        | 1,752,792    | 1,752,792                      | -                                                          |
| 3000 Fund Balance - June 30 (Ending)        | \$ 1,752,792     | \$ 1,752,792 | \$ 2,204,639                   | \$ 451,847                                                 |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - DEBT SERVICE FUND  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

| Data<br>Control<br>Codes                                          | Budgeted Amounts |              | Actual Amounts<br>(GAAP BASIS) | Variance With<br>Final Budget<br>Positive or<br>(Negative) |
|-------------------------------------------------------------------|------------------|--------------|--------------------------------|------------------------------------------------------------|
|                                                                   | Original         | Final        |                                |                                                            |
| REVENUES:                                                         |                  |              |                                |                                                            |
| 5700 Total Local and Intermediate Sources                         | \$ 7,316,775     | \$ 6,683,554 | \$ 6,558,904                   | \$ (124,650)                                               |
| 5800 State Program Revenues                                       | 13,950,172       | 12,999,927   | 13,995,592                     | 995,665                                                    |
| 5020 Total Revenues                                               | 21,266,947       | 19,683,481   | 20,554,496                     | 871,015                                                    |
| EXPENDITURES:                                                     |                  |              |                                |                                                            |
| Debt Service:                                                     |                  |              |                                |                                                            |
| 0071 Principal on Long-Term Debt                                  | 13,670,000       | 14,810,000   | 14,810,000                     | -                                                          |
| 0072 Interest on Long-Term Debt                                   | 8,203,069        | 6,381,069    | 3,257,738                      | 3,123,331                                                  |
| 0073 Bond Issuance Cost and Fees                                  | 25,000           | 707,000      | 698,131                        | 8,869                                                      |
| 6030 Total Expenditures                                           | 21,898,069       | 21,898,069   | 18,765,869                     | 3,132,200                                                  |
| 1100 Excess (Deficiency) of Revenues Over (Under)<br>Expenditures | (631,122)        | (2,214,588)  | 1,788,627                      | 4,003,215                                                  |
| OTHER FINANCING SOURCES (USES):                                   |                  |              |                                |                                                            |
| 7911 Issuance of Bonds - Refunding                                | -                | -            | 74,885,000                     | 74,885,000                                                 |
| 7915 Transfers In                                                 | 631,122          | 2,214,588    | -                              | (2,214,588)                                                |
| 7916 Premium or Discount on Issuance of Bonds                     | -                | -            | 10,192,619                     | 10,192,619                                                 |
| 8949 Other (Uses)                                                 | -                | -            | (84,358,717)                   | (84,358,717)                                               |
| 7080 Total Other Financing Sources (Uses)                         | 631,122          | 2,214,588    | 718,902                        | (1,495,686)                                                |
| 1200 Net Change in Fund Balances                                  | -                | -            | 2,507,529                      | 2,507,529                                                  |
| 0100 Fund Balance - September 1 (Beginning)                       | -                | -            | -                              | -                                                          |
| 1300 Increase (Decrease) in Fund Balance                          | -                | -            | 250,430                        | 250,430                                                    |
| 3000 Fund Balance - June 30 (Ending)                              | \$ -             | \$ -         | \$ 2,757,959                   | \$ 2,757,959                                               |

## STATE COMPENSATORY EDUCATION AND BILINGUAL EDUCATION PROGRAM EXPENDITURES

LA JOYA INDEPENDENT SCHOOL DISTRICT

10-Mos. Ended 06/30/21

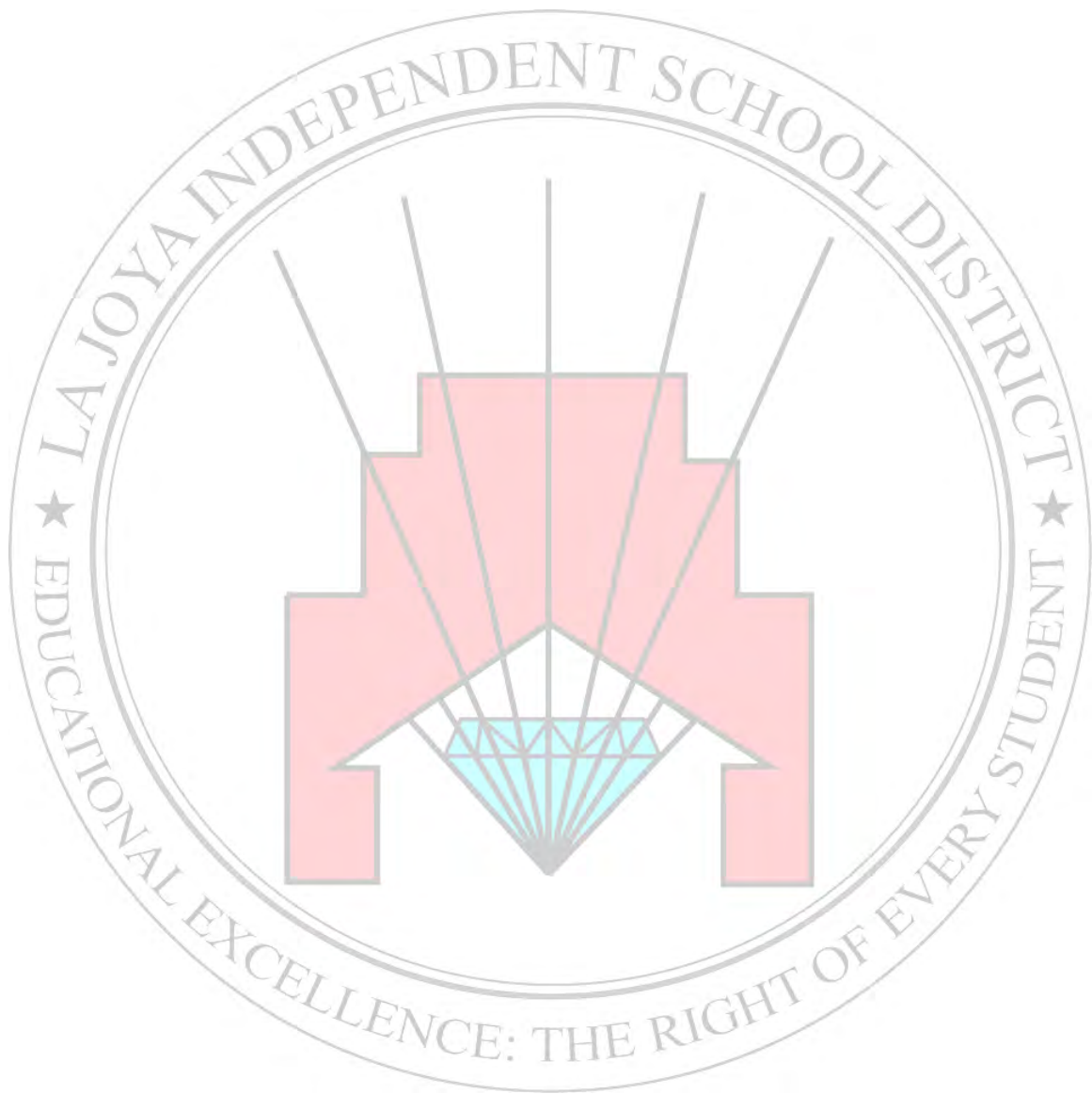
**Section A: Compensatory Education Programs**

|     |                                                                                                                            |            |
|-----|----------------------------------------------------------------------------------------------------------------------------|------------|
| 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. | 40,146,604 |
| AP4 | List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.        | 21,316,339 |

**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.            | 10,241,968 |
| AP8 | List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25,35) | 5,034,763  |

## **STATISTICAL SECTION**



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## LA JOYA INDEPENDENT SCHOOL DISTRICT

### STATISTICAL INFORMATION

(Unaudited)

The Statistical Section of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

#### **CONTENTS**

##### **Financial Trends**

These schedules contain information to help the reader understand how the District's financial performance has changed over time.

##### **Revenue and Expenditure Capacity**

These schedules contain information to help the reader assess the District's major revenue sources and expenditures.

##### **Debt Capacity**

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

##### **Demographic and Economic Information**

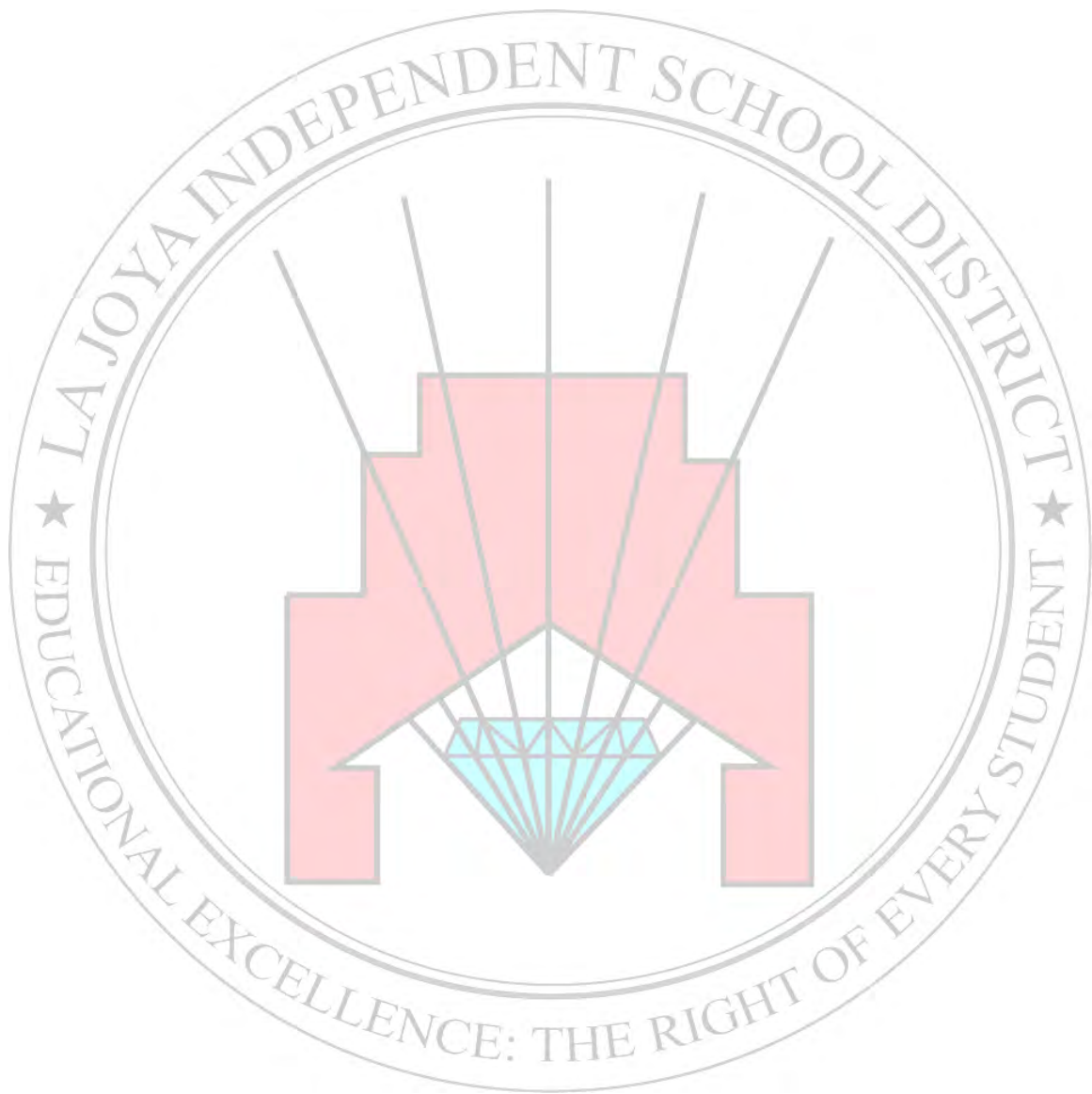
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

##### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the District provides and activities it performs.

#### **SOURCES**

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement No. 63 and 65 in 2013; schedules presenting government-wide information include information beginning in that year.



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## **FINANCIAL TRENDS**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
NET POSITION BY COMPONENT

LAST TEN YEARS

(Unaudited)

|                                             | 2012           | 2013           | 2014           | 2015           |
|---------------------------------------------|----------------|----------------|----------------|----------------|
| <b>Governmental Activities</b>              |                |                |                |                |
| Net Investment in Capital Assets            | \$ 131,735,100 | \$ 130,394,953 | \$ 133,736,775 | \$ 135,998,056 |
| Restricted                                  | 48,011,140     | 43,232,770     | 7,834,268      | 7,451,078      |
| Unrestricted                                | 66,335,672     | 72,960,525     | 113,163,157    | 71,997,058     |
| Total Governmental Activities Net Position  | \$ 246,081,912 | \$ 246,588,248 | \$ 254,734,200 | \$ 215,446,192 |
| <b>Business-Type Activities</b>             |                |                |                |                |
| Net Investment in Capital Assets            | \$ -           | \$ -           | \$ 27,606      | \$ 136,341     |
| Total Business-Type Activities Net Position | \$ -           | \$ -           | \$ 27,606      | \$ 136,341     |
| <b>Primary Government</b>                   |                |                |                |                |
| Net Investment in Capital Assets            | \$ 131,735,100 | \$ 130,394,953 | \$ 133,764,381 | \$ 136,134,397 |
| Restricted                                  | 48,011,140     | 43,232,770     | 7,834,268      | 7,451,078      |
| Unrestricted                                | 66,335,672     | 72,960,525     | 113,163,157    | 71,997,058     |
| Total Primary Government Net Position       | \$ 246,081,912 | \$ 246,588,248 | \$ 254,761,806 | \$ 215,582,533 |

Source: Statement of Net Position (Exhibit A-1)

Note: Implementation of GASB 63 and 65 beginning school year 2012-2013

Implementation of GASB 68 beginning school year 2014-2015

Implementation of GASB 75 beginning school year 2017-2018

Beginning 2021, the District changed fiscal year end dates from August 31st to June 30th.

SCHEDULE 1

| 2016 |             | 2017 |             | 2018 |               | 2019 |               | 2020 |               | 2021 |               |
|------|-------------|------|-------------|------|---------------|------|---------------|------|---------------|------|---------------|
| \$   | 140,785,437 | \$   | 145,026,207 | \$   | 153,691,771   | \$   | 160,272,752   | \$   | 144,087,369   | \$   | 164,290,185   |
|      | 7,450,531   |      | 6,584,386   |      | 5,569,976     |      | 6,539,634     |      | 10,314,193    |      | 19,968,831    |
|      | 77,350,807  |      | 56,394,791  |      | (141,461,525) |      | (158,615,356) |      | (163,675,279) |      | (159,343,349) |
| \$   | 225,586,775 | \$   | 208,005,384 | \$   | 17,800,222    | \$   | 8,197,030     | \$   | (9,273,717)   | \$   | 24,915,667    |
| \$   | 127,972     | \$   | 132,621     | \$   | 262,675       | \$   | 231,304       | \$   | 182,958       | \$   | 168,715       |
| \$   | 127,972     | \$   | 132,621     | \$   | 262,675       | \$   | 231,304       | \$   | 182,958       | \$   | 168,715       |
| \$   | 140,913,409 | \$   | 145,158,828 | \$   | 153,954,446   | \$   | 160,504,056   | \$   | 144,270,327   | \$   | 164,458,900   |
|      | 7,450,531   |      | 6,584,386   |      | 5,569,976     |      | 6,539,634     |      | 10,314,193    |      | 19,968,831    |
|      | 77,350,807  |      | 56,394,791  |      | (141,461,525) |      | (158,615,356) |      | (163,675,279) |      | (159,343,349) |
| \$   | 225,714,747 | \$   | 208,138,005 | \$   | 18,062,897    | \$   | 8,428,334     | \$   | (9,090,759)   | \$   | 25,084,382    |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL ACTIVITIES EXPENSES AND PROGRAM REVENUES  
LAST TEN YEARS  
(Unaudited)

|                                                   | 2012                    | 2013                    | 2014                    |
|---------------------------------------------------|-------------------------|-------------------------|-------------------------|
| <b>Expenses</b>                                   |                         |                         |                         |
| Governmental Activities:                          |                         |                         |                         |
| Instruction                                       | \$ 158,835,297          | \$ 163,213,006          | \$ 166,119,053          |
| Instructional Resources & Media Services          | 7,792,957               | 6,828,712               | 6,454,953               |
| Curriculum & Staff Development                    | 7,072,281               | 7,742,458               | 5,810,954               |
| Instructional Leadership                          | 3,708,864               | 4,270,163               | 4,284,668               |
| School Leadership                                 | 16,082,269              | 16,891,045              | 16,895,861              |
| Guidance, Counseling & Evaluation Services        | 11,831,882              | 11,477,124              | 11,969,156              |
| Social Work Services                              | 2,767,802               | 3,042,466               | 2,937,648               |
| Health Services                                   | 3,284,922               | 3,543,002               | 3,507,898               |
| Student (Pupil) Transportation                    | 6,558,328               | 8,171,667               | 8,527,953               |
| Food Services                                     | 19,687,602              | 20,481,434              | 20,411,988              |
| Cocurricular/Extracurricular Activities           | 8,791,125               | 9,389,020               | 9,518,134               |
| General Administration                            | 7,597,335               | 9,188,189               | 7,598,995               |
| Plant Maintenance & Operations                    | 29,127,699              | 29,052,092              | 27,693,073              |
| Security & Monitoring Services                    | 3,388,734               | 3,648,258               | 3,669,457               |
| Data Processing Services                          | 899,539                 | 978,234                 | 1,052,278               |
| Community Services                                | 1,397,712               | 1,348,640               | 1,212,671               |
| Debt Service - Interest on Long Term Debt         | 14,446,319              | 14,790,313              | 15,552,716              |
| Debt Service - Bond Issuance Cost & Fees          | -                       | 3,234,974               | 291,175                 |
| Payments to Juvenile Justice Alternative Ed. Prg. | 3,634                   | -                       | -                       |
| Other Intergovernmental Charges                   | -                       | 278,093                 | 256,606                 |
| Total Governmental Activities Expenses            | <u>303,274,303</u>      | <u>317,568,890</u>      | <u>313,765,237</u>      |
| Business -Type Activities:                        |                         |                         |                         |
| Enterprise Fund                                   | -                       | -                       | 306,550                 |
| Total Business-Type Activities Expenses           | <u>-</u>                | <u>-</u>                | <u>306,550</u>          |
| Total Primary Government Expenses                 | <u>\$ 303,274,303</u>   | <u>\$ 317,568,890</u>   | <u>\$ 314,071,787</u>   |
| <b>Program Revenues</b>                           |                         |                         |                         |
| Charges for Services:                             |                         |                         |                         |
| Instruction                                       | \$ -                    | \$ -                    | \$ -                    |
| Food Services                                     | 356,308                 | 302,810                 | 306,395                 |
| Cocurricular/Extracurricular Activities           | 207,985                 | 235,598                 | 166,398                 |
| General Administration                            | 2,167,558               | 2,645,396               | 1,769,419               |
| Operating Grants and Contributions                | 76,997,494              | 69,190,060              | 65,435,832              |
| Total Governmental Activities Revenues            | <u>79,729,345</u>       | <u>72,373,864</u>       | <u>67,678,044</u>       |
| Business -Type Activities:                        |                         |                         |                         |
| Enterprise Fund                                   | -                       | -                       | 227,513                 |
| Total Business-Type Activities Revenues           | <u>-</u>                | <u>-</u>                | <u>227,513</u>          |
| Total Primary Government Revenues                 | <u>79,729,345</u>       | <u>72,373,864</u>       | <u>67,905,557</u>       |
| Net (Expense)/Revenue:                            |                         |                         |                         |
| Governmental Activities                           | (223,544,958)           | (245,195,026)           | (246,087,193)           |
| Business Type Activities                          | -                       | -                       | (79,037)                |
| Total Primary Government Net Expense              | <u>\$ (223,544,958)</u> | <u>\$ (245,195,026)</u> | <u>\$ (246,166,230)</u> |

