



# SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

## Agenda Item Summary

Meeting Date: January 22, 2025

Agenda Section: Discussion/Possible Action

Agenda Item Title: Fiscal Year 2023-2024 Annual Financial Report

From/Presenters: Tony Kingman, Chief Financial Officer

Description: Rebecca Darling, CPA, with Weaver and Tidwell, L.L.P will present the results of the 2023-2024 Comprehensive Annual Financial Review for the Board's information and approval.

Historical Data: The Texas Education Agency requires that District's receive an audit of their annual financial data. Upon the Board's acceptance of the audit, the District is required to electronically submit the audit report to TEA. Both actions are required to be completed prior to January 28, 2025.

Recommendation: Approve the 2023-2024 Annual Financial Report as presented.

Purchasing Director and Approval Date: N/A

Funding Budget Code and Amount: N/A

Goal: 3. SSAISD will implement program initiatives and activities that reflect a commitment to preparing 100% of students for post-secondary educational or career paths.



January 22, 2025

To the Board of Trustees of  
South San Antonio Independent School District  
1450 Gillette Boulevard  
San Antonio, Texas 77535

We have audited the financial statements of South San Antonio Independent School District (the District) as of and for the year ended August 31, 2024, and have issued our report thereon dated January 22, 2025. Professional standards require that we advise you of the following matters relating to our audit.

#### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated May 30, 2024, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of the system of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the system of internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

#### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

#### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

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With respect to any nonaudit/nonattest services we perform as previously communicated to you in the engagement letter, the District acknowledges and understands that the District has the responsibility for (a) making all management decisions and performing all management functions; (b) assigning an individual with suitable skills, knowledge, and experience to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities. Such nonaudit/nonattest services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Audit Standards*.

### **Significant Risks Identified**

Our audit process uses a risk-based approach in which we identified potential areas of risk that could lead to a material misstatement of the financial statements. We tailored our audit procedures to specifically address the following areas of risk:

- Management override of internal controls
- Improper revenue recognition – non-exchange transactions (Foundation School Fund)
- Estimate of the net pension and OPEB liabilities

Identification of significant risks is part of our due diligence during our audit process. These risks were addressed by walking through controls in each respective areas and performing substantive detail testing and analytical testing of transactions. Based on the testwork performed in these areas, no material misstatements or significant deficiencies or material weaknesses in internal controls were identified.

### **Qualitative Aspects of the Entity's Significant Accounting Practices**

#### **Significant Accounting Policies**

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### **Significant Accounting Estimates**

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The Board of Trustees of  
South San Antonio Independent School District

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The most sensitive accounting estimates affecting the financial statements are:

1. Foundation School Program state aid revenue
2. Net pension liability – actuarial valuation
3. Net OPEB liability – actuarial valuation

Management's estimate of the items noted above is based on historical experience or information provided by third parties or the Texas Education Agency. We evaluated the key factors and assumptions used to develop these estimates and determined that these estimates are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent, and clear.

**Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

**Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. The attached schedule summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

**Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in a separate letter dated January 22, 2025.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

### **Other Information Included in the Annual Report**

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's annual report does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have made certain inquiries of management and evaluated the form, content, and methods of preparing the other information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the other information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. Such other information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and we do not provide any assurance on them.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Board of Trustees and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Austin, Texas

The Board of Trustees of  
South San Antonio Independent School District

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**Uncorrected Misstatements**

Account		Description	Debit	Credit
<b>Proposed Journal Entries JE # 3001</b>				
Passed adjustment to correct subscription improperly expensed in the prior period.				
282-11-6339	TESTING MATERIALS		56,000.00	
282-00-3600	BALANCE ACCOUNT			56,000.00
<b>Total</b>			<b>56,000.00</b>	<b>56,000.00</b>
		<b>Total Proposed Journal Entries</b>	<b>56,000.00</b>	<b>56,000.00</b>

# **South San Antonio Independent School District**

Annual Financial Report  
For the Fiscal Year Ended August 31, 2024

# South San Antonio Independent School District

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### Certificate of the Board

**South San Antonio Independent School District**

Name of School District

**Bexar**

County

**015-908**

Co.-Dist Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and \_\_\_\_\_ approved \_\_\_\_\_ disapproved for the fiscal year ended August 31, 2024 at a meeting of the Board of Trustees of such school district on the \_\_\_\_ day of \_\_\_\_\_, 2025.

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

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

If the Board of Trustees disapproved the auditor's report, the reason(s) for disapproving it is/are (attach list as necessary):

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## **Financial Section**

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## Independent Auditor's Report

To the Board of Trustees of  
South San Antonio Independent School District  
San Antonio, Texas

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of South San Antonio Independent School District (the District), as of and for the fiscal year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2024, and the respective changes in financial position and where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and GAS, we:

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

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

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Supplementary Information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information Included in the Annual Report**

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Required Responses to Selected School FIRST Indicators but does not include the financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Austin, Texas  
January 22, 2025

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## Management's Discussion and Analysis

As management of the South San Antonio Independent School District (the District), we offer readers of the accompanying report this narrative overview and analysis of the financial activities of the District for the fiscal year ended August 31, 2024. In reviewing this report, readers should be mindful that it is often necessary for management to make and use estimates in the preparation of financial statements. Examples of the use of such estimates may be found in amounts reported for depreciation, net taxes receivable, total other postemployment benefit and net pension liability.

### Financial Highlights

- Liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources at year-end by \$33,179,474 (net position). Of this amount, unrestricted net position was negative \$44,684,879.
- The District's total net position decreased by \$7,155,733.
- As of the close of the year, the District's governmental funds had combined ending fund balances of \$37,401,105, a decrease of \$9,906,082 as compared to the preceding year.
- At the end of the year, fund balance of the general fund was \$27,038,572, or 31 percent of the year's total general fund expenditures.
- The District's net bonded debt decreased by \$7,885,350 (6 percent) during the year.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and supplementary information in addition to the basic financial statements.