Source: Statement of Activities (Exhibit B-1)

Note: Implementation of GASB 63 and 65 for school year 2012-2013

Implementation of GASB 68 beginning school year 2014-2015; Implementation of GASB 75 beginning school year 2017-2018

Beginning 2021, the District changed fiscal year end dates from August 31st to June 30th.

## SCHEDULE 2

| 2015             | 2016             | 2017             | 2018             | 2019             | 2020             | 2021             |
|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 168,931,938   | \$ 177,126,830   | \$ 179,466,702   | \$ 121,738,656   | \$ 202,410,579   | \$ 212,641,980   | \$ 194,496,946   |
| 7,528,627        | 7,670,150        | 7,502,754        | 5,811,365        | 8,132,980        | 8,470,289        | 7,232,549        |
| 5,842,489        | 6,166,770        | 7,560,677        | 5,662,225        | 8,982,355        | 9,104,635        | 7,910,923        |
| 4,303,984        | 4,668,022        | 5,653,178        | 3,538,678        | 6,193,834        | 6,322,125        | 5,295,163        |
| 17,393,127       | 19,208,863       | 20,278,489       | 13,280,880       | 20,328,343       | 21,301,288       | 17,744,668       |
| 13,164,088       | 14,238,268       | 14,374,589       | 9,643,461        | 16,500,948       | 17,528,867       | 15,311,781       |
| 2,916,540        | 3,113,738        | 3,109,018        | 2,011,867        | 3,618,333        | 3,663,397        | 3,152,472        |
| 3,449,475        | 3,716,511        | 3,776,637        | 2,681,944        | 4,132,299        | 4,131,492        | 3,874,937        |
| 8,570,681        | 9,650,458        | 10,960,567       | 8,104,589        | 12,646,563       | 13,555,346       | 11,672,585       |
| 21,972,415       | 23,084,862       | 23,362,868       | 19,241,821       | 22,632,289       | 22,840,285       | 21,218,416       |
| 11,253,660       | 12,212,262       | 12,585,419       | 11,130,435       | 13,857,194       | 11,769,510       | 7,860,384        |
| 9,005,664        | 9,104,586        | 14,822,513       | 7,845,744        | 11,285,122       | 11,364,978       | 9,250,569        |
| 31,718,453       | 31,860,675       | 32,717,020       | 31,010,818       | 34,834,295       | 33,267,388       | 27,599,940       |
| 4,052,537        | 4,485,689        | 4,980,075        | 4,027,806        | 6,008,848        | 6,187,033        | 4,784,951        |
| 1,258,386        | 1,269,488        | 1,283,310        | 1,176,218        | 1,604,815        | 1,621,086        | 1,340,420        |
| 1,005,669        | 1,162,792        | 1,483,163        | 784,329          | 1,558,956        | 1,486,032        | 1,277,367        |
| 14,814,939       | 14,436,365       | 14,439,240       | 10,009,474       | 9,934,046        | 9,812,691        | 10,527,185       |
| -                | -                | -                | -                | -                | -                | -                |
| 2,236            | -                | 1,140            | -                | 10,000           | 5,445            | -                |
| 284,730          | 272,972          | 271,181          | 272,537          | 303,137          | 326,490          | 358,748          |
| 327,469,638      | 343,449,301      | 358,628,540      | 257,972,847      | 384,974,936      | 395,400,357      | 350,910,004      |
| 773,949          | 761,556          | 724,740          | 1,311,064        | 1,011,393        | 859,534          | 718,381          |
| 773,949          | 761,556          | 724,740          | 1,311,064        | 1,011,393        | 859,534          | 718,381          |
| \$ 328,243,587   | \$ 344,210,857   | \$ 359,353,280   | \$ 259,283,911   | \$ 385,986,329   | \$ 396,259,891   | \$ 351,628,385   |
| \$ -             | \$ -             | \$ -             | \$ -             | \$ 1,394,797     | \$ 1,021,318     | \$ 301,839       |
| 308,613          | 262,764          | 297,958          | 301,520          | 206,214          | 99,111           | 33,511           |
| 181,171          | 184,295          | 222,741          | 129,625          | 227,312          | 209,706          | (1,250)          |
| 1,744,337        | 1,664,791        | 1,574,279        | 1,712,872        | 493,880          | 67,120           | 280,311          |
| 60,739,545       | 59,522,712       | 63,762,058       | 16,649,686       | 63,326,161       | 71,887,541       | 57,919,510       |
| 62,973,666       | 61,634,562       | 65,857,036       | 18,793,703       | 65,648,364       | 73,284,796       | 58,533,921       |
| 596,290          | 571,055          | 530,839          | 759,103          | 728,371          | 470,598          | 352,283          |
| 596,290          | 571,055          | 530,839          | 759,103          | 728,371          | 470,598          | 352,283          |
| 63,569,956       | 62,205,617       | 66,387,875       | 19,552,806       | 66,376,735       | 73,755,394       | 58,886,204       |
| (264,495,972)    | (281,814,739)    | (292,771,504)    | (239,179,144)    | (319,326,572)    | (322,115,561)    | (292,376,083)    |
| (177,659)        | (190,501)        | (193,901)        | (551,961)        | (283,022)        | (388,936)        | (366,098)        |
| \$ (264,673,631) | \$ (282,005,240) | \$ (292,965,405) | \$ (239,731,105) | \$ (319,609,594) | \$ (322,504,497) | \$ (292,742,181) |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
GENERAL REVENUES AND CHANGES IN NET POSITION

LAST TEN YEARS

(Unaudited)

|                                                     | 2012                  | 2013                  | 2014                  |
|-----------------------------------------------------|-----------------------|-----------------------|-----------------------|
| <b>Net Governmental Activities</b>                  |                       |                       |                       |
| Governmental Activities                             | \$ (223,544,958)      | \$ (245,195,026)      | \$ (246,087,193)      |
| Business-Type Activities                            | -                     | -                     | (79,037)              |
| Revenue /(Expense)                                  | (223,544,958)         | (245,195,026)         | (246,166,230)         |
| <b>General Revenue and Changes in Net Position:</b> |                       |                       |                       |
| Property Taxes -General                             | 23,843,697            | 24,196,972            | 24,358,314            |
| Property Taxes - Debt Service                       | 2,854,911             | 2,925,399             | 2,924,209             |
| Grants & Contributions not Restricted               | 201,532,089           | 214,974,277           | 223,811,160           |
| Investment Earnings                                 | 540,829               | 584,658               | 284,508               |
| Transfers In (Out)                                  | -                     | -                     | (117,149)             |
| Miscellaneous                                       | 756,333               | 3,246,272             | 2,134,436             |
| Total Governmental Activities                       | \$ 229,527,859        | \$ 245,927,578        | \$ 253,395,478        |
| <b>Business-Type Activities</b>                     |                       |                       |                       |
| Investment Earnings                                 | -                     | -                     | 50                    |
| Transfers In                                        | -                     | -                     | 106,593               |
| Total Business-Type Activities                      | -                     | -                     | 106,643               |
| <b>Total Primary Government Net Revenue</b>         | <b>\$ 229,527,859</b> | <b>\$ 245,927,578</b> | <b>\$ 253,502,121</b> |
| <b>Primary Government Changes in Net Position</b>   |                       |                       |                       |
| Governmental Activities                             | 5,982,901             | 732,552               | 7,308,285             |
| Business-Type Activities                            | -                     | -                     | 27,606                |
| Total Primary Government Changes in Net Position    | \$ 5,982,901          | \$ 732,552            | \$ 7,335,891          |

Source: Statement of Activities (Exhibit B-1)

Note: Implementation of GASB 63 and 65 for school year 2012-2013

Implementation of GASB 68 beginning school year 2014-2015

Implementation of GASB 75 beginning school year 2017-2018

Beginning 2021, the District changed fiscal year end dates from August 31st to June 30th.

SCHEDULE 3

| 2015             | 2016             | 2017             | 2018             | 2019             | 2020             | 2021             |
|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ (264,495,972) | \$ (281,814,739) | \$ (292,771,504) | \$ (239,179,144) | \$ (319,326,572) | \$ (322,115,561) | \$ (292,376,083) |
| (177,659)        | (190,501)        | (193,901)        | (551,961)        | (283,022)        | (388,936)        | (366,098)        |
| (264,673,631)    | (282,005,240)    | (292,965,405)    | (239,731,105)    | (319,609,594)    | (322,504,497)    | (292,742,181)    |
| 24,489,071       | 25,219,526       | 25,532,141       | 26,271,354       | 28,729,534       | 27,065,015       | 28,606,333       |
| 2,944,812        | 3,025,777        | 3,075,668        | 3,160,760        | 3,487,024        | 6,173,187        | 6,470,088        |
| 233,499,235      | 256,695,287      | 241,062,100      | 235,153,528      | 270,535,788      | 268,294,174      | 281,621,786      |
| 278,039          | 626,872          | 981,356          | 1,458,681        | 2,067,106        | 1,540,088        | 89,432           |
| (286,300)        | (181,937)        | (198,466)        | (681,594)        | (251,162)        | (339,658)        | (351,826)        |
| 2,544,920        | 4,256,590        | 3,720,009        | 3,493,818        | 2,317,974        | 973,796          | 9,236,218        |
| \$ 263,469,777   | \$ 289,642,115   | \$ 274,172,808   | \$ 268,856,547   | \$ 306,886,264   | \$ 303,706,602   | \$ 325,672,031   |
| 94               | 195              | 84               | 421              | 489              | 932              | 29               |
| 286,300          | 181,937          | 198,466          | 681,594          | 251,162          | 339,658          | 351,826          |
| 286,394          | 182,132          | 198,550          | 682,015          | 251,651          | 340,590          | 351,855          |
| \$ 263,756,171   | \$ 289,824,247   | \$ 274,371,358   | \$ 269,538,562   | \$ 307,137,915   | \$ 304,047,192   | \$ 326,023,886   |
| (1,026,195)      | 7,827,376        | (18,598,696)     | 29,677,403       | (12,440,308)     | (18,408,959)     | 33,295,948       |
| 108,735          | (8,369)          | 4,649            | 130,054          | (31,371)         | (48,346)         | (14,243)         |
| \$ (917,460)     | \$ 7,819,007     | \$ (18,594,047)  | \$ 29,807,457    | \$ (12,471,679)  | \$ (18,457,305)  | \$ 33,281,705    |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
FUND BALANCES  
GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(Unaudited)

|                                               | 2012                  | 2013                  | 2014                  | 2015                  |
|-----------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>General Fund</b>                           |                       |                       |                       |                       |
| <i>Nonspendable:</i>                          |                       |                       |                       |                       |
| Investments in Inventory                      | 1,174,816             | 1,802,281             | 2,112,771             | 2,011,653             |
| Prepaid Items                                 | -                     | -                     | -                     | -                     |
| <i>Restricted:</i>                            |                       |                       |                       |                       |
| Food Service/Federal or State Funds           | 5,058,235             | 5,181,041             | 7,729,021             | 7,265,310             |
| <i>Committed:</i>                             |                       |                       |                       |                       |
| Construction                                  | 35,500,000            | 35,500,000            | 35,500,000            | 35,500,000            |
| <i>Assigned:</i>                              |                       |                       |                       |                       |
| Other Purposes                                | 12,345,825            | 26,160,997            | 50,491,847            | 38,756,177            |
| <i>Unassigned:</i>                            |                       |                       |                       |                       |
| Reported in the General Fund                  | 57,507,245            | 47,409,767            | 20,892,619            | 26,890,858            |
| <b>Total General Fund Balance</b>             | <b>111,586,121</b>    | <b>116,054,086</b>    | <b>116,726,258</b>    | <b>110,423,998</b>    |
| <b>All Other Governmental Funds</b>           |                       |                       |                       |                       |
| Nonmajor Governmental Funds                   |                       |                       |                       |                       |
| <i>Restricted:</i>                            |                       |                       |                       |                       |
| Food Service/Federal or State Funds           | 42,277                | 61,784                | -                     | -                     |
| Other Reserved/Restricted Fund Balance        | 452,051               | 215,556               | 105,247               | 185,768               |
| Debt Service                                  |                       |                       |                       |                       |
| <i>Restricted:</i>                            |                       |                       |                       |                       |
| Retirement of Long Term Debt                  | -                     | -                     | -                     | -                     |
| <i>Assigned:</i>                              |                       |                       |                       |                       |
| Other Purposes                                | -                     | -                     | -                     | -                     |
| Capital Projects                              |                       |                       |                       |                       |
| <i>Committed:</i>                             |                       |                       |                       |                       |
| Construction                                  | 7,352,765             | 1,946,079             | 543,466               | 132,998               |
| Other Committed Fund Balance                  | 335,928               | 328,310               | 364,334               | 387,331               |
| Total All Other Governmental Fund Bal         | <b>8,183,021</b>      | <b>2,551,729</b>      | <b>1,013,047</b>      | <b>706,097</b>        |
| <b>Total Government funds -- Fund Balance</b> | <b>\$ 119,769,142</b> | <b>\$ 118,605,815</b> | <b>\$ 117,739,305</b> | <b>\$ 111,130,095</b> |
| <b>Governmental Funds</b>                     |                       |                       |                       |                       |
| Beginning Fund Balance                        | \$ 121,310,593        | \$ 119,769,142        | \$ 119,769,142        | \$ 118,605,815        |
| Net Change in Fund Balance                    | (1,541,451)           | (1,163,327)           | (2,029,837)           | (7,475,720)           |
| <b>Ending Balance</b>                         | <b>\$ 119,769,142</b> | <b>\$ 118,605,815</b> | <b>\$ 117,739,305</b> | <b>\$ 111,130,095</b> |

Source: Governmental Funds Balance Sheets (Exhibit C-1)

Note: Implementation of GASB 63 and 65 for school year 2012-2013, Implementation of GASB 68 beginning school year 2014-2015

Beginning 2021, the District changed fiscal year end dates from August 31st to June 30th.