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector enterprise.

The *Statement of Net Position* (Exhibit A-1) presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of how the financial position of the District is changing.

The *Statement of Activities* (Exhibit B-1) presents information showing how the District's net position changed during the year. Changes in net position are reported upon occurrence of the underlying event giving rise to the change, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some transactions that will not result in cash flows until future fiscal periods (e.g., uncollected taxes).

The government-wide financial operations (*governmental activities*) of the District are principally supported by taxes, intergovernmental revenues, and charges for services. The governmental activities of the District include *Instruction, Instructional Resources and Media Services, Curriculum and Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Cocurricular/Extracurricular Activities, General Administration, Plant Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Issuance Costs and Fees, Payments to Related Shared Service Arrangements, Payments to Juvenile Justice Alternative Education Programs, Facilities Repair and Maintenance, and Other Intergovernmental Charges.*

The government-wide financial statements can be found as noted in the table of contents of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, as do other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of cash resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating near-term financing requirements.

Because the focus of governmental funds financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintained thirty-two individual governmental funds during the year. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the debt service fund, which are considered to be major funds. Data from the other thirty-four governmental funds are combined into a single, aggregated presentation titled total non-major funds.

The District adopts an annual revenue and appropriations budget for its general fund, debt service fund and national school breakfast and lunch program special revenue fund. All other governmental funds adopt project length budgets. Subsequent to adoption, amendments approved by the governing body are reflected in a revised budget column. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with its budget.

The basic governmental fund financial statements are noted in the table of contents of this report.

**Proprietary Fund.** The District maintains one type of propriety fund – *Internal Service Funds*.

The District uses internal service funds to account for the management of its print shop, workers' compensation and medical insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

The basic proprietary fund financial statements are noted in the table of contents of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of students and other organizations that benefit the students and the District. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs and activities. A statement of net position and statement of changes are is presented for fiduciary funds, as noted in the table of contents of this report.

**Notes to the Basic Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements are noted in the table of contents of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report presents required supplementary information and supplementary information, including schedules required by the Texas Education Agency. Such information is noted in the table of contents of this report.

## Government-wide Financial Analysis

As mentioned earlier, net position may, over time, serve as an indicator of a District's changing financial position. At the close of the District's most recent fiscal year, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources at year-end by \$33,179,474.

### South San Antonio Independent School District's Net Position

	Governmental Activities	
	2024	2023
Current and other assets	\$ 48,245,593	\$ 66,881,330
Capital assets, net of accumulated depreciation and amortization	129,627,648	138,452,466
Total assets	177,873,241	205,333,796
Total deferred outflows of resources	24,966,376	25,821,843
Other liabilities	8,518,967	16,281,528
Long-term liabilities outstanding	197,339,081	205,413,524
Total liabilities	205,858,048	221,695,052
Total deferred inflows of resources	30,161,043	35,484,328
Net position:		
Net investment in capital assets	8,209,205	3,369,704
Restricted	3,296,200	4,232,954
Unrestricted	(44,684,879)	(33,626,399)
<b>Total net position</b>	<b>\$ (33,179,474)</b>	<b>\$ (26,023,741)</b>

A portion of the District's net position is net investment in capital assets, representing the District's investment in capital assets (e.g., land and improvements, buildings and improvements, and furniture and equipment), less any related debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending.

Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net position of \$3,296,200, is restricted for grant expenditures and other purposes. *Unrestricted* net position of negative \$44,684,879 represents the unrestricted net position of the District, which is mainly negative due to the recognition of the District's Pension and OPEB liability following the implementation of GASB Statements No. 68 and No. 75.

**Governmental Activities.** Governmental activities decreased the District's net position by \$7,155,733 from current operations. Key elements of this change may be determined from the table below.

**South San Antonio Independent School District Changes in Net Position**

	Governmental Activities	
	2024	2023
Revenue		
Program revenues:		
Charges for services	\$ 438,911	\$ 404,589
Operating grants and contributions	33,089,146	45,391,235
General revenues:		
Property taxes, levied for general purposes	16,883,238	20,917,857
Property taxes, levied for debt service	12,599,502	12,208,088
Grants and contributions not restricted to specific programs	52,339,629	49,373,348
Investment earnings	2,552,974	2,335,561
Gain on sale of capital asset	214,134	-
Miscellaneous	650,409	930,336
Total revenues	118,767,943	131,561,014
Expenses		
Instruction	61,569,430	62,342,877
Instructional resources and media services	1,405,277	1,497,915
Curriculum and instructional staff development	6,449,562	3,872,721
Instructional leadership	2,847,238	2,491,886
School leadership	5,948,240	6,706,797
Guidance, counseling, and evaluation services	4,779,708	4,571,215
Social work services	720,028	501,899
Health services	1,385,951	1,548,875
Student transportation	2,970,904	2,587,696
Food services	8,424,580	7,750,235
Cocurricular/extracurricular activities	3,107,097	2,924,626
General administration	3,972,474	3,890,435
Plant maintenance and operations	12,160,382	12,110,842
Security and monitoring services	1,907,038	1,553,567
Data processing services	1,789,075	2,586,362
Community services	919,298	1,086,666
Interest on long-term debt	1,454,844	5,421,170
Issuance costs and fees	3,771,023	34,361
Facilities repair and maintenance	-	2
Payments to related shared service arrangements	172,852	95,705
Payments to juvenile justice alternative education program	8,151	8,151
Other intergovernmental charges	160,524	156,292
Total expenses	125,923,676	123,740,295
Change in net position	(7,155,733)	7,820,719
Net position - beginning	(26,023,741)	(33,844,460)
<b>Net position - ending</b>	<b>\$ (33,179,474)</b>	<b>\$ (26,023,741)</b>

Revenues are generated primarily from two sources. Grants and contributions from the state, federal government, and other sources (program and general revenues) totaling \$85,428,775 represent 72 percent of total revenues and property taxes totaling \$29,482,740 represent 25 percent of total revenues. The remaining 3 percent is generated from charges for services, investment earnings, and miscellaneous sources. The overall decrease to revenue is attributed to the decrease in property taxes revenue as a result of a decrease in the maintenance and operations rate and a decrease in grant revenue associated expiring COVID-related funding sources.