SCHEDULE 4

| 2016           | 2017           | 2018          | 2019          | 2020          | 2021           |
|----------------|----------------|---------------|---------------|---------------|----------------|
| 2,630,926      | 2,482,034      | 2,392,326     | 2,207,857     | 2,785,219     | 2,861,134      |
| -              | -              | 307,424       | 2,131,765     | 1,935,978     | 170,103        |
| 7,188,140      | 6,341,290      | 5,339,061     | 6,219,689     | 9,469,045     | 17,110,734     |
| 35,500,000     | 35,500,000     | 7,916,311     | 5,621,288     | 5,001,610     | 5,001,610      |
| 46,196,828     | 34,768,463     | 6,686,288     | 3,360,184     | 31,620,758    | 18,596,274     |
| 22,400,718     | 14,044,056     | 50,475,385    | 52,587,322    | 37,108,251    | 67,616,491     |
| 113,916,612    | 93,135,843     | 73,116,795    | 72,128,105    | 87,920,861    | 111,356,346    |
| -              | -              | -             | -             | -             | -              |
| 262,391        | 243,096        | 230,915       | 319,945       | 437,427       | 512,823        |
| -              | -              | -             | -             | -             | 2,345,274      |
| -              | -              | -             | -             | -             | 412,685        |
| -              | -              | -             | -             | -             | -              |
| 367,631        | 385,454        | 394,978       | 411,890       | 407,721       | 428,798        |
| 630,022        | 628,550        | 625,893       | 731,835       | 845,148       | 3,699,580      |
| \$ 114,546,634 | \$ 93,764,393  | \$ 73,742,688 | \$ 72,859,940 | \$ 88,766,009 | \$ 115,055,926 |
| \$ 111,130,095 | \$ 114,546,634 | \$ 93,764,393 | \$ 73,742,688 | \$ 72,859,940 | \$ 88,766,009  |
| 3,416,539      | (20,782,241)   | (20,021,705)  | (882,748)     | 15,906,069    | 26,289,917     |
| \$ 114,546,634 | \$ 93,764,393  | \$ 73,742,688 | \$ 72,859,940 | \$ 88,766,009 | \$ 115,055,926 |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL FUND REVENUES BY SOURCE

LAST TEN YEARS

(Unaudited)

| Fiscal<br>Year | Local and Intermediate Sources |            | State Programs               |                        |            |
|----------------|--------------------------------|------------|------------------------------|------------------------|------------|
|                | Property<br>Tax                | Other      | Per Capita<br>and Foundation | On-behalf<br>Payments* | Other      |
| 2012           | 26,971,000                     | 5,050,715  | 181,004,504                  | 10,098,711             | 21,622,349 |
| 2013           | 27,037,626                     | 5,392,887  | 194,588,955                  | 9,691,716              | 16,784,419 |
| 2014           | 27,750,753                     | 5,372,436  | 208,078,498                  | 9,545,778              | 11,523,558 |
| 2015           | 28,057,342                     | 5,083,982  | 218,273,233                  | 9,343,889              | 13,129,076 |
| 2016           | 28,048,368                     | 6,323,614  | 228,699,514                  | 9,457,867              | 17,052,525 |
| 2017           | 28,740,373                     | 7,010,949  | 222,813,785                  | 10,252,566             | 13,427,240 |
| 2018           | 29,695,005                     | 7,837,681  | 224,354,867                  | 9,556,727              | 14,512,213 |
| 2019           | 32,293,295                     | 10,390,231 | 225,981,772                  | 10,313,455             | 21,427,340 |
| 2020           | 32,795,085                     | 4,463,954  | 221,856,174                  | 12,061,587             | 16,387,723 |
| 2021           | 34,730,922                     | 3,813,556  | 244,492,873                  | 10,833,344             | 15,590,553 |

Source: Governmental Funds Statements of Revenues, Expenditures and Changes in Fund Balances (Exhibit C-3)

Beginning 2021, the District changed fiscal year end dates to June 30th.

\* Includes Medicare Part-D

SCHEDULE 5

| Federal<br>Programs | Total       |
|---------------------|-------------|
| 64,082,402          | 308,829,681 |
| 61,637,077          | 315,132,673 |
| 58,592,303          | 320,863,326 |
| 52,077,095          | 325,964,617 |
| 53,388,278          | 342,970,166 |
| 54,857,380          | 337,102,293 |
| 55,754,054          | 341,710,547 |
| 60,796,371          | 361,202,464 |
| 74,525,026          | 362,089,549 |
| 63,482,283          | 372,943,531 |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION

LAST TEN YEARS

(Unaudited)

|                                                      | 2012                  | 2013                  | 2014                  |
|------------------------------------------------------|-----------------------|-----------------------|-----------------------|
| 11 Instruction                                       | \$ 151,553,936        | \$ 152,468,792        | \$ 161,269,884        |
| 12 Instructional Resources and Media Services        | 7,497,403             | 6,461,043             | 6,389,776             |
| 13 Curriculum and instructional Staff Development    | 6,625,681             | 7,199,782             | 5,563,369             |
| 21 Instructional Leadership                          | 3,552,474             | 3,963,167             | 4,128,706             |
| 23 School Leadership                                 | 15,063,767            | 15,694,438            | 16,229,435            |
| 31 Guidance, Counseling, and Evaluation Services     | 11,076,557            | 10,679,680            | 11,526,109            |
| 32 Social Work Services                              | 2,588,662             | 2,828,367             | 2,825,879             |
| 33 Health Services                                   | 3,078,263             | 3,290,911             | 3,363,742             |
| 34 Student (Pupil) Transportation                    | 7,276,158             | 7,578,221             | 8,975,008             |
| 35 Food Services                                     | 18,546,588            | 20,020,696            | 19,969,979            |
| 36 Extracurricular Activities                        | 8,265,027             | 8,779,129             | 9,118,105             |
| 41 General Administration                            | 7,121,413             | 6,843,478             | 7,254,771             |
| 51 Facilities Maintenance and Operations             | 28,126,971            | 26,940,804            | 26,805,175            |
| 52 Security and Monitoring Services                  | 3,190,186             | 3,512,310             | 3,572,012             |
| 53 Data Processing Services                          | 891,444               | 935,293               | 1,011,812             |
| 61 Community Services                                | 1,306,942             | 1,253,454             | 1,152,754             |
| 71 Debt Service - Principal on Long Term Debt        | 9,862,137             | 9,279,649             | 11,156,429            |
| 72 Debt Service - Interest on Long Term Debt         | 15,020,431            | 12,717,477            | 13,419,846            |
| 73 Debt Service - Bond Issuance Cost and Fees        | 998,021               | 3,234,974             | 291,175               |
| 81 Facilities Acquisition and Construction           | 10,408,458            | 12,362,184            | 9,670,269             |
| 95 Payments to Juvenile Justice Alternative Ed. Prg. | 3,634                 | -                     | -                     |
| 99 Other Intergovernmental Charges                   | -                     | 278,093               | 256,606               |
| Total Expenditures                                   | <u>\$ 312,054,153</u> | <u>\$ 316,321,942</u> | <u>\$ 323,950,841</u> |

Source: Statement of Revenues, Expenditures, and Changes in Fund Balance (Exhibit C-3)  
Beginning 2021, the District changed fiscal year end dates from August 31st to June 30th.

## SCHEDULE 6

| 2015                  | 2016                  | 2017                  | 2018                  | 2019                  | 2020                  | 2021                  |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 165,815,778        | \$ 166,148,470        | \$ 169,310,480        | \$ 168,701,590        | \$ 178,051,538        | \$ 183,542,500        | \$ 177,280,418        |
| 7,296,951             | 7,562,643             | 7,267,040             | 7,353,054             | 7,363,689             | 7,649,237             | 6,734,695             |
| 5,689,001             | 5,746,334             | 7,046,780             | 7,691,883             | 7,851,891             | 7,783,829             | 7,085,880             |
| 4,160,402             | 4,353,455             | 5,291,263             | 4,907,850             | 5,427,251             | 5,446,750             | 4,788,146             |
| 16,858,203            | 17,856,469            | 19,119,117            | 18,527,117            | 17,866,481            | 18,444,697            | 16,132,415            |
| 12,820,697            | 13,214,564            | 13,502,839            | 14,347,629            | 14,428,064            | 15,097,987            | 13,771,272            |
| 2,843,207             | 2,870,848             | 2,858,089             | 3,142,624             | 3,108,172             | 3,093,700             | 2,828,162             |
| 3,341,374             | 3,458,255             | 3,562,539             | 3,653,813             | 3,640,928             | 3,585,972             | 3,534,269             |
| 9,331,508             | 13,027,481            | 11,675,144            | 10,998,361            | 11,127,187            | 15,447,738            | 12,345,353            |
| 22,031,050            | 21,874,505            | 21,869,371            | 21,379,059            | 20,484,969            | 20,498,214            | 19,553,215            |
| 10,922,224            | 11,630,784            | 12,073,790            | 12,835,057            | 12,560,793            | 10,517,673            | 7,477,258             |
| 8,267,077             | 9,450,667             | 14,133,415            | 9,786,283             | 10,094,638            | 9,437,540             | 7,837,240             |
| 31,362,910            | 32,796,589            | 32,289,163            | 34,335,143            | 33,078,520            | 38,518,501            | 32,508,908            |
| 4,098,302             | 4,600,119             | 5,040,091             | 6,495,905             | 5,751,721             | 9,969,251             | 4,554,745             |
| 1,369,633             | 1,279,284             | 1,245,637             | 1,624,998             | 1,608,621             | 1,436,588             | 1,233,614             |
| 964,296               | 1,061,636             | 1,332,174             | 1,161,987             | 1,332,940             | 1,248,396             | 1,135,468             |
| 12,050,330            | 12,461,521            | 13,450,659            | 11,868,546            | 14,773,194            | 13,658,842            | 18,389,291            |
| 12,816,916            | 12,311,225            | 12,031,763            | 13,324,418            | 9,819,217             | 12,148,699            | 4,509,330             |
| 499,944               | 11,340                | 199,177               | 22,190                | 10,005                | 590,865               | 698,131               |
| 6,420,178             | 5,009,869             | 18,124,526            | 13,127,424            | 6,073,095             | 9,233,134             | 5,076,901             |
| 2,236                 | -                     | 1,140                 | -                     | 10,000                | 5,445                 | -                     |
| 284,730               | 272,972               | 271,181               | 272,537               | 303,137               | 326,490               | 358,748               |
| <u>\$ 339,246,947</u> | <u>\$ 346,999,030</u> | <u>\$ 371,695,378</u> | <u>\$ 365,557,468</u> | <u>\$ 364,766,051</u> | <u>\$ 387,682,048</u> | <u>\$ 347,833,459</u> |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION

LAST TEN YEARS

(Unaudited)

| Fiscal<br>Year | Instruction and<br>Instructional<br>Related<br>Services<br>(1X) | Instructional<br>and<br>School<br>Leadership<br>(2X) | Support<br>Services<br>Student<br>(Pupil)<br>(3X) | Administrative<br>Support<br>Services<br>(4X) | Support<br>Services<br>Nonstudent<br>Based<br>(5X) | Ancillary<br>Services<br>(6X) |
|----------------|-----------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------|-----------------------------------------------|----------------------------------------------------|-------------------------------|
| 2012           | 165,677,020                                                     | 18,616,241                                           | 50,831,255                                        | 7,121,413                                     | 32,208,601                                         | 1,306,942                     |
| 2013           | 166,129,617                                                     | 19,657,605                                           | 53,177,004                                        | 6,843,478                                     | 31,388,407                                         | 1,253,454                     |
| 2014           | 173,223,029                                                     | 20,358,141                                           | 55,778,822                                        | 7,254,771                                     | 31,388,999                                         | 1,152,754                     |
| 2015           | 178,801,730                                                     | 21,018,605                                           | 61,290,060                                        | 8,267,077                                     | 36,830,845                                         | 964,296                       |
| 2016           | 179,457,447                                                     | 22,209,924                                           | 66,076,437                                        | 9,450,667                                     | 38,675,992                                         | 1,061,636                     |
| 2017           | 183,624,300                                                     | 24,410,380                                           | 65,541,772                                        | 14,133,415                                    | 38,574,891                                         | 1,332,174                     |
| 2018           | 183,746,527                                                     | 23,434,967                                           | 66,356,543                                        | 9,786,283                                     | 42,456,046                                         | 1,161,987                     |
| 2019           | 193,267,118                                                     | 23,293,732                                           | 65,350,113                                        | 10,094,638                                    | 40,438,862                                         | 1,332,940                     |
| 2020           | 198,975,566                                                     | 23,891,447                                           | 68,241,284                                        | 9,437,540                                     | 49,924,340                                         | 1,248,396                     |
| 2021           | 191,100,993                                                     | 20,920,561                                           | 59,509,529                                        | 7,837,240                                     | 38,297,267                                         | 1,135,468                     |

Source: Governmental Funds Statements of Revenues, Expenditures and Changes in Fund Balances (Exhibit C-3)  
Beginning 2021, the District changed fiscal year end dates from August 31st to June 30th.

\* Ratio of Debt Services to Non-Capital Expenditures Percentage was calculated as follows:  

$$\frac{(\text{Debt Service Principal} + \text{Debt Service Interest})}{(\text{Total Expenditures} - \text{Capital Outlay}[\text{Note 8}])}$$

$$(18,389,291 + 4,509,330) / (347,833,459 - 15,206,923)$$

## SCHEDULE 7

| Debt<br>Service<br>Principal<br>(71) | Debt<br>Service<br>Interest<br>(72) | Debt<br>Service<br>Other<br>(73) | Capital<br>Outlay<br>(8X) | Inter-<br>Governmental<br>Charges<br>(9X) | Total<br>Governmental Fund<br>Expenditures | *Ratio of<br>Debt Service<br>to Non Capital<br>Expenditures |
|--------------------------------------|-------------------------------------|----------------------------------|---------------------------|-------------------------------------------|--------------------------------------------|-------------------------------------------------------------|
| 9,862,137                            | 15,020,431                          | 998,021                          | 10,408,458                | 3,634                                     | 312,054,153                                | 8.40%                                                       |
| 9,279,649                            | 12,717,477                          | 3,234,974                        | 12,362,184                | 278,093                                   | 316,321,942                                | 7.29%                                                       |
| 11,156,429                           | 13,419,846                          | 291,175                          | 9,670,269                 | 256,606                                   | 323,950,841                                | 7.93%                                                       |
| 12,050,330                           | 12,816,916                          | 499,944                          | 6,420,178                 | 286,966                                   | 339,246,947                                | 7.58%                                                       |
| 12,461,521                           | 12,311,225                          | 11,340                           | 5,009,869                 | 272,972                                   | 346,999,030                                | 7.49%                                                       |
| 13,450,659                           | 12,031,763                          | 199,177                          | 18,124,526                | 272,321                                   | 371,695,378                                | 7.30%                                                       |
| 11,868,546                           | 13,324,418                          | 22,190                           | 13,127,424                | 272,537                                   | 365,557,468                                | 7.21%                                                       |
| 14,773,194                           | 9,819,217                           | 10,005                           | 6,073,095                 | 313,137                                   | 364,766,051                                | 6.91%                                                       |
| 13,658,842                           | 12,148,699                          | 590,865                          | 9,233,134                 | 331,935                                   | 387,682,048                                | 7.17%                                                       |
| 18,389,291                           | 4,509,330                           | 698,131                          | 5,076,901                 | 358,748                                   | 347,833,459                                | 6.88%                                                       |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL FUNDS OTHER SOURCES, USES  
AND CHANGES IN FUND BALANCES

LAST TEN YEARS

(Unaudited)

|                                                 | 2012           | 2013           | 2014           | 2015            |
|-------------------------------------------------|----------------|----------------|----------------|-----------------|
| Excess of Revenues Over<br>(Under) Expenditures | \$ (3,224,472) | \$ (1,189,264) | \$ (3,087,515) | \$ (13,282,330) |
| Other Financing Sources (Uses)                  |                |                |                |                 |
| Issuance of Bonds - Refunding                   | -              | 87,847,680     | -              | -               |
| Capital-Related Debt Issued                     | 83,218,266     | -              | 20,239,883     | 35,540,000      |
| Sale of Real and Personal Property              | -              | 150,202        | 93,184         | 59,467          |
| Capital Leases                                  | -              | -              | 1,339,200      | 1,387,200       |
| Transfers In                                    | 12,876,157     | 17,261,290     | 9,830,695      | 5,494,582       |
| Premium or Discount on Issuance of Bonds        | 12,276,581     | 20,158,521     | 1,749,910      | 5,777,917       |
| Prepaid Interest                                | 48,370         | -              | -              | -               |
| Other Resources                                 | -              | 2,231,427      | -              | 626,728         |
| Transfers Out                                   | (13,018,667)   | (17,422,324)   | (10,122,114)   | (5,963,440)     |
| Payment to Bond Refinancing Escrow Agent        | -              | (109,245,286)  | (21,709,813)   | (41,459,462)    |
| Other Uses                                      | (94,506,951)   | (1,962,743)    | (40,000)       | -               |
| Total Other Financing Sources (Uses)            | 893,756        | (981,233)      | 1,380,945      | 1,462,992       |
| Net Change in Fund Balances                     | \$ (2,330,716) | \$ (2,170,497) | \$ (1,706,570) | \$ (11,819,338) |

Source: Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit C-3)  
Beginning 2021, the District changed fiscal year end dates to June 30th.

## SCHEDULE 8

| 2016           | 2017            | 2018            | 2019           | 2020            | 2021          |
|----------------|-----------------|-----------------|----------------|-----------------|---------------|
| \$ (4,028,864) | \$ (34,593,085) | \$ (23,846,921) | \$ (3,563,587) | \$ (25,592,499) | \$ 25,110,072 |
| -              | 7,765,000       | -               | -              | -               | 74,885,000    |
| -              | -               | -               | -              | 35,670,000      | -             |
| -              | 106,575         | 108,361         | 167,070        | 6,108           | 49,219        |
| 5,500,000      | 12,998,791      | 2,307,571       | 162,837        | -               | -             |
| 1,868,170      | 9,461,889       | 8,125,616       | 697,239        | 2,238,409       | 1,300,000     |
| -              | 913,180         | -               | -              | 5,223,906       | 10,192,619    |
| -              | -               | -               | -              | -               | -             |
| -              | -               | -               | -              | -               | -             |
| (2,235,974)    | (9,966,618)     | (8,957,007)     | (1,183,423)    | (2,578,067)     | (1,781,712)   |
| -              | (8,485,278)     | -               | -              | -               | -             |
| -              | -               | -               | -              | -               | (84,358,717)  |
| 5,132,196      | 12,793,539      | 1,584,541       | (156,277)      | 40,560,356      | 286,409       |
| \$ 1,103,332   | \$ (21,799,546) | \$ (22,262,380) | \$ (3,719,864) | \$ 14,967,857   | \$ 25,396,481 |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION  
PER AVERAGE DAILY ATTENDANCE

LAST TEN YEARS

(Unaudited)

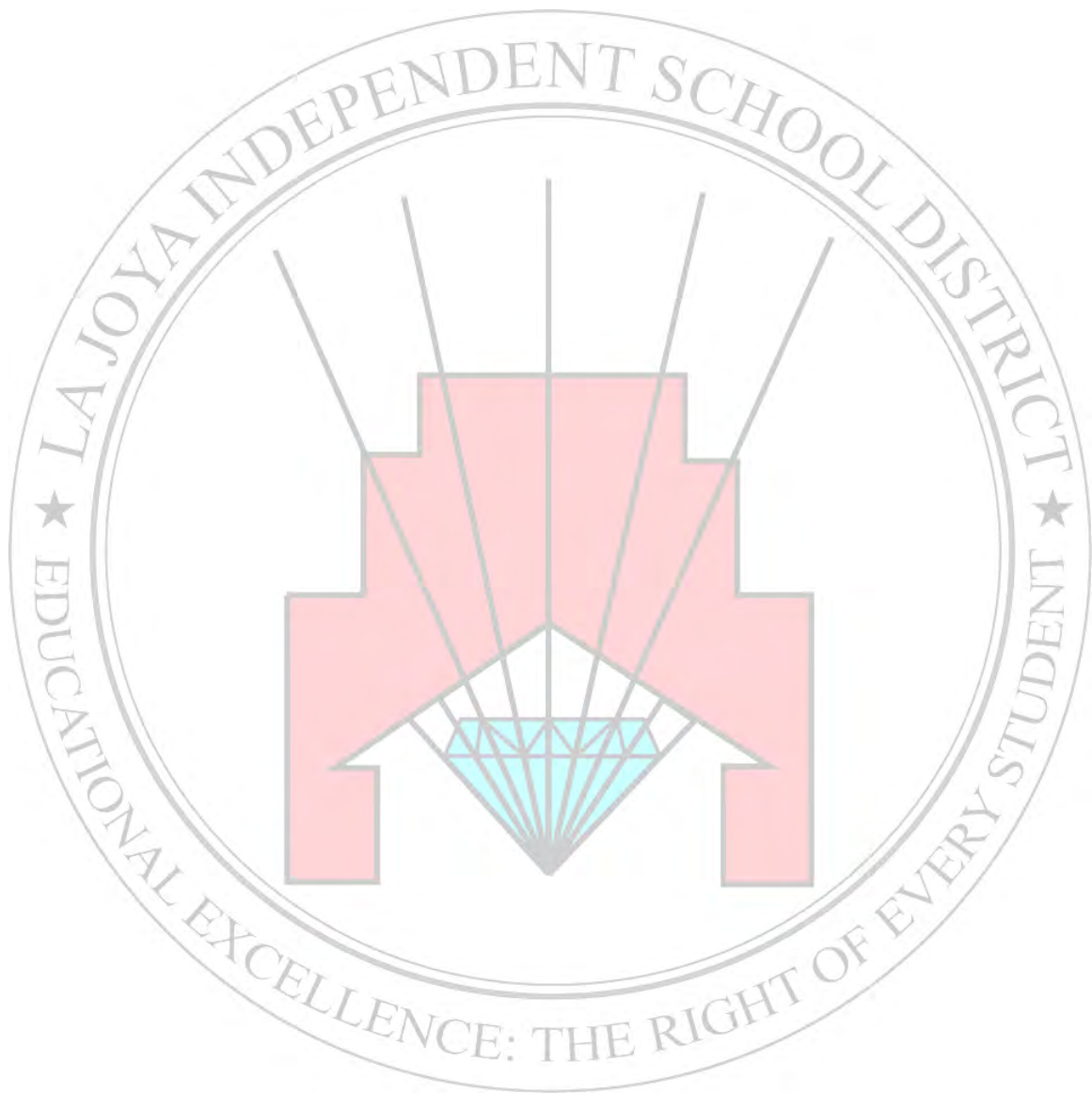
| Fiscal<br>Year | Average<br>Daily<br>Attendance | Instruction and<br>Instructional<br>Related<br>Services | Instructional<br>and<br>School<br>Leadership | Support<br>Services<br>Student<br>(Pupil) | Administrative<br>Support<br>Services | Support<br>Services<br>Nonstudent<br>Based |
|----------------|--------------------------------|---------------------------------------------------------|----------------------------------------------|-------------------------------------------|---------------------------------------|--------------------------------------------|
| 2012           | 26,132                         | 6,340                                                   | 712                                          | 1,945                                     | 273                                   | 1,233                                      |
| 2013           | 26,253                         | 6,328                                                   | 749                                          | 2,026                                     | 261                                   | 1,196                                      |
| 2014           | 26,707                         | 6,486                                                   | 762                                          | 2,089                                     | 272                                   | 1,175                                      |
| 2015           | 26,774                         | 6,678                                                   | 785                                          | 2,289                                     | 309                                   | 1,376                                      |
| 2016           | 26,816                         | 6,692                                                   | 828                                          | 2,464                                     | 352                                   | 1,442                                      |
| 2017           | 26,610                         | 6,901                                                   | 917                                          | 2,463                                     | 531                                   | 1,450                                      |
| 2018           | 26,149                         | 7,027                                                   | 896                                          | 2,538                                     | 374                                   | 1,624                                      |
| 2019           | 25,522                         | 7,573                                                   | 913                                          | 2,561                                     | 396                                   | 1,584                                      |
| 2020           | 24,663                         | 8,068                                                   | 969                                          | 2,767                                     | 383                                   | 2,024                                      |
| 2021           | 24,393                         | 7,834                                                   | 858                                          | 2,440                                     | 321                                   | 1,570                                      |

Note: Average Daily Attendance - the average daily attendance of eligible enrollees, district-wide,  
over the official number of instructional days.

Beginning 2021, the District changed fiscal year end dates from August 31st to June 30th.

SCHEDULE 9

| Ancillary<br>Services | Debt<br>Service<br>Principal | Debt<br>Service<br>Interest<br>and Other | Capital<br>Outlay | Inter-<br>Governmental<br>Charges | Total  |
|-----------------------|------------------------------|------------------------------------------|-------------------|-----------------------------------|--------|
| 50                    | 377                          | 575                                      | 398               | -                                 | 11,903 |
| 48                    | 353                          | 484                                      | 471               | 11                                | 11,927 |
| 43                    | 418                          | 502                                      | 362               | 10                                | 12,119 |
| 36                    | 450                          | 479                                      | 240               | 11                                | 12,653 |
| 40                    | 465                          | 459                                      | 187               | 10                                | 12,939 |
| 50                    | 505                          | 452                                      | 681               | 10                                | 13,960 |
| 44                    | 454                          | 510                                      | 502               | 10                                | 13,979 |
| 52                    | 579                          | 385                                      | 238               | 12                                | 14,293 |
| 51                    | 554                          | 493                                      | 374               | 13                                | 15,696 |
| 47                    | 754                          | 185                                      | 208               | 15                                | 14,232 |



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## **REVENUE AND EXPENDITURE CAPACITY**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN YEARS

(Unaudited)

| Fiscal<br>Year | Tax<br>Year | Assessed Value |                   |                 |                  |
|----------------|-------------|----------------|-------------------|-----------------|------------------|
|                |             | Real Property  | Personal Property | Less Exemptions | Less Adjustments |
| 2012           | 2011        | 2,573,656,934  | 441,358,296       | 605,872,642     | 322,056,054      |
| 2013           | 2012        | 2,640,332,266  | 405,324,362       | 614,712,160     | 299,385,491      |
| 2014           | 2013        | 2,672,822,235  | 392,967,371       | 633,185,135     | 294,148,811      |
| 2015           | 2014        | 2,681,923,981  | 377,622,851       | 636,209,318     | 289,861,017      |
| 2016           | 2015        | 3,032,256,596  | 324,099,308       | 776,245,728     | 391,437,364      |
| 2017           | 2016        | 3,100,135,311  | 321,760,424       | 805,458,416     | 363,047,217      |
| 2018           | 2017        | 3,137,321,243  | 334,127,081       | 809,615,791     | 350,016,340      |
| 2019           | 2018        | 3,499,673,714  | 333,493,048       | 852,888,594     | 421,656,088      |
| 2020           | 2019        | 3,570,516,236  | 344,365,253       | 878,118,259     | 403,804,661      |
| 2021           | 2020        | 3,752,813,111  | 314,281,802       | 893,092,631     | 404,072,961      |

Source: Hidalgo County Appraisal District Certified Appraisal Roll ARB Approved Totals Report  
Schedule J-1

Beginning 2021, the District changed fiscal year end dates from August 31st to June 30th.

| Total         | Estimated<br>Actual Value | Ratio of Total Assessed<br>To Total Estimated<br>Actual Value | Total Direct<br>Tax Rate |
|---------------|---------------------------|---------------------------------------------------------------|--------------------------|
| 2,087,086,534 | 3,015,015,230             | 69.22%                                                        | 1.311000                 |
| 2,131,558,977 | 3,045,656,628             | 69.99%                                                        | 1.311000                 |
| 2,138,455,660 | 3,065,789,606             | 69.75%                                                        | 1.311000                 |
| 2,133,476,497 | 3,059,546,832             | 69.73%                                                        | 1.311000                 |
| 2,188,672,812 | 3,356,355,904             | 65.21%                                                        | 1.311000                 |
| 2,253,390,102 | 3,421,895,735             | 65.85%                                                        | 1.311000                 |
| 2,311,816,193 | 3,471,448,324             | 66.60%                                                        | 1.311000                 |
| 2,558,622,080 | 3,833,166,762             | 66.75%                                                        | 1.311000                 |
| 2,632,958,569 | 3,914,881,489             | 67.26%                                                        | 1.311000                 |
| 2,769,929,321 | 4,067,094,913             | 68.11%                                                        | 1.311000                 |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS

(Unaudited)

| Fiscal<br>Year | *Taxes Levied<br>for the<br>Fiscal Year | Collected within the<br>Fiscal Year of Levy |                       | Collections<br>in Subsequent<br>Years | Total Collections to Date |                       |
|----------------|-----------------------------------------|---------------------------------------------|-----------------------|---------------------------------------|---------------------------|-----------------------|
|                |                                         | Amount                                      | Percentage<br>of Levy |                                       | Amount                    | Percentage<br>of Levy |
| 2012           | 26,694,751                              | 24,131,456                                  | 90.40%                | 2,333,347                             | 26,464,803                | 99.14%                |
| 2013           | 27,395,440                              | 24,623,133                                  | 89.88%                | 2,435,661                             | 27,058,794                | 98.77%                |
| 2014           | 27,379,290                              | 24,862,852                                  | 90.81%                | 2,193,515                             | 27,056,367                | 98.82%                |
| 2015           | 27,615,546                              | 25,262,756                                  | 91.48%                | 1,945,610                             | 27,208,366                | 98.53%                |
| 2016           | 28,381,525                              | 25,895,545                                  | 91.24%                | 2,015,656                             | 27,911,201                | 98.34%                |
| 2017           | 28,846,235                              | 26,355,614                                  | 91.37%                | 1,920,842                             | 28,276,456                | 98.02%                |
| 2018           | 29,622,395                              | 27,280,200                                  | 92.09%                | 1,688,827                             | 28,969,027                | 97.79%                |
| 2019           | 32,691,071                              | 29,998,048                                  | 91.76%                | 1,667,147                             | 31,665,195                | 96.86%                |
| 2020           | 33,623,840                              | 30,824,000                                  | 91.67%                | 1,259,698                             | 32,083,698                | 95.42%                |
| 2021           | 35,234,673                              | 32,359,998                                  | 91.84%                | -                                     | 32,359,998                | 91.84%                |

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

\*Taxes levied net adjustments.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
ALLOCATION OF PROPERTY TAX RATES AND LEVIES

LAST TEN YEARS

(Unaudited)

| Fiscal<br>Year | Tax Rates<br>(Per \$100 of Assessed Value) |                         |          | Tax Levies      |                         |                           |
|----------------|--------------------------------------------|-------------------------|----------|-----------------|-------------------------|---------------------------|
|                | General<br>Fund                            | Debt<br>Service<br>Fund | Total    | General<br>Fund | Debt<br>Service<br>Fund | Original<br>Levy<br>Total |
| 2012           | 1.170000                                   | 0.141000                | 1.311000 | 24,031,995      | 2,896,163               | 26,928,158                |
| 2013           | 1.170000                                   | 0.141000                | 1.311000 | 24,529,594      | 2,956,130               | 27,485,724                |
| 2014           | 1.170000                                   | 0.141000                | 1.311000 | 24,638,987      | 2,969,314               | 27,608,301                |
| 2015           | 1.170000                                   | 0.141000                | 1.311000 | 24,600,169      | 2,964,636               | 27,564,805                |
| 2016           | 1.170000                                   | 0.141000                | 1.311000 | 25,211,139      | 3,038,265               | 28,249,404                |
| 2017           | 1.170000                                   | 0.141000                | 1.311000 | 25,965,432      | 3,129,168               | 29,094,600                |
| 2018           | 1.170000                                   | 0.141000                | 1.311000 | 26,645,298      | 3,211,100               | 29,856,398                |
| 2019           | 1.170000                                   | 0.141000                | 1.311000 | 29,447,237      | 3,548,770               | 32,996,007                |
| 2020           | 1.068300                                   | 0.242700                | 1.311000 | 27,615,918      | 6,273,877               | 33,889,795                |
| 2021           | 1.068300                                   | 0.242700                | 1.311000 | 28,583,834      | 6,493,772               | 35,077,606                |

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

Note: The basis for the property tax rate is \$100 assessed valuation.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$100 ASSESSED VALUATION)

LAST TEN YEARS

(Unaudited)

| Fiscal<br>Year | Tax<br>Year | District Direct Rates                  |          |          | Overlapping Tax Rates |                         |                  |
|----------------|-------------|----------------------------------------|----------|----------|-----------------------|-------------------------|------------------|
|                |             | La Joya Independent<br>School District |          |          | Hidalgo<br>County     | Drainage<br>District #1 | City of<br>Alton |
|                |             |                                        |          |          |                       |                         |                  |
| 2012           | 2011        | 1.170000                               | 0.141000 | 1.311000 | 0.59000               | 0.07250                 | 0.49500          |
| 2013           | 2012        | 1.170000                               | 0.141000 | 1.311000 | 0.59000               | 0.07250                 | 0.48500          |
| 2014           | 2013        | 1.170000                               | 0.141000 | 1.311000 | 0.59000               | 0.09570                 | 0.46240          |
| 2015           | 2014        | 1.170000                               | 0.141000 | 1.311000 | 0.59000               | 0.09570                 | 0.45910          |
| 2016           | 2015        | 1.170000                               | 0.141000 | 1.311000 | 0.59000               | 0.09510                 | 0.45400          |
| 2017           | 2016        | 1.170000                               | 0.141000 | 1.311000 | 0.59000               | 0.09510                 | 0.44900          |
| 2018           | 2017        | 1.170000                               | 0.141000 | 1.311000 | 0.58000               | 0.09510                 | 0.44400          |
| 2019           | 2018        | 1.170000                               | 0.141000 | 1.311000 | 0.58000               | 0.09510                 | 0.44400          |
| 2020           | 2019        | 1.068300                               | 0.242700 | 1.311000 | 0.57500               | 0.10510                 | 0.44400          |
| 2021           | 2020        | 1.068300                               | 0.242700 | 1.311000 | 0.57500               | 0.10260                 | 0.43670          |

Source: Hidalgo County Tax Assessor - Collector Tax Rate Schedule

| City of<br>La Joya | City of<br>Mission | City of<br>Palmview | City of<br>Penitas | City of<br>Sullivan City | South<br>Texas ISD | South<br>Texas<br>College | Total Direct<br>and<br>Overlapping<br>Tax Rate |
|--------------------|--------------------|---------------------|--------------------|--------------------------|--------------------|---------------------------|------------------------------------------------|
| 0.51760            | 0.55660            | 0.44380             | 0.30850            | 0.32320                  | 0.04920            | 0.14910                   | 4.81650                                        |
| 0.53230            | 0.55660            | 0.45340             | 0.32960            | 0.32200                  | 0.04920            | 0.14970                   | 4.85130                                        |
| 0.56780            | 0.52880            | 0.46650             | 0.43450            | 0.41600                  | 0.04920            | 0.15000                   | 5.07190                                        |
| 0.57000            | 0.51880            | 0.47900             | 0.45950            | 0.44780                  | 0.04920            | 0.18500                   | 5.16510                                        |
| 0.54350            | 0.49880            | 0.47510             | 0.50600            | 0.46680                  | 0.04920            | 0.18500                   | 5.17450                                        |
| 0.53940            | 0.49620            | 0.47510             | 0.50600            | 0.46060                  | 0.04920            | 0.18500                   | 5.15660                                        |
| 0.52510            | 0.48620            | 0.50010             | 0.55620            | 0.50000                  | 0.04920            | 0.18500                   | 5.23190                                        |
| 0.56680            | 0.48620            | 0.50010             | 0.55620            | 0.50000                  | 0.04920            | 0.17800                   | 5.26660                                        |
| 0.59040            | 0.52120            | 0.50010             | 0.55620            | 0.50000                  | 0.04920            | 0.17330                   | 5.32550                                        |
| 0.58980            | 0.52990            | 0.49010             | 0.55620            | 0.48380                  | 0.04920            | 0.17180                   | 5.29610                                        |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS PRIOR