The primary functional category of expenses of the District is *Instruction* with \$61,569,430 of expenses in the current fiscal year, which represents 49 percent of total expenses while all remaining expense categories are individually 10 percent or less of total expenses.

### **Financial Analysis of the Government's Funds**

As mentioned earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** At the end of the fiscal year, the District's governmental funds had combined ending fund balances of \$37,401,105, a decrease of \$9,906,082 from the preceding year. Comments as to each individual major fund's change in fund balance follows.

The general fund is the primary operating fund of the District. At year-end, unassigned fund balance of the general fund was \$25,148,343, while total fund balance was \$27,038,572. To evaluate the general fund's liquidity, it may be helpful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 29 percent of total general fund expenditures, while total fund balance represents 31 percent of that same total. The fund balance of the general fund decreased \$11,821,540 during the year. The decrease in the general fund balance can largely be attributed to two key factors: the defeasance of the 2022 tax notes and the lack of sufficient funding to adequately support the District's operations. Additionally, the District faced a significant financial impact due to the expiration and depletion of COVID-related funding sources, which had provided crucial support in prior years. These combined challenges underscore the District's need to adapt to the evolving financial landscape while addressing its operational requirements with reduced external resources.

The debt service fund ended the year with a total fund balance of \$6,624,271, all of which is restricted for the payment of principal and interest on debt. The debt service fund balance increased \$2,858,005 during the year. The increase in revenue is primarily attributed to a rise in property tax revenues driven by higher property values. Additionally, the District benefited from an increase in state funding through Additional State Aid for Homestead Exemption (ASAHE), which resulted directly from the homestead exemption increase from \$40,000 to \$100,000. These factors combined have contributed to a significant improvement in the District's financial position.

Governmental funds financial statements may be found by referring to the table of contents.

**Proprietary Funds.** The District's proprietary funds, comprising of internal service funds, financial statements provide the same type of information found in the government-wide financial statements, but in more detail. The net position of internal service funds decreased by \$1,783,554 in the current year, primarily due to the District's decision to wind down its medical insurance fund. This change is part of a strategic plan to transition from a self-funded insurance model to participation in TRS ActiveCare, which is projected to be implemented in FY 2025. This proactive measure aligns with the District's efforts to optimize its insurance program and enhance long-term sustainability.

**Budgetary Highlights**

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

During the period ended August 31, 2024, the District amended its budget as required by State law and to reflect current levels of revenue and anticipated expenses. There were no significant changes between the original budget and the final amended budget, except for adjustments to other debt service fees and capital outlay. These changes were necessitated by the defeasance of the 2022 maintenance tax note. The general fund's actual revenues were less than the budgeted revenues by \$730,512 and the budgeted expenditures exceeded actual expenditures by \$2,431,854. There are no major differences, as the final budgeted amounts align with the actual expenditures for each function.

The budget was adopted using the \$0.6692 maintenance and operations rate in addition to the debt service rate of \$.4990.

**Capital Assets and Long-term Liabilities**

**Capital Assets.** The District's investment in capital assets for its governmental activities as of August 31, 2024 was \$129,627,648 (net of accumulated depreciation and amortization). Depreciation and amortization expense for the year of \$10,129,717 was also recognized together with the capital asset additions resulted in a net decrease to capital assets of \$8,824,818. Investment in capital assets includes land and improvements, buildings and improvements, furniture and equipment, construction in progress, the right-to-use lease assets, and the right-to-use subscription assets.

**South San Antonio Independent School District's Capital Assets**  
(Net of Depreciation and Amortization)

	Governmental Activities	
	2024	2023
	Amount	Amount
Land and improvements	\$ 2,793,983	\$ 2,796,842
Buildings and improvements	123,750,887	130,364,621
Furniture and equipment	2,684,364	3,019,173
Construction in progress	-	1,478,251
Right-to-use lease assets	13,058	233,625
Right-to-use subscription assets	385,356	559,954
<b>Totals</b>	<b>\$ 129,627,648</b>	<b>\$ 138,452,466</b>

Additional information on the District's capital assets can be found in the notes to the financial statements as per the table of contents of this report.

**Long-term Liabilities.** At year-end, the District had the following long-term liabilities:

**South San Antonio Independent School District's Outstanding Long-term Liabilities**

	Governmental Activities					
	2024		2023		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
General obligation bonds (net)	\$ 112,376,709	56	\$ 120,584,709	59	\$ (8,208,000)	(7)
Notes payable	5,760,000	3	10,127,000	5	(4,367,000)	(43)
Leases payable	14,347	-	248,512	-	(234,165)	(94)
Subscriptions payable	530,885	-	633,435	-	(102,550)	(16)
Financed purchase liability	176,934	-	223,014	-	(46,080)	(21)
Compensated absences	1,315,469	1	1,334,895	1	(19,426)	(1)
Unamortized premium	5,462,570	3	6,423,688	3	(961,118)	(15)
Accreted interest	13,378,744	7	12,094,976	6	1,283,768	11
Net pension liability	41,504,967	21	35,293,655	17	6,211,312	18
Net OPEB liability	16,818,456	9	18,449,640	9	(1,631,184)	(9)
<b>Totals</b>	<u>\$ 197,339,081</u>	<u>100</u>	<u>\$ 205,413,524</u>	<u>100</u>	<u>\$ (8,074,443)</u>	

The District's net bonded debt, which include general obligation bonds, unamortized premiums and accreted interest, decreased by \$7,885,350 (6 percent) during the current fiscal year, which resulted primarily from required payments. The debt is supported by the full faith and credit of the District, as further guaranteed by the Permanent School Fund of the State of Texas.

State statutes do not limit the tax rate or amount of local tax support of school districts' bonded indebtedness. However, approval of the Attorney General of the State of Texas is required prior to the sale of bonds.

Additional information on the District's long-term debt can be found in the notes to the financial statements as per the table of contents of this report.

### **Economic Factors and Next Year's Budgets and Rates**

The South San Antonio Independent School District is situated in the well-established south and southwest areas of San Antonio, spanning 21 square miles. The district is experiencing economic growth in alignment with the broader metropolitan region, with several hundred new single-family homes and apartment units planned for development over the coming years.

For the 2024-2025 fiscal year, the District's Board of Trustees adopted a Maintenance & Operations tax rate of \$0.6969 and an Interest & Sinking tax rate of \$0.4990, resulting in a combined tax rate of \$1.1959 per \$100 of property valuation.

In developing the 2024-2025 budget, the District estimated an Average Daily Attendance (ADA) of 6,489, consistent with recent enrollment trends.

Fitch Ratings and S&P Global Ratings affirmed an 'A' underlying rating for the District's general obligation (GO) debt outstanding at the beginning of the 2024-2025 fiscal year, reflecting the District's stable financial position.

### **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, students, and creditors with a general overview of the District's finances and to demonstrate the District's commitment to accountability for the money it receives.

If you have questions about this report or need additional financial information, contact the South San Antonio Independent School District business office at 1450 Gillette Boulevard., San Antonio, Texas.

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## **Basic Financial Statements**

**South San Antonio Independent School District**  
**Statement of Net Position**  
**August 31, 2024**

**Exhibit A-1**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 11,548,001
Current investments	22,604,303
Property taxes receivables	3,297,054
Allowance for uncollectible taxes	(329,705)
Due from other governments	10,710,212
Other receivables	52,334
Inventories	50,209
Prepaid items	313,185
Capital assets, not being depreciated or amortized:	
Land and improvements	2,793,983
Capital assets, net of depreciation and amortization:	
Buildings and improvements (net)	123,750,887
Furniture and equipment (net)	2,684,364
Right to use lease assets (net)	13,058
Right to use subscription assets (net)	385,356
Total assets	177,873,241
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows - pension	16,577,665
Deferred outflows - OPEB	5,809,931
Deferred charge on refunding	2,578,780
Total deferred outflows of resources	24,966,376
<b>LIABILITIES</b>	
Accounts payable	1,076,946
Interest payable	184,254
Payroll deductions and withholdings	910,841
Accrued wages payable	4,325,934
Due to other governments	8,808
Due to student groups	1,960
Accrued liabilities	1,349,047
Unearned revenue	661,177
Noncurrent liabilities:	
Due within one year	10,463,387
Due in more than one year	128,552,271
Net pension liabilities	41,504,967
Net OPEB liability	16,818,456
Total liabilities	205,858,048
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows - pension	2,577,755
Deferred inflows - OPEB	27,537,882
Deferred gain on refunding	45,406
Total deferred inflows of resources	30,161,043
<b>NET POSITION</b>	
Net investment in capital assets	8,209,205
Restricted for grants	2,886,480
Restricted for other purposes	409,720
Unrestricted	(44,684,879)
<b>TOTAL NET POSITION</b>	<b>\$ (33,179,474)</b>

The Notes to the Financial Statements are an integral part of this statement.

# South San Antonio Independent School District

# Exhibit B-1

## Statement of Activities

For the Fiscal Year Ended August 31, 2024

Data Control Codes	Functions/Programs	1	3	4	Net (Expense) Revenue and Changes in Net Position
		Expenses	Program Revenues		Governmental Activities
			Charges for Services	Operating Grants and Contributions	
	<b>PRIMARY GOVERNMENT</b>				
	Governmental activities:				
0011	Instruction	\$ 61,569,430	\$ 2,661	\$ 10,250,951	\$ (51,315,818)
0012	Instructional resources and media services	1,405,277	-	128,202	(1,277,075)
0013	Curriculum and instructional staff development	6,449,562	-	5,347,871	(1,101,691)
0021	Instructional leadership	2,847,238	-	1,106,532	(1,740,706)
0023	School leadership	5,948,240	-	472,463	(5,475,777)
0031	Guidance, counseling, and evaluation services	4,779,708	-	716,854	(4,062,854)
0032	Social work services	720,028	-	265,504	(454,524)
0033	Health services	1,385,951	-	237,943	(1,148,008)
0034	Student transportation	2,970,904	-	399,277	(2,571,627)
0035	Food services	8,424,580	163,144	7,482,064	(779,372)
0036	Cocurricular/extracurricular activities	3,107,097	158,778	230,639	(2,717,680)
0041	General administration	3,972,474	-	291,798	(3,680,676)
0051	Plant maintenance and operations	12,160,382	114,328	1,612,414	(10,433,640)
0052	Security and monitoring services	1,907,038	-	457,527	(1,449,511)
0053	Data processing services	1,789,075	-	91,622	(1,697,453)
0061	Community services	919,298	-	752,983	(166,315)
0072	Interest on long-term debt	1,454,844	-	2,680,069	1,225,225
0073	Issuance costs and fees	3,771,023	-	64,076	(3,706,947)
0081	Facilities repair and maintenance	-	-	494,519	494,519
0093	Payments related to shared services arrangements	172,852	-	2,955	(169,897)
0095	Payments to juvenile justice alternative education programs	8,151	-	139	(8,012)
0099	Other intergovernmental charges	160,524	-	2,744	(157,780)
TG	Total governmental activities	125,923,676	438,911	33,089,146	(92,395,619)
TP	<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 125,923,676</u>	<u>\$ 438,911</u>	<u>\$ 33,089,146</u>	<u>(92,395,619)</u>
	General revenues:				
MT	Property taxes, levied for general purposes				16,883,238
DT	Property taxes, levied for debt service				12,599,502
GC	Grants and contributions not restricted to specific programs				52,339,629
IE	Investment earnings				2,552,974
GS	Gain on sale of capital asset				214,134
MI	Miscellaneous				650,409
TR	Total general revenues and extraordinary items				85,239,886
CN	Change in net position				(7,155,733)
	Net position - beginning				(26,023,741)
NE	<b>NET POSITION - ENDING</b>				<u>\$ (33,179,474)</u>

The Notes to the Financial Statements are an integral part of this statement.