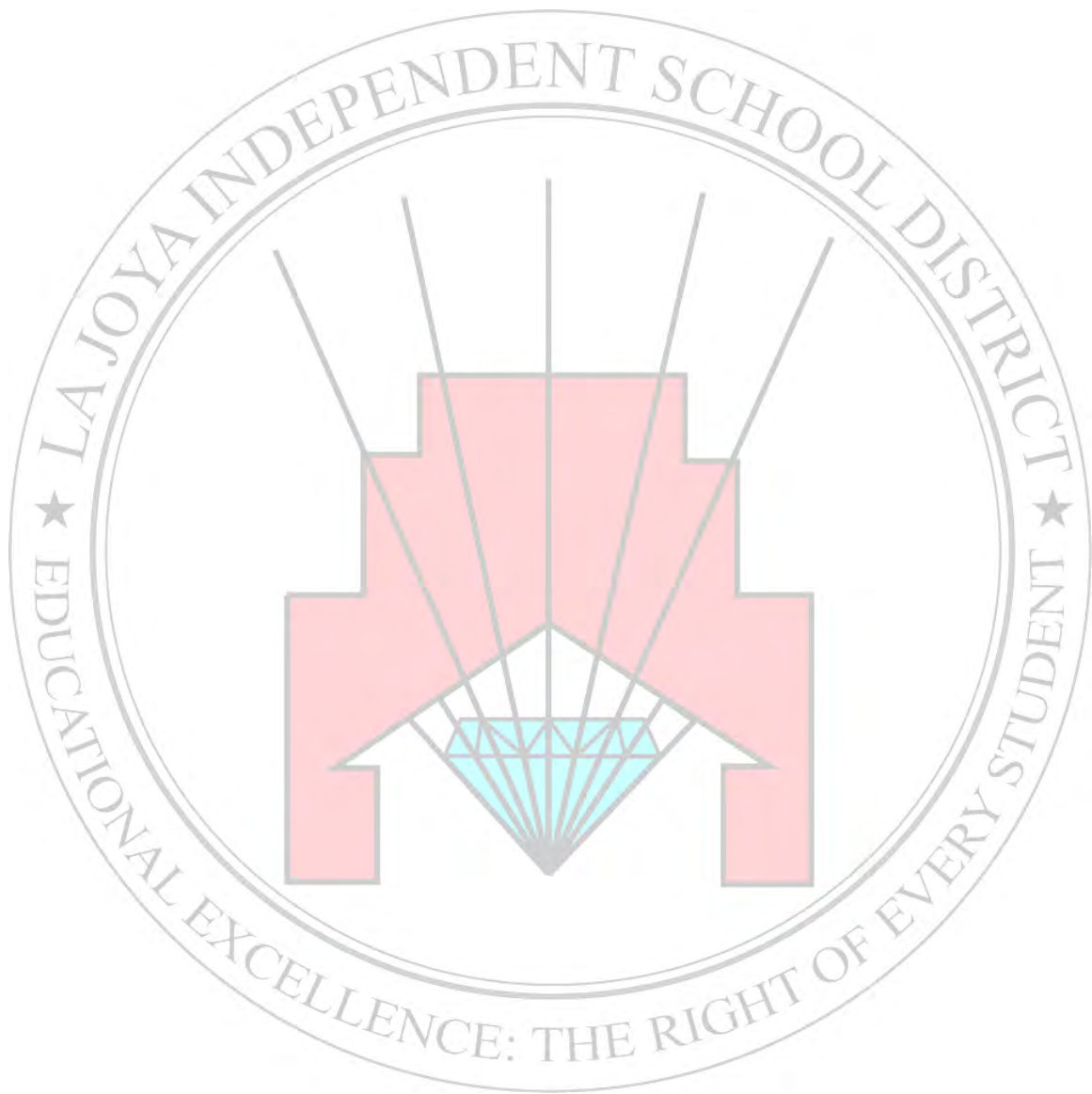
(Unaudited)

| Taxpayer                              | Type of Business | Fiscal Year 2021                          |      |                                              |
|---------------------------------------|------------------|-------------------------------------------|------|----------------------------------------------|
|                                       |                  | Tax Year<br>2020<br>Assessed<br>Valuation | Rank | Percentage of<br>Total Assessed<br>Valuation |
| AEP Texas Inc.                        | Utility          | \$ 61,076,690                             | 1    | 2.23%                                        |
| Frontera Generation Ltd. Partnership  | Utility          | 37,147,690                                | 2    | 1.36%                                        |
| Wonderful Citrus Packing LLC          | Agriculture      | 21,078,459                                | 3    | 0.77%                                        |
| Houston Pipeline Co. LP               | Pipeline         | 16,259,860                                | 4    | 0.59%                                        |
| Wonderful Citrus II Packing LLC       | Agriculture      | 14,671,692                                | 5    | 0.54%                                        |
| Wal-Mart Real Estate Business Trust   | Real Estate      | 14,252,514                                | 6    | 0.52%                                        |
| Merit Energy Company                  | Utility          | 10,886,283                                | 7    | 0.40%                                        |
| Electric Transmission of Texas        | Utility          | 10,423,300                                | 8    | 0.38%                                        |
| H E Butt Grocery Company              | Retail           | 8,204,766                                 | 9    | 0.30%                                        |
| Wal-Mart Stores Texas LLC             | Retail           | 6,190,946                                 | 10   | 0.23%                                        |
| El Paso E&P Co.                       | Energy           |                                           |      |                                              |
| XTO Energy Inc.                       | Utility          |                                           |      |                                              |
| Rio Queen Citrus                      | Agriculture      |                                           |      |                                              |
| Fidelity Exploration & Production Co. | Energy           |                                           |      |                                              |
| Kerr-McGee Oil & Gas                  | Energy           |                                           |      |                                              |
| Halliburton Energy Services (HS)      | Energy           |                                           |      |                                              |
| El Paso E&P Co.                       | Energy           |                                           |      |                                              |
| Totals                                |                  | \$ 139,115,510                            |      | 5.08%                                        |
| Total Taxable Assessed Valuation      |                  | \$ 2,739,802,126                          |      |                                              |

Source: Hidalgo County Appraisal District, and J-1 Schedule

| Fiscal Year 2012 |                                           |      |                                              |
|------------------|-------------------------------------------|------|----------------------------------------------|
|                  | Tax Year<br>2011<br>Assessed<br>Valuation | Rank | Percentage of<br>Total Assessed<br>Valuation |
| \$               | 27,342,670                                | 3    | 1.38%                                        |
|                  | 70,561,190                                | 1    | 3.56%                                        |
|                  | 8,468,376                                 | 10   | 0.43%                                        |
|                  | 61,729,340                                | 2    | 3.11%                                        |
|                  | 17,871,580                                | 4    | 0.90%                                        |
|                  | 16,437,213                                | 5    | 0.83%                                        |
|                  | 15,795,440                                | 6    | 0.80%                                        |
|                  | 12,208,428                                | 7    | 0.62%                                        |
|                  | 10,602,620                                | 8    | 0.53%                                        |
|                  | 9,009,890                                 | 9    | 0.45%                                        |
| \$               | 222,684,077                               |      | 11.23%                                       |

\$ 1,983,831,788



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## **DEBT CAPACITY**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
OUTSTANDING DEBT BY TYPE

LAST TEN YEARS

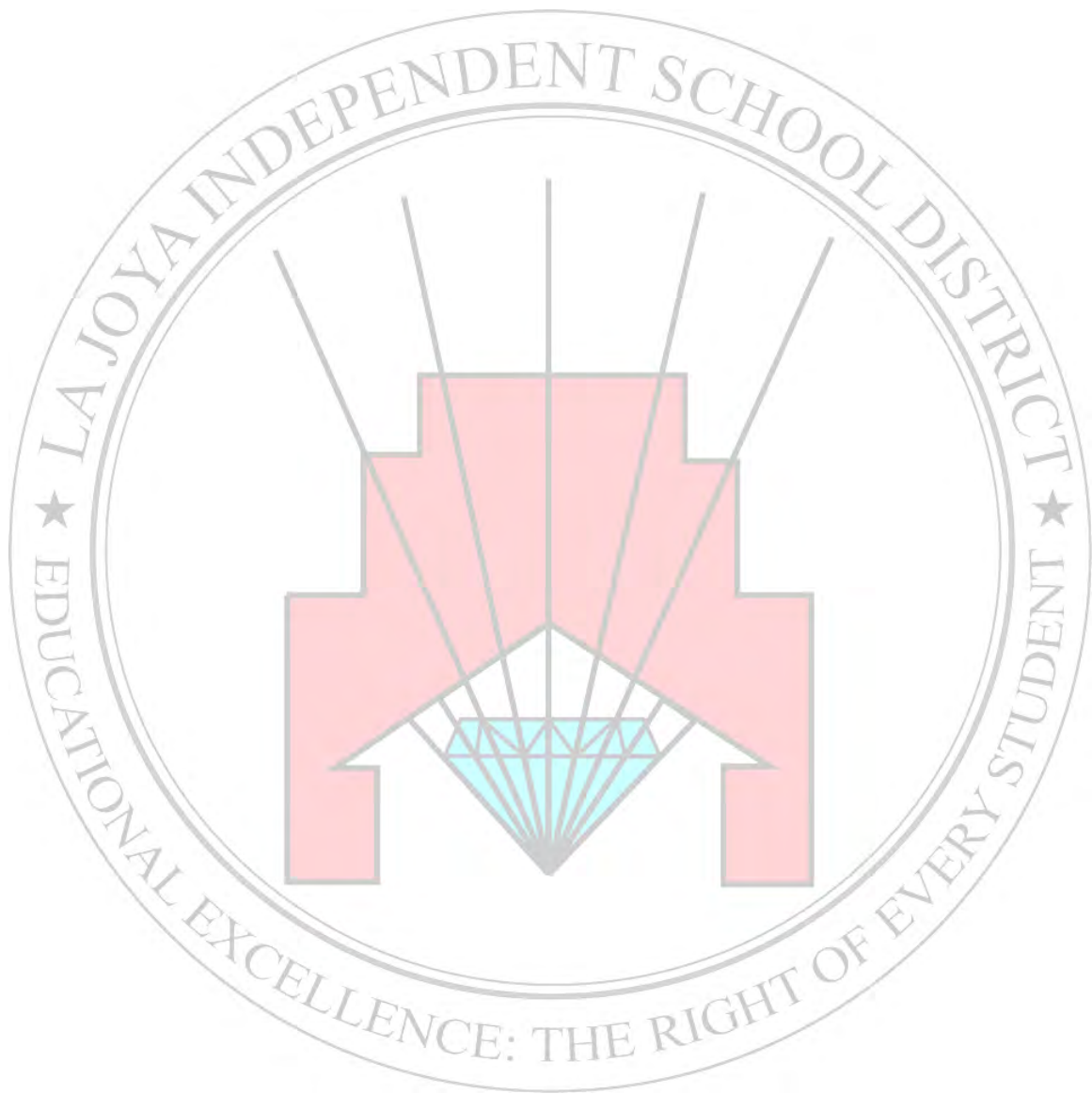
(Unaudited)

| Fiscal<br>Year | General<br>Obligation<br>& Refunding<br>Bonds | Bond<br>Premiums | Maintenance<br>Tax<br>Notes | Capital<br>Leases | Capital<br>Appreciation<br>Bonds |
|----------------|-----------------------------------------------|------------------|-----------------------------|-------------------|----------------------------------|
| 2012           | 294,898,088                                   | 16,008,000       | -                           | 18,032            | 9,355,784                        |
| 2013           | 281,941,119                                   | 34,505,109       | -                           | 13,601            | 8,241,722                        |
| 2014           | 271,223,156                                   | 34,399,173       | -                           | 899,436           | 7,197,187                        |
| 2015           | 257,656,704                                   | 37,839,751       | -                           | 1,372,597         | 6,194,760                        |
| 2016           | 246,101,728                                   | 34,042,471       | -                           | 5,962,396         | 5,305,346                        |
| 2017           | 233,898,332                                   | 32,030,009       | -                           | 17,433,925        | 4,672,374                        |
| 2018           | 223,190,945                                   | 29,674,349       | -                           | 18,580,337        | 2,099,551                        |
| 2019           | 210,465,945                                   | 27,347,188       | -                           | 16,694,980        | 2,713,328                        |
| 2020           | 199,107,680                                   | 29,901,698       | 35,670,000                  | 14,394,518        | 1,377,142                        |
| 2021           | 181,352,680                                   | 29,513,436       | 34,305,000                  | 12,180,268        | 1,588,507                        |

Source: Note 10 Bonds and Long-Term Obligations  
Note 11 Changes in Long-term Obligations  
Personal Income from Schedule 22

## SCHEDULE 15

| Total<br>Debt | Ratio of Total<br>Debt to Estimated<br>Actual Property Value | Percent of<br>Debt to<br>Total Personal<br>Income | Total Debt<br>Per Average<br>Daily Membership | Average<br>Daily<br>Membership |
|---------------|--------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------|--------------------------------|
| 320,279,904   | 10.25%                                                       | 1.80%                                             | 11,141                                        | 28,748                         |
| 324,701,551   | 10.77%                                                       | 1.77%                                             | 11,204                                        | 28,980                         |
| 313,718,952   | 10.23%                                                       | 1.67%                                             | 10,675                                        | 29,388                         |
| 303,063,812   | 9.91%                                                        | 1.54%                                             | 10,208                                        | 29,690                         |
| 291,411,941   | 8.68%                                                        | 1.41%                                             | 9,971                                         | 29,227                         |
| 288,034,640   | 8.42%                                                        | 1.38%                                             | 9,916                                         | 29,048                         |
| 273,545,182   | 11.83%                                                       | 1.24%                                             | 9,658                                         | 28,323                         |
| 257,221,441   | 10.05%                                                       | 1.12%                                             | 9,275                                         | 27,734                         |
| 280,451,038   | 10.65%                                                       | 1.18%                                             | 10,282                                        | 27,276                         |
| 258,939,891   | 9.35%                                                        | 1.09%                                             | 9,713                                         | 26,660                         |



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LA JOYA INDEPENDENT SCHOOL DISTRICT  
DIRECT AND OVERLAPPING DEBT  
GENERAL OBLIGATION BONDS

As of June 30, 2021

(Unaudited)

| Political Subdivision                  | Gross Debt<br>Amount | As of     | Estimated<br>Percentage<br>Applicable | Estimated Share of<br>Overlapping Debt |
|----------------------------------------|----------------------|-----------|---------------------------------------|----------------------------------------|
| City of Alton                          | \$ 11,586,000        | 6/30/2021 | 4.12%                                 | \$ 477,343                             |
| Hidalgo County                         | 354,620,000          | 6/30/2021 | 7.78%                                 | 27,589,436                             |
| Hidalgo County Drainage District No. 1 | 195,219,000          | 6/30/2021 | 6.12%                                 | 11,947,403                             |
| City of Mission                        | 54,015,000           | 6/30/2021 | 10.73%                                | 5,795,810                              |
| City of Palmview                       | 7,523,000            | 6/30/2021 | 100.00%                               | 7,523,000                              |
| City of Penitas                        | 5,089,000            | 6/30/2021 | 100.00%                               | 5,089,000                              |
| South Texas College                    | 120,914,693          | 6/30/2021 | 7.29%                                 | 8,814,681                              |
| Total                                  |                      |           |                                       | <u>\$ 67,236,673</u>                   |
| La Joya ISD*                           |                      | 6/30/2021 | 100.00%                               | \$ 215,657,680                         |
| La Joya ISD Other Debt                 |                      |           |                                       | <u>\$ 43,282,211</u>                   |
| Total La Joya ISD Net Debt             |                      |           |                                       | <u>\$ 258,939,891</u>                  |
| Total Direct and Overlapping Debt      |                      |           |                                       | <u><u>\$ 326,176,564</u></u>           |

Source: Texas Municipal Reports and Long-Term Liabilities Note

\* Gross Debt. Please note that some debt may be supported by other revenues and thus be considered self supporting debt. Using gross debt may overstate the actual amount of debt supported by ad valorem taxes.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and business of the district. This process recognizes that, when considering the district's ability to issue and repay long term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping governmental.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
COMPUTATION OF LEGAL DEBT MARGIN

LAST TEN YEARS

(Unaudited)

| Fiscal Year Ending August 31,                                        | 2012            | 2013            | 2014            | 2015            |
|----------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Assessed Valuation                                                   | \$2,211,840,461 | \$2,087,086,534 | \$2,138,455,660 | \$2,133,476,497 |
| Debt Limit - 10% of Assessed Valuation                               | 221,184,046     | 208,708,653     | 213,845,566     | 213,347,650     |
| General Obligation Bonds                                             | 320,279,904     | 324,701,551     | 313,718,952     | 303,063,812     |
| Less: Instructional Facilities Allotment<br>& Existng Debt Allotment | 266,750,037     | 237,332,085     | 244,700,783     | 236,389,773     |
|                                                                      | 53,529,867      | 87,369,466      | 69,018,169      | 66,674,039      |
| Deduct Amount Available in<br>Debt Service Fund                      | -               | -               | -               | -               |
| Applicable Debt Margin                                               | 53,529,867      | 66,109,563      | 69,018,169      | 66,674,039      |
| Legal Debt Margin                                                    | \$ 167,654,179  | \$ 142,599,091  | \$ 144,827,397  | \$ 146,673,611  |
| Debt Margin as a Percentage<br>of the Debt Limit                     | 75.80%          | 68.32%          | 67.73%          | 68.75%          |