# South San Antonio Independent School District

## Balance Sheet

### Governmental Funds

August 31, 2024

	<b>General Fund</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 7,285,560
Current investments	15,835,272
Property taxes receivables	2,097,716
Allowance for uncollectable taxes	(209,771)
Due from other governments	7,619,357
Due from other funds	1,989,315
Other receivables	32,886
Inventories	-
Prepaid items	42,059
Total assets	<u>34,692,394</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><b>\$ 34,692,394</b></u>
<b>LIABILITIES</b>	
Accounts payable	\$ 599,856
Payroll deductions and withholdings	910,841
Accrued wages payable	4,038,119
Due to other funds	42,868
Due to other governments	1,908
Due to student groups	-
Accrued liabilities	19,645
Unearned revenue	-
Total liabilities	<u>5,613,237</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - property taxes	<u>2,040,585</u>
Total deferred inflows of resources	2,040,585
<b>FUND BALANCES</b>	
Nonspendable - inventories	-
Nonspendable - prepaid items	42,059
Restricted - grants	-
Restricted - capital acquisitions and contractual obligations	-
Restricted - debt service	-
Restricted - other	-
Committed - other	1,101,909
Assigned - construction	746,261
Unassigned	<u>25,148,343</u>
Total fund balances	<u>27,038,572</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><b>\$ 34,692,394</b></u>

The Notes to the Financial Statements are an integral part of this statement.

Debt Service Fund	Total Nonmajor Funds	98 Total Governmental Funds
\$ 59,240	\$ 3,677,340	\$ 11,022,140
6,531,658	228,189	22,595,119
1,199,338	-	3,297,054
(119,934)	-	(329,705)
101,362	2,989,493	10,710,212
35,972	1,068	2,026,355
-	19,448	52,334
-	50,209	50,209
-	187,204	229,263
7,807,636	7,152,951	49,652,981
<u>\$ 7,807,636</u>	<u>\$ 7,152,951</u>	<u>\$ 49,652,981</u>
\$ -	\$ 477,090	\$ 1,076,946
-	-	910,841
-	287,815	4,325,934
-	1,983,913	2,026,781
4,166	2,734	8,808
-	1,960	1,960
-	-	19,645
-	661,177	661,177
4,166	3,414,689	9,032,092
1,179,199	-	3,219,784
1,179,199	-	3,219,784
-	50,209	50,209
-	187,204	229,263
-	2,886,480	2,886,480
-	368,828	368,828
6,624,271	-	6,624,271
-	409,720	409,720
-	-	1,101,909
-	-	746,261
-	(164,179)	24,984,164
6,624,271	3,738,262	37,401,105
<u>\$ 7,807,636</u>	<u>\$ 7,152,951</u>	<u>\$ 49,652,981</u>

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**South San Antonio Independent School District**  
Reconciliation of the Governmental Funds Balance  
Sheet to the Statement of Net Position  
August 31, 2024

**Exhibit C-1R**

**TOTAL FUND BALANCES - GOVERNMENTAL FUNDS (EXHIBIT C-1)**

\$ 37,401,105

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The governmental capital assets, excluding those capital assets reported in the internal service funds, at year-end consists of:

Governmental capital assets costs	\$ 320,047,993	
Accumulated depreciation and amortization of governmental capital assets	(190,596,479)	129,451,514

Property taxes receivable, which will be collected subsequent to year-end, but are not available soon enough to pay expenditures are deferred in the funds.		3,219,784
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Long-term liabilities, including bonds payable, notes payable, leases payable, subscriptions payable, compensated absences, and net pension and OPEB liability, are not due and payable in the current period and, therefore are not reported as liabilities in the funds. Liabilities at year-end related to such items consist of:

Bonds payable, at original par	\$ (112,376,709)	
Premiums on bonds payable	(5,333,983)	
Deferred gain on refunding adjustment	(45,406)	
Deferred charge on refunding adjustment	2,578,780	
Accreted interest on capital appreciation bonds	(13,378,744)	
Accrued interest on bonds	(179,271)	
Leases payable	(14,347)	
Subscriptions payable	(530,885)	
Compensated absences	(1,315,469)	
Notes payable	(5,760,000)	
Premium on notes payable	(128,587)	
Accrued interest on notes	(4,983)	
Net pension liability	(41,504,967)	
Net OPEB liability	(16,818,456)	(194,813,027)

The internal service funds are used by the District to charge the costs of various services to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities:

Group benefits - health care	\$ (587,677)	
Print shop	23,944	
Workers' compensation fund	(147,076)	(710,809)

Deferred outflows of resources for pension represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenses/expenditures) until then.		16,577,665
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Deferred inflows of resources for pension represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.		(2,577,755)
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Deferred outflows of resources for OPEB represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenses/expenditures) until then.		5,809,931
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Deferred inflows of resources for OPEB represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.		(27,537,882)
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**TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES (EXHIBIT A-1)**

\$ (33,179,474)

**South San Antonio Independent School District**  
Statement of Revenues, Expenditures, and Changes  
in Fund Balances – Governmental Funds  
For the Fiscal Year Ended August 31, 2024

	<b>General Fund</b>
<b>REVENUES</b>	
Local and intermediate sources	\$ 18,737,115
State program revenues	56,116,706
Federal program revenues	2,313,346
Total revenues	77,167,167
<b>EXPENDITURES</b>	
Current:	
Instruction	45,768,114
Instructional resources and media services	1,115,867
Curriculum and instructional staff development	1,025,527
Instructional leadership	1,604,665
School leadership	4,949,364
Guidance, counseling, and evaluation services	3,909,112
Social work services	402,440
Health services	1,070,035
Student transportation	2,276,366
Food services	1,821
Cocurricular/extracurricular activities	2,872,706
General administration	3,356,805
Plant maintenance and operations	9,797,531
Security and monitoring services	1,442,579
Data processing services	1,421,165
Community services	145,133
Debt service:	
Principal on long-term debt	1,129,517
Interest on long-term debt	230,990
Other debt service fees	3,747,856
Capital outlay:	
Facilities acquisition and construction	255,547
Intergovernmental:	
Payments related shares services arrangements	172,852
Payments to juvenile justice alternative education programs	8,151
Other intergovernmental charges	160,524
Total expenditures	86,864,667
Excess (deficiency) of revenues over (under) expenditures	(9,697,500)
<b>OTHER FINANCING SOURCES (USES)</b>	
Sale of real and personal property	281,980
Proceeds from right to use leased assets and subscriptions	143,697
Transfers out	(2,550,000)
Total other financing sources (uses)	(2,124,323)
<b>EXTRAORDINARY ITEMS</b>	
Other sources	283
Total extraordinary items	283
Net change in fund balances	(11,821,540)
Fund balances - beginning	38,860,112
<b>FUND BALANCES - ENDING</b>	<b>\$ 27,038,572</b>

The Notes to the Financial Statements are an integral part of this statement.

Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
\$ 12,794,449	\$ 830,885	\$ 32,362,449
2,333,993	2,810,537	61,261,236
241,920	22,248,483	24,803,749
15,370,362	25,889,905	118,427,434
-	8,042,929	53,811,043
-	109,739	1,225,606
-	5,011,970	6,037,497
-	939,983	2,544,648
-	234,940	5,184,304
-	468,607	4,377,719
-	288,548	690,988
-	175,466	1,245,501
-	266,107	2,542,473
-	7,975,672	7,977,493
-	153,133	3,025,839
-	121,653	3,478,458
-	1,336,975	11,134,506
-	394,607	1,837,186
-	39,375	1,460,540
-	701,702	846,835
8,207,998	67,895	9,405,410
4,281,192	13,001	4,525,183
23,167	-	3,771,023
-	490,150	745,697
-	-	172,852
-	-	8,151
-	-	160,524
12,512,357	26,832,452	126,209,476
2,858,005	(942,547)	(7,782,042)
-	-	281,980
-	-	143,697
-	-	(2,550,000)
-	-	(2,124,323)
-	-	283
-	-	283
2,858,005	(942,547)	(9,906,082)
3,766,266	4,680,809	47,307,187
\$ 6,624,271	\$ 3,738,262	\$ 37,401,105

# South San Antonio Independent School District

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended August 31, 2024

### Exhibit C-2R

#### TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS (EXHIBIT C-2)

\$ (9,906,082)

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the costs of those assets are capitalized and allocated over their estimated useful lives as depreciation expense.

Capital assets increased	\$ 1,372,745	
Net book value of disposed capital assets	(67,846)	
Depreciation and amortization expense	(10,083,637)	(8,778,738)

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues increased (decreased) by this amount this year.

798,508

Issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.

Issuance of subscriptions payable		(143,697)
-----------------------------------	--	-----------

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Repayment of bonds payable principle	\$ 8,208,000	
Repayment of notes payable principle	4,367,000	
Repayment of subscriptions payable principle	246,247	
Repayment of leases payable principle	234,165	13,055,412

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The change reported in the statement of activities consists of the following:

Accrued interest on bonds payable (increased) decreased	\$ 11,005	
Interest accreted on the capital appreciation bonds	(1,283,768)	
Amortization of bond and note premium	961,118	
Amortization of deferred gain on refunding	4,540	
Amortization of deferred charge on refunding	(273,445)	
Accrued interest on notes payable (increased) decreased	6,947	(573,603)

The (increase) decrease in compensated absences is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.

19,426

An internal service fund is used by the District to charge the costs of various services to the individual funds. The net activity of the following internal service funds is reported in the government-wide statements:

Group benefits - health care	\$ (1,218,703)	
Print shop	(98,257)	
Workers' compensation fund	(466,594)	(1,783,554)

The net change in net pension liability, deferred outflows, and deferred inflows is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of the following:

Deferred outflows increased (decreased)	\$ 572,481	
Deferred inflows (increased) decreased	1,541,200	
Net pension liability (increased) decreased	(6,211,312)	(4,097,631)

The net change in net OPEB liability, deferred outflows, and deferred inflows is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of the following:

Deferred outflows increased (decreased)	\$ (1,154,503)	
Deferred inflows (increased) decreased	3,777,545	
Net OPEB liability (increased) decreased	1,631,184	4,254,226

#### CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES (EXHIBIT B-1)

\$ (7,155,733)

The Notes to the Financial Statements are an integral part of this statement.

**South San Antonio Independent School District**  
Statement of Net Position  
Proprietary Funds  
August 31, 2024

**Exhibit D-1**

	<b>Governmental Activities</b>
	<b>Total Internal Service Funds</b>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 525,861
Current investments	9,184
Due from other funds	426
Prepaid items	83,922
	<hr/>
Total current assets	619,393
Noncurrent assets:	
Capital assets:	
Furniture and equipment	242,415
Accumulated depreciation - furniture and equipment	(66,281)
	<hr/>
Total noncurrent assets	176,134
	<hr/>
Total assets	795,527
<b>LIABILITIES</b>	
Current liabilities:	
Financed purchase liability - due within one year	47,481
Accrued liabilities	1,329,402
	<hr/>
Total current liabilities	1,376,883
Noncurrent liabilities:	
Financed purchase liability - noncurrent	129,453
	<hr/>
Total noncurrent liabilities	129,453
	<hr/>
Total liabilities	1,506,336
<b>NET POSITION</b>	
Unrestricted	(710,809)
	<hr/>
<b>TOTAL NET POSITION</b>	<u><u>\$ (710,809)</u></u>

The Notes to the Financial Statements are an integral part of this statement.