Source: La Joya Independent School District Annual Audit and Continuing Disclosure Reports  
Schedule J-1

## SCHEDULE 17

| 2016            | 2017            | 2018            | 2019            | 2020            | 2021            |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| \$2,188,672,812 | \$2,253,390,102 | \$2,311,816,193 | \$2,558,622,080 | \$2,632,958,569 | \$2,769,929,321 |
| 218,867,281     | 225,339,010     | 231,181,619     | 255,862,208     | 263,295,857     | 276,992,932     |
| 291,411,941     | 288,034,640     | 273,545,182     | 257,221,441     | 280,451,038     | 258,939,891     |
| 227,301,314     | 224,667,019     | 213,365,242     | 200,632,724     | 218,751,810     | 201,973,115     |
| 64,110,627      | 63,367,621      | 60,179,940      | 56,588,717      | 61,699,228      | 56,966,776      |
| -               | -               | -               | -               | -               | -               |
| 64,110,627      | 63,367,621      | 60,179,940      | 56,588,717      | 61,699,228      | 56,966,776      |
| \$ 154,756,654  | \$ 161,971,389  | \$ 171,001,679  | \$ 199,273,491  | \$ 201,596,629  | \$ 220,026,156  |
| 70.71%          | 71.88%          | 73.97%          | 77.88%          | 76.57%          | 79.43%          |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
RATIO OF NET GENERAL OBLIGATION BONDED DEBT  
TO ESTIMATED ACTUAL VALUE AND  
PER AVERAGE DAILY MEMBERSHIP

LAST TEN YEARS

(Unaudited)

| Fiscal Year | Average Daily Membership | Estimated Actual Value | Net Bonded Debt | Ratio of Net Bonded Debt to Estimated Actual Value | Net Bonded Debt Per Average Daily Membership |
|-------------|--------------------------|------------------------|-----------------|----------------------------------------------------|----------------------------------------------|
| 2011        | 27,885                   | 3,146,359,153          | 320,343,293     | 10.18%                                             | 11,488                                       |
| 2012        | 28,748                   | 3,125,041,953          | 320,261,872     | 10.25%                                             | 11,140                                       |
| 2013        | 28,980                   | 3,015,015,230          | 324,687,950     | 10.77%                                             | 11,204                                       |
| 2014        | 29,388                   | 3,065,789,606          | 312,819,516     | 10.20%                                             | 10,644                                       |
| 2015        | 29,690                   | 3,059,546,832          | 301,691,215     | 9.86%                                              | 10,161                                       |
| 2016        | 29,227                   | 3,356,355,904          | 285,449,545     | 8.50%                                              | 9,767                                        |
| 2017        | 29,048                   | 3,421,895,735          | 270,600,715     | 7.91%                                              | 9,316                                        |
| 2018        | 28,323                   | 3,471,448,324          | 254,964,845     | 7.34%                                              | 9,002                                        |
| 2019        | 27,734                   | 3,833,166,762          | 240,526,461     | 6.27%                                              | 8,673                                        |
| 2020        | 27,276                   | 3,914,881,489          | 266,056,520     | 6.80%                                              | 9,754                                        |
| 2021        | 26,660                   | 4,067,094,913          | 246,759,623     | 6.07%                                              | 9,256                                        |

Source: Hidalgo County Appraisal District Certified Appraisal Roll ARB Approved Totals Report

Note: Average Daily Membership represents the average daily enrollment of students, district-wide, over the official number of instructional days.

Note: Estimated actual property value and average daily membership are used because they are more relevant to the school district than personal income and population.

Note: Net Bonded Debt excludes capital leases.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT  
TO GENERAL FUND EXPENDITURES

LAST TEN YEARS

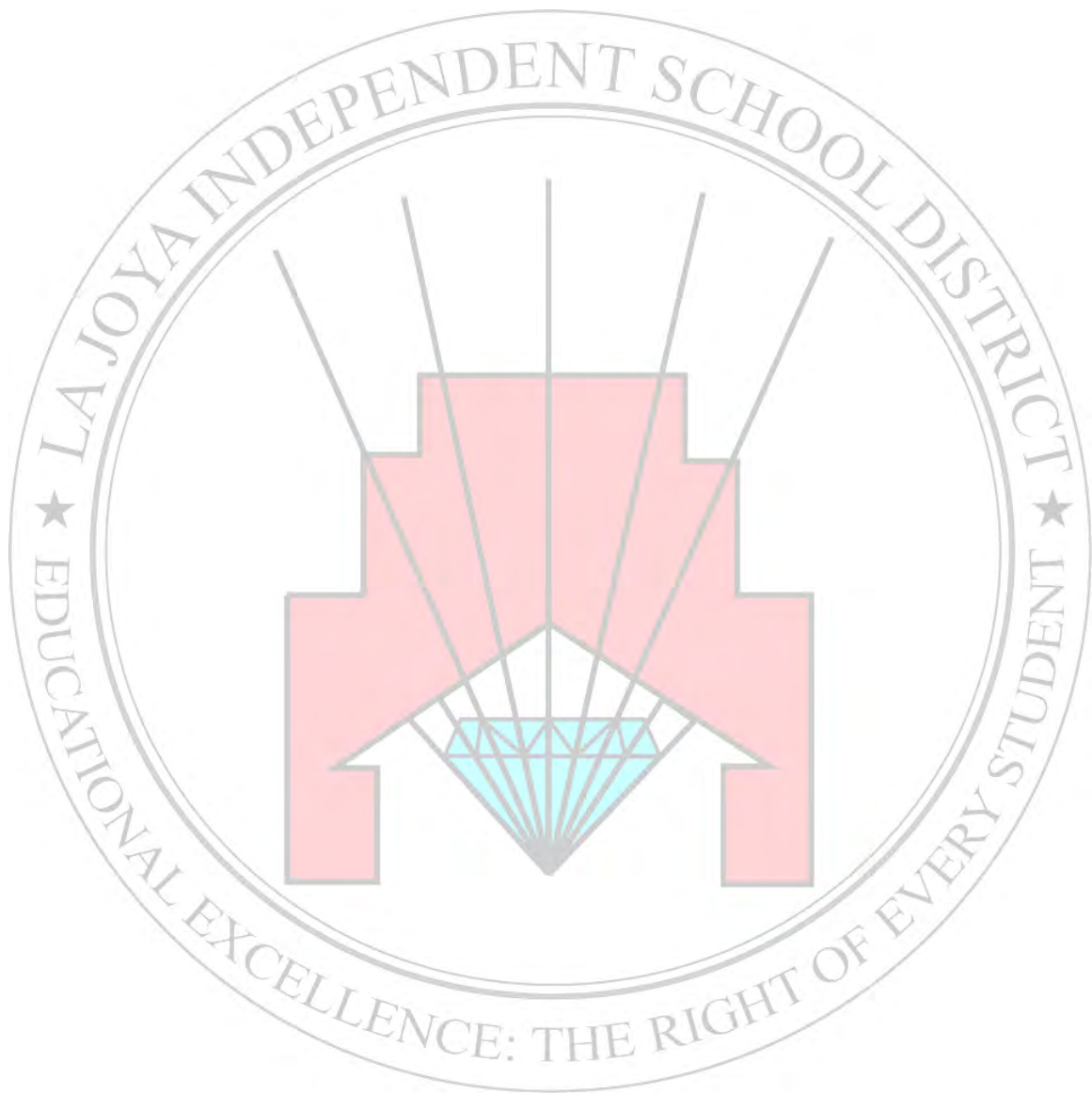
(Unaudited)

| Fiscal<br>Year | Principal    | Interest      | Total<br>Debt<br>Service | General<br>Fund<br>Expenditures* | Ratio of<br>Debt Service<br>To General Fund<br>Expenditures |
|----------------|--------------|---------------|--------------------------|----------------------------------|-------------------------------------------------------------|
| 2012           | \$ 9,862,137 | \$ 15,020,431 | \$ 24,882,568            | \$ 236,443,860                   | 10.52%                                                      |
| 2013           | 9,279,649    | 12,717,476    | 21,997,125               | 244,531,007                      | 9.00%                                                       |
| 2014           | 11,156,429   | 13,419,846    | 24,576,275               | 262,033,943                      | 9.38%                                                       |
| 2015           | 12,050,330   | 12,816,916    | 24,867,246               | 282,092,571                      | 8.82%                                                       |
| 2016           | 12,461,521   | 12,311,225    | 24,772,746               | 292,827,745                      | 8.46%                                                       |
| 2017           | 13,450,659   | 12,031,763    | 25,482,422               | 312,837,964                      | 8.15%                                                       |
| 2018           | 11,868,546   | 13,324,418    | 25,192,964               | 305,494,406                      | 8.25%                                                       |
| 2019           | 14,773,194   | 9,819,217     | 24,592,411               | 295,374,796                      | 8.33%                                                       |
| 2020           | 13,658,842   | 12,148,699    | 25,807,541               | 310,003,330                      | 8.32%                                                       |
| 2021           | 18,389,291   | 4,509,330     | 22,898,621               | 286,267,383                      | 8.00%                                                       |

Source: Statement of Revenues, Expenditures, and Changes in Fund Balance, Exhibit C-3

\*Total General Fund Expenditures (C-3) less functions 71 and 72.

Beginning 2021, the District changed fiscal year end dates to June 30th.



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## **DEMOGRAPHIC AND ECONOMIC INFORMATION**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

(Unaudited)

| Employer                      | 2021         |      |                                           | 2012         |      |                                           |
|-------------------------------|--------------|------|-------------------------------------------|--------------|------|-------------------------------------------|
|                               | Employees*   | Rank | Percentage of<br>Total City<br>Employment | Employees*   | Rank | Percentage of<br>Total City<br>Employment |
| La Joya ISD                   | 4,231        | 1    | 14.44%                                    | 4,269        | 1    | 47.80%                                    |
| Wonderful Citrus              | 550          | 2    | 1.88%                                     | 1,975        | 2    | 6.65%                                     |
| Hidalgo County - Subdivisions | 293          | 3    | 1.00%                                     | 285          | 3    | 0.96%                                     |
| HEB Food Stores               | 239          | 4    | 0.82%                                     | 250          | 4    | 0.84%                                     |
| Wal-mart                      | 234          | 5    | 0.80%                                     | 223          | 5    | 0.75%                                     |
| Whataburger                   | 150          | 6    | 0.51%                                     | 78           | 9    | 0.26%                                     |
| Lone Star Citrus Growers      | 125          | 7    | 0.43%                                     | 140          | 6    | 0.47%                                     |
| City of Palmview              | 95           | 8    | 0.32%                                     |              |      |                                           |
| AGUA Special Utility District | 73           | 9    | 0.25%                                     |              |      |                                           |
| City of La Joya               | 51           | 10   | 0.17%                                     | 52           | 10   | 0.18%                                     |
| Halliburton Energy Services   |              |      |                                           | 112          | 8    | 0.38%                                     |
| Texas Migrant Council         |              |      |                                           | 120          | 7    | 0.40%                                     |
| Total                         | <u>6,041</u> |      | <u>20.61%</u>                             | <u>7,504</u> |      | <u>58.69%</u>                             |

This number was derived from Local Area Unemployment Statistics (LAUS) Report on total employment for the City of Mission which encompasses Sullivan City, La Joya, Penitas, & Palmview.

\* Direct communication with employers

LA JOYA INDEPENDENT SCHOOL DISTRICT  
CONSTRUCTION AND PERSONAL PROPERTY VALUES

LAST TEN YEARS

(Unaudited)

| Tax Year | Single-Family<br>Construction<br>Permits | Average<br>Construction<br>Value | Total Personal<br>Property Value |
|----------|------------------------------------------|----------------------------------|----------------------------------|
| 2011     | 22                                       | 184,750                          | 566,934,895                      |
| 2012     | 44                                       | 111,275                          | 441,358,296                      |
| 2013     | 48                                       | 92,091                           | 392,967,371                      |
| 2014     | 52                                       | 140,036                          | 377,622,851                      |
| 2015     | 32                                       | 93,485                           | 324,099,308                      |
| 2016     | 46                                       | 95,314                           | 321,760,424                      |
| 2017     | 61                                       | 71,667                           | 334,127,081                      |
| 2018     | 37                                       | 107,019                          | 333,493,048                      |
| 2019     | 53                                       | 115,517                          | 344,365,253                      |
| 2020     | 138                                      | 138,200                          | 314,281,802                      |

Source: [www.homefacts.com](http://www.homefacts.com)  
[www.city-data.com](http://www.city-data.com)  
 United States Census Bureau

Note: Since La Joya ISD encompasses all or part of five rural municipalities, not all data for each municipalities were available.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
DEMOGRAPHIC INFORMATION

LAST TEN YEARS

(Unaudited)

| Calendar<br>Year | Population | Personal Income | Per Capita Income | Unemployment<br>Rate |
|------------------|------------|-----------------|-------------------|----------------------|
| 2011             | 795,272    | 17,809,982,000  | 22,395            | 11.7%                |
| 2012             | 807,776    | 18,361,222,000  | 22,731            | 10.8%                |
| 2013             | 819,173    | 18,829,213,000  | 22,986            | 9.8%                 |
| 2014             | 831,561    | 19,673,359,000  | 23,658            | 7.7%                 |
| 2015             | 842,304    | 20,702,876,000  | 24,579            | 8.0%                 |
| 2016             | 849,843    | 21,080,611,000  | 24,805            | 7.9%                 |
| 2017             | 860,661    | 22,047,400,000  | 25,617            | 6.8%                 |
| 2018             | 865,939    | 22,869,174,000  | 26,410            | 6.4%                 |
| 2019             | 868,707    | 23,815,443,000  | 27,415            | 6.6%                 |
| 2020             | 873,940    | 23,863,073,886  | 27,305            | 8.9%                 |

Source: Statistics for Personal Income was derived from the Bureau of Economic Analysis  
personal income derived as of August 2020 at a .2% increase  
Census Bureau midyear population estimates. Estimates for 2011-2020 reflect county  
population estimates available as of April 2020

Note: Since La Joya ISD boundaries cover a rural area, data is unavailable, therefore, McAllen-Edinburg-Mission, TX  
Metropolitan Area statistics were used as reported from the Bureau of Labor Statistics Unemployment Rate

## **OPERATING INFORMATION**

LA JOYA INDEPENDENT SCHOOL DISTRICT  
WORK FORCE COMPOSITION BY EMPLOYEE CLASSIFICATION

LAST TEN YEARS

(Unaudited)

| Classification         | 2012    | 2013    | 2014    | 2015    | 2016    |
|------------------------|---------|---------|---------|---------|---------|
| Number of Employees    |         |         |         |         |         |
| Teachers               | 1,967   | 1,957   | 1,953   | 1,986   | 1,994   |
| Professional Support   | 326     | 345     | 346     | 356     | 378     |
| Campus Administration  | 120     | 120     | 122     | 127     | 131     |
| Central Administration | 47      | 42      | 51      | 43      | 42      |
| Educational Aides      | 279     | 288     | 291     | 302     | 309     |
| Auxillary Staff        | 1,321   | 1,310   | 1,371   | 1,404   | 1,474   |
| Total Employees        | 4,059   | 4,063   | 4,133   | 4,218   | 4,328   |
| Percent of Total       |         |         |         |         |         |
| Teachers               | 48.46%  | 48.18%  | 47.25%  | 47.08%  | 46.07%  |
| Professional Support   | 8.04%   | 8.49%   | 8.37%   | 8.44%   | 8.73%   |
| Campus Administration  | 2.94%   | 2.96%   | 2.94%   | 3.01%   | 3.03%   |
| Central Administration | 1.15%   | 1.03%   | 1.23%   | 1.02%   | 0.97%   |
| Educational Aides      | 6.86%   | 7.10%   | 7.03%   | 7.16%   | 7.14%   |
| Auxillary Staff        | 32.55%  | 32.23%  | 33.16%  | 33.29%  | 34.06%  |
|                        | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

Source: Academic Excellence Indicator System (AEIS) 2011-2012  
Texas Academic Performance Report (TAPR) 2013-2020  
Texas Education Agency, PEIMS Standard Reports-Staff FTE Counts and Salary Reports 2021  
Beginning 2021, the District changed fiscal year end dates from August 31st to June 30th.

SCHEDULE 23

| 2017    | 2018    | 2019    | 2020    | 2021    |
|---------|---------|---------|---------|---------|
| 1,984   | 1,895   | 1,879   | 1,921   | 1,886   |
| 406     | 402     | 421     | 417     | 417     |
| 141     | 131     | 123     | 117     | 114     |
| 41      | 51      | 50      | 50      | 48      |
| 324     | 333     | 339     | 336     | 316     |
| 1,456   | 1,494   | 1,402   | 1,390   | 1,393   |
| 4,352   | 4,306   | 4,214   | 4,232   | 4,174   |
| 45.59%  | 44.01%  | 44.59%  | 45.39%  | 45.18%  |
| 9.33%   | 9.34%   | 9.99%   | 9.86%   | 9.99%   |
| 3.24%   | 3.04%   | 2.92%   | 2.77%   | 2.73%   |
| 0.94%   | 1.18%   | 1.19%   | 1.18%   | 1.15%   |
| 7.44%   | 7.73%   | 8.04%   | 7.95%   | 7.57%   |
| 33.46%  | 34.70%  | 33.27%  | 32.85%  | 33.37%  |
| 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF TEACHER INFORMATION

LAST TEN YEARS

(Unaudited)

| Fiscal<br>Year | Bachelor's Degree |         | Master's Degree |         | Doctorate |         |
|----------------|-------------------|---------|-----------------|---------|-----------|---------|
|                | Minimum           | Maximum | Minimum         | Maximum | Minimum   | Maximum |
| 2012           | 40,200            | 58,163  | 41,200          | 59,163  | 41,700    | 59,663  |
| 2013           | 41,700            | 56,957  | 42,700          | 57,957  | 43,200    | 58,457  |
| 2014           | 43,400            | 57,754  | 44,400          | 58,754  | 44,900    | 59,254  |
| 2015           | 45,000            | 58,035  | 46,000          | 59,035  | 46,500    | 59,535  |
| 2016           | 46,150            | 58,333  | 47,150          | 59,333  | 47,650    | 59,833  |
| 2017           | 48,000            | 59,180  | 49,000          | 60,180  | 49,500    | 60,680  |
| 2018           | 48,650            | 59,382  | 49,650          | 60,382  | 51,650    | 62,382  |
| 2019           | 49,500            | 59,832  | 50,500          | 60,832  | 52,500    | 62,832  |
| 2020           | 50,000            | 61,757  | 51,000          | 62,757  | 53,000    | 64,757  |
| 2021           | 51,000            | 61,767  | 52,000          | 62,767  | 54,000    | 64,767  |

Source: Academic Excellence Indicator System (AEIS) 2011-2012  
Texas Academic Performance Report (TAPR) 2013-2020  
PEIMS Fall Submission Data 2021

Note: Minimum & Maximum salaries are based on the La Joya ISD Hiring Salary Schedule for each applicable year.  
\$1,000 stipend for teachers with a master's degree in content area from an accredited university  
\$3,000 stipend for teachers with a doctoral degree in content area from an accredited university

## SCHEDULE 24

| Average<br>Teacher Salary | Average<br>Years of<br>Experience | Bachelor's<br>Education | Master's<br>Education |
|---------------------------|-----------------------------------|-------------------------|-----------------------|
| 48,263                    | 10.1                              | 85.3%                   | 13.5%                 |
| 48,970                    | 10.4                              | 84.7%                   | 14.1%                 |
| 50,416                    | 10.4                              | 84.8%                   | 14.0%                 |
| 52,291                    | 10.6                              | 83.5%                   | 14.9%                 |
| 52,929                    | 10.8                              | 82.5%                   | 15.1%                 |
| 54,514                    | 11.1                              | 82.5%                   | 15.8%                 |
| 55,303                    | 11.5                              | 81.1%                   | 17.2%                 |
| 55,820                    | 11.6                              | 78.7%                   | 19.9%                 |
| 59,148                    | 12                                | 77.3%                   | 21.4%                 |
| 59,825                    | 12.5                              | 75.8%                   | 22.7%                 |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF ATTENDANCE AND MEMBERSHIP

LAST TEN YEARS

(Unaudited)

| Fiscal<br>Year | Average<br>Daily<br>Attendance | Average<br>Daily<br>Membership | Percent of<br>Attendance of<br>Avg.Daily Membership | Peak<br>Enrollment |
|----------------|--------------------------------|--------------------------------|-----------------------------------------------------|--------------------|
| 2012           | 26,132                         | 28,748                         | 90.90%                                              | 29,185             |
| 2013           | 26,253                         | 28,980                         | 90.59%                                              | 29,334             |
| 2014           | 26,707                         | 29,388                         | 90.88%                                              | 29,682             |
| 2015           | 26,774                         | 29,690                         | 90.18%                                              | 29,690             |
| 2016           | 26,816                         | 29,227                         | 91.75%                                              | 29,659             |
| 2017           | 26,610                         | 29,048                         | 91.61%                                              | 29,401             |
| 2018           | 26,149                         | 28,323                         | 92.32%                                              | 28,642             |
| 2019           | 25,522                         | 27,734                         | 92.02%                                              | 28,112             |
| 2020           | 24,663                         | 27,276                         | 90.42%                                              | 27,524             |
| 2021           | 24,393                         | 26,660                         | 91.50%                                              | 26,786             |

Source: La Joya ISD Enrollment Reports - TEA Near-Final Summary of Finances

Average Daily Membership represents the average daily attendance of eligible enrollees, district-wide, over the official number of instructional days.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
OPERATING STATISTICS

LAST TEN YEARS

(Unaudited)

| Fiscal Year | Average Daily Attendance | *General Fund Operating Expenditures | Cost per Pupil | Cost/Pupil Percent Change | *Governmental Operating Expenditures | Cost per Pupil | Cost/Pupil Percent Change |
|-------------|--------------------------|--------------------------------------|----------------|---------------------------|--------------------------------------|----------------|---------------------------|
| 2012        | 26,132                   | 226,537,211                          | 8,669          | 1.50%                     | 288,824,350                          | 11,053         | -3.22%                    |
| 2013        | 26,253                   | 237,307,084                          | 9,039          | 4.27%                     | 299,265,510                          | 11,399         | 3.14%                     |
| 2014        | 26,707                   | 253,869,812                          | 9,506          | 5.16%                     | 289,413,122                          | 10,837         | -4.94%                    |
| 2015        | 26,774                   | 276,215,997                          | 10,317         | 8.53%                     | 307,459,579                          | 11,484         | 5.97%                     |
| 2016        | 26,816                   | 287,932,788                          | 10,737         | 4.08%                     | 317,205,075                          | 11,829         | 3.01%                     |
| 2017        | 26,610                   | 294,713,438                          | 11,075         | 3.15%                     | 327,889,253                          | 12,322         | 4.17%                     |
| 2018        | 26,149                   | 292,366,982                          | 11,181         | 0.95%                     | 327,214,890                          | 12,513         | 1.55%                     |
| 2019        | 25,522                   | 289,301,701                          | 11,335         | 1.38%                     | 334,090,540                          | 13,090         | 4.61%                     |
| 2020        | 24,663                   | 300,193,492                          | 12,172         | 7.38%                     | 352,050,508                          | 14,274         | 9.05%                     |
| 2021        | 24,393                   | 281,190,482                          | 11,528         | -5.29%                    | 319,159,806                          | 13,084         | -8.34%                    |

Source: Statement of Revenues, Expenditures, and Changes in Fund Balance (Exhibit C-3)

\*Note: General Fund & Governmental Operating Expenditures less Debt Service (function 7X) and Capital projects (function 81)

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF STUDENT INFORMATION

LAST TEN YEARS

(Unaudited)

| Fiscal Year | Teacher / Student Ratio | Percentage of Free and Reduced Lunch | No. of Economically Disadvantaged Students | Percentage of Economically Disadvantaged Students |
|-------------|-------------------------|--------------------------------------|--------------------------------------------|---------------------------------------------------|
| 2012        | 14.7                    | 88%                                  | 27,589                                     | 95.5%                                             |
| 2013        | 14.9                    | 88%                                  | 27,769                                     | 95.2%                                             |
| 2014        | 15.2                    | 88%                                  | 28,121                                     | 94.9%                                             |
| 2015        | 14.9                    | 87%                                  | 27,988                                     | 94.6%                                             |
| 2016        | 14.8                    | 87%                                  | 27,808                                     | 94.2%                                             |
| 2017        | 14.8                    | 88%                                  | 27,631                                     | 93.8%                                             |
| 2018        | 15.2                    | 88%                                  | 26,879                                     | 93.4%                                             |
| 2019        | 14.9                    | 88%                                  | 25,980                                     | 92.8%                                             |
| 2020        | 14.2                    | * 99.6%                              | 24,929                                     | 91.4%                                             |
| 2021        | 14.1                    | 99.6%                                | 24,832                                     | 93.2%                                             |

Source: Academic Excellence Indicator System (AEIS) 2011-2012  
Texas Academic Performance Report (TAPR) 2013-2020  
PEIMS Fall Submission Data 2021

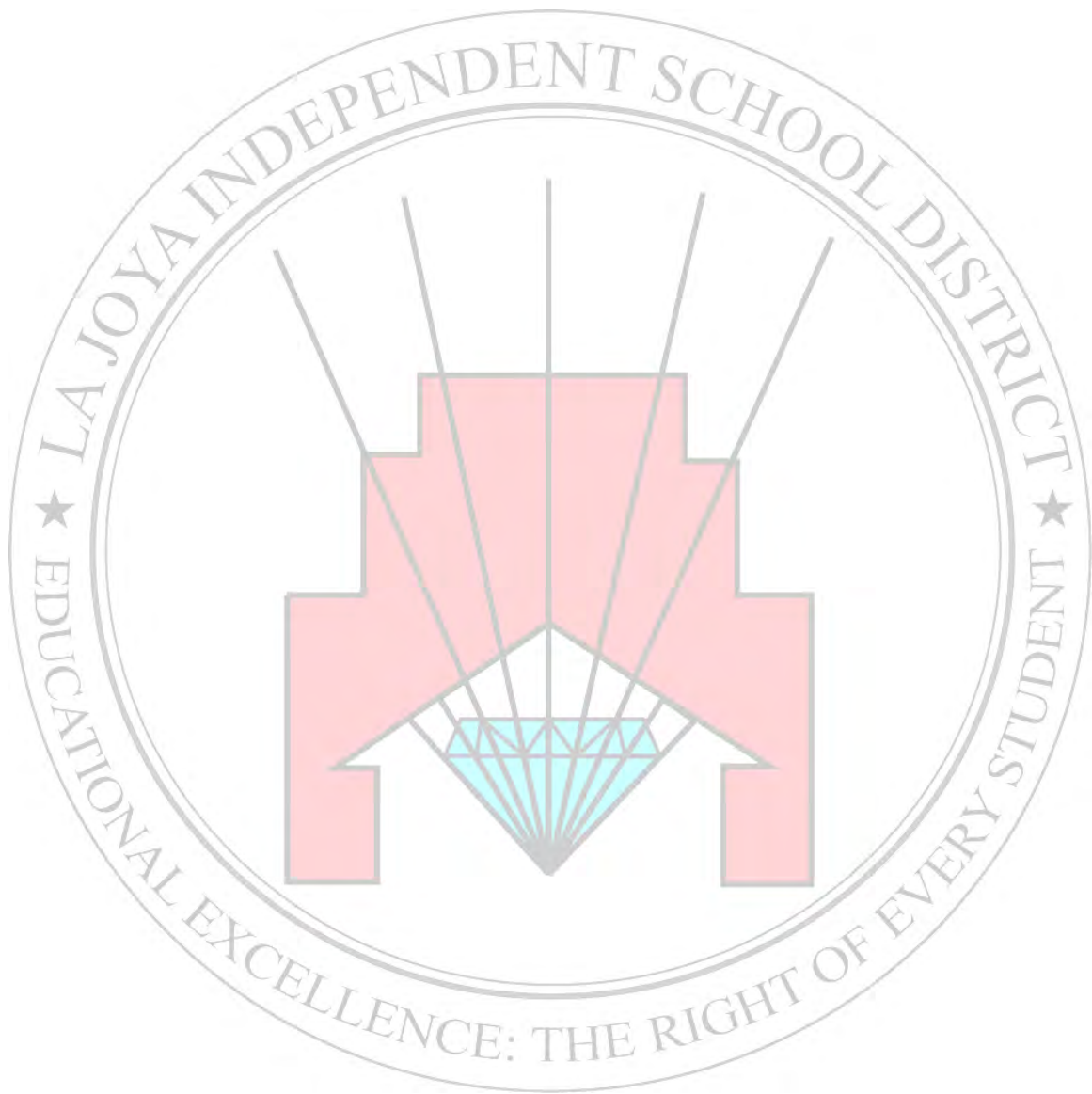
Percentage of Free and Reduced lunch provided by Child Nutrition Services

\* In fiscal year 2020, the Child Nutrition Services migrated to the Community Eligibility Provision (CEP), also known as Provision 4.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF SCHOOL BUILDINGS

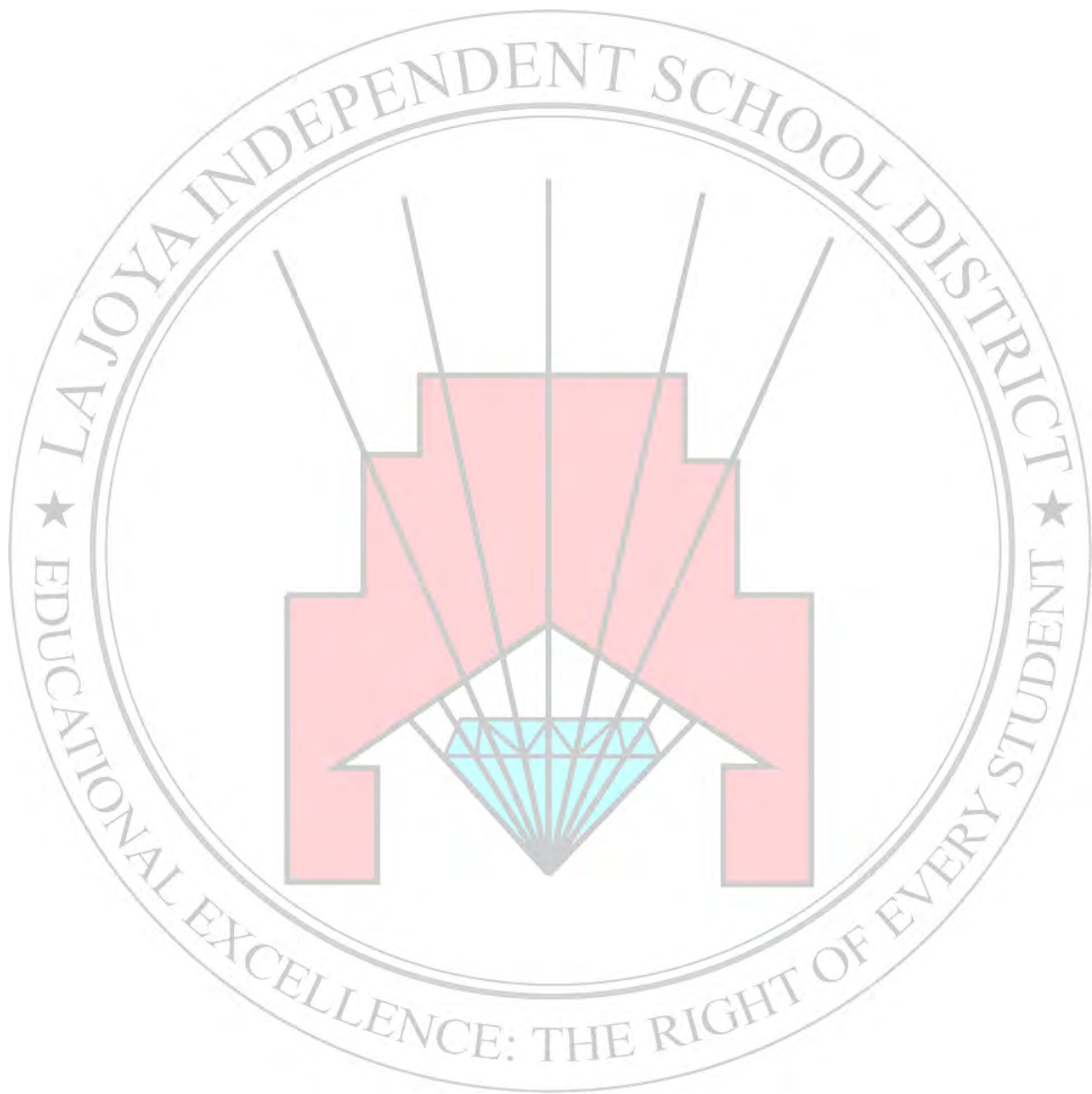
| (Unaudited)               |               |                 |                             |                         |
|---------------------------|---------------|-----------------|-----------------------------|-------------------------|
|                           | Year<br>Built | Age in<br>Years | Estimated Square<br>Footage | Recommended<br>Capacity |
| <b>HIGH SCHOOLS</b>       |               |                 |                             |                         |
| JUAREZ/LINCOLN            | 2010          | 11              | 330,204                     | 2,500                   |
| LA JOYA                   | 1991          | 30              | 313,319                     | 2,200                   |
| PALMVIEW HIGH SCHOOL      | 2009          | 12              | 411,000                     | 2,800                   |
| TOTAL                     |               |                 | 1,054,523                   | 7,500                   |
| <b>MIDDLE SCHOOLS</b>     |               |                 |                             |                         |
| CHAVEZ                    | 1995          | 26              | 137,724                     | 1,000                   |
| DE ZAVALA                 | 2001          | 20              | 130,000                     | 900                     |
| GARCIA                    | 2003          | 18              | 130,000                     | 900                     |
| MEMORIAL                  | 1997          | 24              | 132,208                     | 1,000                   |
| RICHARDS                  | 1999          | 22              | 144,872                     | 1,000                   |
| SAENZ                     | 2007          | 14              | 140,446                     | 1,000                   |
| SALINAS                   | 2010          | 11              | 136,000                     | 1,000                   |
| TREVINO                   | 2010          | 11              | 133,897                     | 1,000                   |
| TOTAL                     |               |                 | 1,085,147                   | 7,800                   |
| <b>SPECIAL CAMPUSES</b>   |               |                 |                             |                         |
| ABRAHAM LINCOLN BUILDING  | 1999          | 22              | 225,000                     | 1,500                   |
| JIMMY CARTER BUILDING     | 2003          | 18              | 210,000                     | 1,500                   |
| HOPE ACADEMY              | 1960          | 61              | 41,504                      | 500                     |
| LA JOYA EAST ACADEMY      | 2001          | 20              | 49,191                      | 500                     |
| TOTAL                     |               |                 | 525,695                     | 4,000                   |
| <b>ELEMENTARY SCHOOLS</b> |               |                 |                             |                         |
| BENAVIDES                 | 1983          | 38              | 55,015                      | 600                     |
| BENTSEN                   | 2008          | 13              | 72,906                      | 750                     |
| CAMARENA                  | 2006          | 15              | 84,000                      | 800                     |
| CAVAZOS                   | 1997          | 24              | 56,200                      | 600                     |
| CHAPA                     | 1993          | 28              | 56,200                      | 600                     |
| CLINTON                   | 2008          | 13              | 75,000                      | 750                     |
| ESCANDON                  | 1993          | 28              | 56,200                      | 600                     |
| DE LA GARZA               | 1984          | 37              | 64,568                      | 650                     |
| DIAZ - VILLARREAL         | 1997          | 24              | 56,200                      | 600                     |
| FLORES                    | 1980          | 41              | 55,015                      | 600                     |
| FORDYCE                   | 2002          | 19              | 73,686                      | 750                     |
| GARZA                     | 2009          | 12              | 82,000                      | 800                     |
| GONZALEZ                  | 1999          | 22              | 73,686                      | 750                     |
| KENNEDY                   | 2003          | 18              | 84,000                      | 800                     |
| LEO                       | 1984          | 37              | 55,015                      | 600                     |
| MENDIOLA                  | 2010          | 11              | 85,500                      | 800                     |
| PAREDES                   | 2007          | 14              | 85,998                      | 800                     |
| PENA                      | 2008          | 13              | 75,000                      | 750                     |
| PEREZ                     | 1998          | 23              | 61,200                      | 650                     |
| REYNA                     | 1990          | 31              | 58,700                      | 600                     |
| SEGUIN                    | 2004          | 17              | 84,000                      | 800                     |
| TABASCO                   | 2002          | 19              | 84,000                      | 800                     |
| ZAPATA                    | 2003          | 18              | 73,000                      | 750                     |
| TOTAL                     |               |                 | 1,607,089                   | 16,200                  |