**South San Antonio Independent School District**  
Statement of Revenues, Expenses, and Changes  
in Net Position – Proprietary Funds  
For the Fiscal Year Ended August 31, 2024

**Exhibit D-2**

	<b>Governmental Activities</b>
	<b>Total Internal Service Funds</b>
<b>OPERATING REVENUES</b>	
Local and Intermediate Sources	\$ 5,607,830
Total operating revenues	5,607,830
<b>OPERATING EXPENSES</b>	
Payroll costs	94,304
Professional and contracted services	1,252,942
Supplies and materials	18,942
Other operating costs	8,569,136
Debt service	6,060
Total operating expenses	9,941,384
Operating loss	(4,333,554)
Income before contributions and transfers	(4,333,554)
Transfers in	2,800,000
Transfers out	(250,000)
Change in net position	(1,783,554)
Net position - beginning	1,072,745
<b>NET POSITION - ENDING</b>	<b>\$ (710,809)</b>

The Notes to the Financial Statements are an integral part of this statement.

# South San Antonio Independent School District

# Exhibit D-3

## Statement of Cash Flows - Proprietary Funds For the Fiscal Year Ended August 31, 2024

	<b>Governmental Activities</b>
	<b>Total Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from services provided	\$ 5,629,728
Cash payments for claims and administrative services	(9,651,764)
Cash payments for goods and services	(26,832)
Cash payments to employees for services	(94,304)
	<hr/>
Net cash used by operating activities	(4,143,172)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers from other funds	2,800,000
Transfers to other funds	(250,000)
	<hr/>
Net cash provided by noncapital financing activities	2,550,000
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Financed purchase payments	(46,080)
	<hr/>
Net cash used by capital and related financing activities	(46,080)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Sale of investments	332,808
	<hr/>
Net cash provided by investing activities	332,808
	<hr/>
Net decrease in cash and cash equivalents	(1,306,444)
Cash and cash equivalents - beginning	1,832,305
	<hr/>
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<hr/> <b>\$ 525,861</b> <hr/>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>	
Operating loss	\$ (4,333,554)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	46,080
Change in:	
Due from other funds	4
Other receivables	22,037
Prepaid items	(78,597)
Accounts payable	(7,082)
Claims payable	208,083
Due to other funds	(143)
	<hr/>
<b>NET CASH USED BY OPERATING ACTIVITIES</b>	<hr/> <b>\$ (4,143,172)</b> <hr/>

The Notes to the Financial statements are an integral part of this statement.

**South San Antonio Independent School District****Exhibit E-1**

## Statement of Net Position

## Fiduciary Funds

August 31, 2024

	<b>Trust Funds</b>	<b>Custodial Funds</b>
	<b>Private Purpose Trust Funds</b>	<b>Total Custodial Funds</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 64,050	\$ 221,560
Total assets	64,050	221,560
<b>LIABILITIES</b>		
Accounts payable	-	2,974
Due to other governments	-	5
Total liabilities	-	2,979
<b>NET POSITION</b>		
Restricted for:		
Private purpose	64,050	-
For individuals and organizations	-	218,581
<b>TOTAL NET POSITION</b>	<b>\$ 64,050</b>	<b>\$ 218,581</b>

The Notes to the Financial statements are an integral part of this statement.

**South San Antonio Independent School District****Exhibit E-2**

## Statement of Changes in Net Position

## Fiduciary Funds

August 31, 2024

	Trust Funds	Custodial Funds
	Private Purpose Trust Funds	Total Custodial Funds
<b>ADDITIONS</b>		
Contributions or gifts	\$ 70,000	\$ 36,845
Fundraising activity	-	158,067
Student club fees	-	49,842
Other	-	32,075
Total additions	70,000	276,829
<b>DEDUCTIONS</b>		
Student activities	-	307,385
Administrative expense	-	327
Beneficiary payments	20,550	-
Total deductions	20,550	307,712
Net change in fiduciary net position	49,450	(30,883)
Net position - beginning of year	14,600	249,464
<b>NET POSITION - ENDING</b>	<b>\$ 64,050</b>	<b>\$ 218,581</b>

The Notes to the Financial statements are an integral part of this statement.

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## South San Antonio Independent School District

### Notes to the Financial Statements

#### Note 1. Summary of Significant Accounting Policies

##### A. Reporting Entity

The South San Antonio Independent School District (District) is a public educational agency operating under the applicable laws and regulations of the State of Texas. The District serves over 7,900 students in 8 elementary schools, 3 middle schools, and 1 high school.

The Board of School Trustees (Board), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the South San Antonio Independent School District, San Antonio, Texas. Members of the Board of Trustees are elected by the public, and have the authority to make decisions, appoint administrators and managers, significantly influence operations, and have the primary accountability for fiscal matters. Accordingly, the District is not included in any other governmental "reporting entity" as defined by Governmental Accounting Standards Board (GASB), Statement No. 61, "The Financial Reporting Entity: omnibus – an amendment of GASB Statements No. 14 and No. 34".

The District prepares its basic financial statements in conformity with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB), and it complies with the requirements of the appropriate version of Texas Education Agency's Financial Accountability System Resource Guide (FASRG) and the requirements of contracts and grants of agencies from which it receives funds.

##### B. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government (the District). All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

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

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

## South San Antonio Independent School District

### Notes to the Financial Statements

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for in another fund.

The *debt service fund* is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

Additionally, the District reports the following fund types:

The *special revenue funds* are used to account for the proceeds of specific revenue sources (other than those identified as a major fund) that are restricted for committed to expenditures for specific purposes.