Source: Facilities Department Report



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## **FEDERAL AWARDS SECTION**



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# Noel Garza, CPA, PC

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Certified Public Accountant

2111 Jackson Creek Ave.

Edinburg, TX 78539

956-393-8743

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 President and Members of the School Board  
La Joya Independent School District  
La Joya, Tx

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, the business-type activities, each major fund, and the aggregate remaining fund information of the La Joya Independent School District, as of and for the ten months ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the La Joya Independent School District's basic financial statements, and have issued our report thereon dated November 12, 2021.

## Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the La Joya Independent School 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 La Joya Independent School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the La Joya Independent School 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 and therefore material weaknesses or significant deficiencies may exist that have not been identified. 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.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the La Joya Independent School 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 matter that is required to be reported under *Government Auditing Standard*. However, we noted certain other matters that we reported to management of La Joya Independent School District in a separate letter dated November 12, 2021.

## **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.

*Noel Garza, CPA PC*

Noel Garza, CPA PC

Edinburg, Tx

November 12, 2021

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# Noel Garza, CPA, PC

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Certified Public Accountant

2111 Jackson Creek Ave.

Edinburg, TX 78539

956-393-8743

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the President and Members of the School Board  
La Joya Independent School District  
La Joya, Tx

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

We have audited the La Joya Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the La Joya Independent School District's major federal programs for the ten months ended June 30, 2021. La Joya Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the La Joya Independent School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the La Joya Independent School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the La Joya Independent School District's compliance.

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

In our opinion, the La Joya Independent School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the ten months ended June 30, 2021.

## Report on Internal Control over Compliance

Management of the La Joya Independent School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the La Joya Independent School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the La Joya Independent School District's internal control over compliance.

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

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

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

*Noel Garza, CPA PC*

Noel Garza, CPA PC

Edinburg, Tx

November 12, 2021

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

**I. Summary of the Auditor's Results:**

|                                                                                                            |                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. The type of report issued:                                                                              | Unmodified opinion.                                                                                                                                                                                                                              |
| B. Internal control over financial statements:                                                             |                                                                                                                                                                                                                                                  |
| Material Weakness(es) identified?                                                                          | No                                                                                                                                                                                                                                               |
| Significant Deficiency(ies) identified which were not considered material weaknesses?                      | No                                                                                                                                                                                                                                               |
| C. Noncompliance material to the financial statements noted?                                               | No                                                                                                                                                                                                                                               |
| D. Federal Awards: Type of Report on Compliance with major programs.                                       | Unmodified opinion                                                                                                                                                                                                                               |
| E. Internal control over Major Programs:                                                                   |                                                                                                                                                                                                                                                  |
| Material Weakness(es) identified?                                                                          | No                                                                                                                                                                                                                                               |
| Significant Deficiency(ies) identified which were not considered material weaknesses?                      | No                                                                                                                                                                                                                                               |
| F. Findings & Questioned Costs for Federal Awards as Required in accordance with 2 CFR section 200.516(a)? | No                                                                                                                                                                                                                                               |
| G. Dollar threshold used to distinguish between Type A and Type B programs.                                | \$1,667,269                                                                                                                                                                                                                                      |
| H. Auditee qualified as a low-risk auditee?                                                                | No                                                                                                                                                                                                                                               |
| I. Major Federal Program(s)                                                                                | National School Breakfast Program, CFDA - 10.553<br>National School Lunch Program, CFDA - 10.555<br>Child & Adult Care Food Program, CFDA - 10.558<br>Title IV Part A, Subpart I, CFDA 84.424A<br>Coronavirus Relief Fund-CARES Act, CFDA 21.019 |

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

None.

**III. Findings and Questioned Costs for Federal Awards Including Audit Findings as Described in I.E. Above**

None.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

**Finding 2020-01: Expenditures over Appropriations**

Criteria: Sec. 44.006 of the Texas Education Code stipulates that public funds of the school district may not be spent in any matter other than as provided for in the budget adopted by the Board of Trustees.

Condition: The General Fund debt service functions exceeds appropriations at year end.

Status: Corrected.

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

| (1)<br>FEDERAL GRANTOR/<br>PASS-THROUGH GRANTOR/<br>PROGRAM or CLUSTER TITLE | (2)<br>Federal<br>Assistance<br>Listing No. | (3)<br>Pass-Through<br>Entity Identifying<br>Number | (4)<br>Federal<br>Expenditures |
|------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------|--------------------------------|
| <b>DEPARTMENT OF THE TREASURY</b>                                            |                                             |                                                     |                                |
| <u>Passed Through State Department of Education</u>                          |                                             |                                                     |                                |
| Coronavirus Relief Fund - CARES Act                                          | 21.019                                      | 52202002                                            | \$ 2,226,876                   |
| Total Passed Through State Department of Education                           |                                             |                                                     | 2,226,876                      |
| <b>TOTAL DEPARTMENT OF THE TREASURY</b>                                      |                                             |                                                     | <u>2,226,876</u>               |
| <b>U.S. DEPARTMENT OF EDUCATION</b>                                          |                                             |                                                     |                                |
| <u>Passed Through Region I ESC</u>                                           |                                             |                                                     |                                |
| College Ready, Career Set! (Region 1 ESC)                                    | 84.334A                                     | 9334A180024                                         | 21,496                         |
| College Ready, Career Set! (Region 1 ESC)                                    | 84.334A                                     | 9334A180024                                         | 235,012                        |
| Total Assistance Listing Number 84.334A                                      |                                             |                                                     | <u>256,508</u>                 |
| Project RISE(Region 1 Incentive Strategies for Ed)                           | 84.374A                                     | U374A160002-16A                                     | 59,267                         |
| Project RISE(Region 1 Incentive Strategies for Ed)                           | 84.374A                                     | U374A160002-16A                                     | 1,395,103                      |
| Total Assistance Listing Number 84.374A                                      |                                             |                                                     | <u>1,454,370</u>               |
| Career and Technical - 2020-21 Perkins Reserve Gra                           | 84.048A                                     | 214200287110001                                     | 12,569                         |
| Project HEAL2 (Health Education and Leadership)                              | 84.411C                                     | U411C160117                                         | 5,869                          |
| Total Passed Through Region I ESC                                            |                                             |                                                     | <u>1,729,316</u>               |
| College in ACTION! GEAR UP (Univ of Texas RGV)                               | 84.334A                                     | 334A170097                                          | 77,003                         |
| College in ACTION! GEAR UP (Univ of Texas RGV)                               | 84.334A                                     | 334A170097                                          | 214,470                        |
| Total Assistance Listing Number 84.334A                                      |                                             |                                                     | <u>291,473</u>                 |
| Total                                                                        |                                             |                                                     | <u>291,473</u>                 |
| <u>Passed Through State Department of Education</u>                          |                                             |                                                     |                                |
| ESEA, Title I, Part A - Improving Basic Programs                             | 84.010A                                     | 20610101108912                                      | 794,430                        |
| ESEA, Title I, Part A - Improving Basic Programs                             | 84.010A                                     | 21610101108912                                      | 15,990,851                     |
| Total Assistance Listing Number 84.010A                                      |                                             |                                                     | <u>16,785,281</u>              |
| ESEA, Title I, Part C - Migratory Children                                   | 84.011A                                     | 20615001108912                                      | 837,826                        |
| ESEA, Title I, Part C - Migratory Children                                   | 84.011A                                     | 21615001108912                                      | 682,186                        |
| MEP AIMS Pilot                                                               | 84.011A                                     | 196150207110005                                     | 155,355                        |
| MEP AIMS Pilot                                                               | 84.011A                                     | 216150207110005                                     | 47,169                         |
| Total Assistance Listing Number 84.011A                                      |                                             |                                                     | <u>1,722,536</u>               |
| *IDEA - Part B, Formula                                                      | 84.027A                                     | 206600011089126600                                  | 18,715                         |
| *IDEA - Part B, Formula                                                      | 84.027A                                     | 216600011089126600                                  | 4,298,786                      |
| IDEA B-Discretionary                                                         | 84.027A                                     | 2265431901013                                       | 1,000                          |
| Total Assistance Listing Number 84.027A                                      |                                             |                                                     | <u>4,318,501</u>               |
| IDEA - Part B, Preschool                                                     | 84.173A                                     | 216610011089126610                                  | 17,358                         |
| Total Special Education Cluster (IDEA)                                       |                                             |                                                     | <u>4,335,859</u>               |
| 20-21 Perkins V Strengthening CTE for 21st Century                           | 84.048A                                     | 21420006108912                                      | 571,642                        |
| Title IV, Pt B-21st Cent. Community Learning Cent.                           | 84.287C                                     | 20695026711028                                      | 39,530                         |
| Title IV, Pt B-21st Cent. Community Learning Cent.                           | 84.287C                                     | 21695026711028                                      | 1,343,115                      |
| Total Assistance Listing Number 84.287C                                      |                                             |                                                     | <u>1,382,645</u>               |

LA JOYA INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

| (1)<br>FEDERAL GRANTOR/<br>PASS-THROUGH GRANTOR/<br>PROGRAM or CLUSTER TITLE | (2)<br>Federal<br>Assistance<br>Listing No. | (3)<br>Pass-Through<br>Entity Identifying<br>Number | (4)<br>Federal<br>Expenditures |
|------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------|--------------------------------|
| Title III, Part A - English Language Acquisition                             | 84.365A                                     | 20671001108912                                      | 302,700                        |
| Title III, Part A - English Language Acquisition                             | 84.365A                                     | 21671001108912                                      | 996,995                        |
| Total Assistance Listing Number 84.365A                                      |                                             |                                                     | 1,299,695                      |
| ESEA, Title II, Part A, Teacher Principal Training                           | 84.367A                                     | 21694501108912                                      | 1,597,375                      |
| Title I SIP Academy Grant                                                    | 84.377A                                     | 17610740108912                                      | 35,000                         |
| Elementary Secondary School Emergency Relief II                              | 84.425D                                     | 20521001108912                                      | 2,617,849                      |
| Title IV, Part A Subpart 1                                                   | 84.424A                                     | 20680101108912                                      | 536,961                        |
| Title IV, Part A Subpart 1                                                   | 84.424A                                     | 21694501108912                                      | 754,811                        |
| Total Assistance Listing Number 84.424A                                      |                                             |                                                     | 1,291,772                      |
| Total Passed Through State Department of Education                           |                                             |                                                     | 31,639,654                     |
| <b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>                                    |                                             |                                                     | <b>33,660,443</b>              |
| <b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>                          |                                             |                                                     |                                |
| <u>Passed Through Texas Dept of Human Services</u>                           |                                             |                                                     |                                |
| CARES Act Provider Relief Fund                                               | 93.498                                      |                                                     | 67,085                         |
| Texas School Ready! Project                                                  | 93.596                                      | U411C160117                                         | 139,832                        |
| Total Passed Through Texas Dept of Human Services                            |                                             |                                                     | 206,917                        |
| <u>Passed Through State Department of Education</u>                          |                                             |                                                     |                                |
| Medicaid Administrative Claiming Program - MAC                               | 93.778                                      | HHS000537900252                                     | 44,842                         |
| Total Passed Through State Department of Education                           |                                             |                                                     | 44,842                         |
| <b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>                    |                                             |                                                     | <b>251,759</b>                 |
| <b>U.S. DEPARTMENT OF AGRICULTURE</b>                                        |                                             |                                                     |                                |
| <u>Passed Through the State Department of Agriculture</u>                    |                                             |                                                     |                                |
| *School Breakfast Program                                                    | 10.553                                      |                                                     | 6,793,488                      |
| *National School Lunch Program - Cash Assistance                             | 10.555                                      |                                                     | 10,486,811                     |
| *National School Lunch Prog. - Non-Cash Assistance                           | 10.555                                      |                                                     | 1,580,866                      |
| Total Assistance Listing Number 10.555                                       |                                             |                                                     | 12,067,677                     |
| Total Child Nutrition Cluster                                                |                                             |                                                     | 18,861,165                     |
| Child & Adult Care Food Program - Cash Assistance                            | 10.558                                      |                                                     | 575,385                        |
| Total Passed Through the State Department of Agriculture                     |                                             |                                                     | 19,436,550                     |
| <b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>                                  |                                             |                                                     | <b>19,436,550</b>              |
| <b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>                                  |                                             |                                                     | <b>\$ 55,575,628</b>           |

\*Clustered Programs

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

LA JOYA INDEPENDENT SCHOOL DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2021

**Basis of Presentation:**

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

**Summary of Significant Accounting Policies:**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and OMB Compliance Supplement, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Indirect Cost Rate:**

La Joya Independent School District has elected not to use the 10% of the minimis indirect cost rate allowed under the Uniform Guidance.

**Sub-recipients:**

For the ten months ended June 30, 2021, the District had no sub-recipients.

**Federal Loans and Loan Guarantees:**

For the ten months ended June 30, 2021, the District had no outstanding federal loans payable or loan guarantees.

**Federally Funded Insurance:**

For the ten months ended June 30, 2021, the District had no federally funded insurance.

**Noncash awards:**

For the ten months ended June 30, 2021, the District received \$1,580,866 as noncash-assistance under the National School Lunch Program.

**Reconciliation from the Schedule of Expenditures of Federal Awards to the Exhibit C-3:**

|                                                                    |                 |                      |
|--------------------------------------------------------------------|-----------------|----------------------|
| Amount reported on the Schedule of Expenditures of Federal awards: |                 | \$ 55,575,628        |
|                                                                    | <u>CFDA No.</u> |                      |
| Medicaid Administrative Claiming Program                           | 93.778          | 75,396               |
| Revenues reported in the General Fund:                             |                 |                      |
| E-Rate                                                             | Not Applicable  | 194,995              |
| Indirect Costs                                                     | Not Applicable  | 1,579,170            |
| SHARS                                                              | Not Applicable  | 2,413,169            |
| JROTC                                                              | 12.000          | 76,105               |
| National School Lunch Program                                      | 10.555          | 320,883              |
| Tx. Dept of Emergency Reimb. (2019-2020)                           | 21.019          | 1,917,240            |
| Prior Purchase Reimb. Program (2019-2020)                          | 84.425D         | <u>1,329,697</u>     |
| Program Revenue Reported on Exhibit C-3                            |                 | <u>63,482,283</u>    |
| Unemployment Reimbursement CARES Act in the Internal Service Fund  |                 | <u>79,753</u>        |
| Federal Program Revenue Reported on Exhibit D-2                    |                 | <u>79,753</u>        |
| Total Federal Program Revenue                                      |                 | <u>\$ 63,562,036</u> |

## SCHOOLS FIRST QUESTIONNAIRE

LA JOYA INDEPENDENT SCHOOL DISTRICT

10-Mos. Ended 06/30/21

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|     |                                                                                                                                                                                                                                                                |             |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| 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.                                                                                                                                                       | \$1,588,507 |



LA JOYA INDEPENDENT SCHOOL DISTRICT  
WWW.LAJOYAISD.COM  
(956)323-2000

## 2021 COMPREHENSIVE ANNUAL FINANCIAL REPORT

It is the policy of La Joya ISD not to discriminate on the basis of sex, age, handicap, religion, race, color, or national origin in its educational programs.