The *capital projects funds* account for the acquisition and construction of the District's major capital facilities, other than those financed by proprietary funds.

*Internal service funds* are used to account for revenues and expenses related to printing, health care, and workers' compensation services provided to parties inside the District. These funds facilitate distribution of support costs to the users or support services on a cost-reimbursement basis. Because the principal users of the internal services are the District's governmental activities, this fund type is included in the "Governmental Activities" column of the government-wide financial statements.

*Custodial and trust funds* are reported in the fiduciary fund financial statements. However, because their assets are held in a custodial capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

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

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

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

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

## South San Antonio Independent School District

### Notes to the Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as required under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases and subscriptions are reported as other financing sources.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the District.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

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

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

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

##### **2. Deposits and Investments**

Investments for the District, except for certain investment pools and non-negotiable certificates of deposit, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost or fair value.

##### **3. Inventories and Prepaid Items**

Inventories are valued at cost using the weighted average cost and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**South San Antonio Independent School District**

Notes to the Financial Statements

**4. Capital Assets**

Capital assets, which include land and improvements, construction in progress, buildings and improvements, furniture and equipment, and right-to-use assets are reported in the applicable governmental activities column in the government-wide financial statements. The District's infrastructure includes parking lots and sidewalks associated with various buildings. The cost of the infrastructure was initially capitalized with the building cost and is being depreciated over the same useful life as the building. 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.

In the case of the initial capitalization of general infrastructure assets, the District was able to estimate the historical cost for the initial reporting of these assets through back trending. As the District constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Land and improvements and construction in progress are not depreciated. The buildings and improvements and furniture and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

Capital Asset Classes	Lives
Buildings and improvements	15-30
Furniture and equipment	3-7

**5. Leases**

The District is a lessee for noncancellable leases of vehicles and equipment. The District recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the District is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

## South San Antonio Independent School District

### Notes to the Financial Statements

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

#### **6. Subscription-Based Information Technology Arrangements (SBITAs)**

The District has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The District recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide financial statements. The District recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a SBITA, the District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

Key estimates and judgments related to SBITAs include how the District determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the District is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The District monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

#### **7. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditures) until then. Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

## South San Antonio Independent School District

### Notes to the Financial Statements

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension and OPEB activities are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and OPEB plan, except for projected and actual earnings differences on investments which are amortized on a closed basis over a 5-year period.
- District contributions to the pension and OPEB plans after the measurement date of each plan are recognized in the subsequent fiscal year.
- Deferred charge/gain on refunding is amortized over the shorter of the life of the refunded or refunding debt.
- Property taxes and other unavailable revenues are recognized in the period the amount becomes available.

#### **8. Compensated Absences**

It is the District's policy to pay an employee who separates from employment with the District for accumulated state leave given that the employee's separation from employment is voluntary, the employee provides written notice of intent to separate from employment two weeks prior to separation, and the employee has at least ten years of service with the District. The employee shall receive payment for each day of accumulated state leave, to a maximum of 100 days, at a rate established by the Board. All compensated absences are accrued when incurred under the applicable policies in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employees' separation from the District.

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

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

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

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

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

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

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

## South San Antonio Independent School District

### Notes to the Financial Statements

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

#### **12. Pension**

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 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.

#### **13. Other Postemployment Benefits**

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS-Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment 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.

### **G. Revenues and Expenditures/Expenses**

#### **1. Program Revenues**

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

#### **2. Property Taxes**

Property values are determined by the Bexar County Appraisal District as of January 1 of each year. Prior to September 1 of each year, the District adopts its annual budget and as soon thereafter as practicable, shall adopt a tax rate thus creating the tax levy. Property taxes for the current calendar year are levied on approximately October 1 of each year and are payable by January 31 of the following year. Property tax receivables are recorded as of the date levied. Unpaid taxes become delinquent on February 1 and a tax lien on real property is created as of January 1 of each year. Additionally, the District offers taxpayers the option of paying taxes in two installments. If this option is elected, the first half must be paid by November 30 and the final payment is due by June 30. Under this option, taxes are not delinquent until July 1.

## South San Antonio Independent School District

### Notes to the Financial Statements

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are sales of services provided. Operating expenses for the proprietary funds include payroll cost, professional and contracted services, and other operating costs. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### **H. Use of Estimates**

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

#### **I. Data Control Codes**

The Data Control Codes refer to the account code structure prescribed by Texas Education Agency (TEA) in the *Financial Accountability System Resource Guide*. TEA requires school districts to display these codes in the financial statements filed with TEA in order to ensure accuracy in building a statewide database for policy development and funding plans.

#### **J. Recent Accounting Pronouncements**

GASB Statement No. 101, *Compensated Absences* (GASB 101), improves the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged. GASB 101 will be implemented in the District's fiscal year 2025 financial statements and the impact has not yet been determined.

### **Note 2. Stewardship, Compliance, and Accountability**

#### **A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, debt service fund and *National School Breakfast/Lunch Program* special revenue fund. All annual appropriations lapse at fiscal year end. The following procedures are followed in establishing the budgetary data reflected in the financial statements.

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to September 1, the budget is formally approved and adopted by the Board.

## **South San Antonio Independent School District**

### **Notes to the Financial Statements**

The appropriated budget is prepared by fund, function, and campus/department. The District's campus/department heads may make transfers of appropriations within a department. Transfers of appropriations between campus/departments require the approval of the District's management. Transfers of appropriations between functions require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund.

#### **B. Encumbrances**

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as restricted, committed, or assigned fund balances as appropriate. The encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. As of August 31, 2024, the District does not have any outstanding encumbrances.

### **Note 3. Detailed Notes on All Funds**

#### **A. Deposits and Investments**

##### **Cash Deposits**

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the District's and the depository banks' agent bank. The pledged securities shall be in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

##### **Investments**

The District's investment policy is in accordance with the Public Funds Investment Act, the Public Funds Collateral Act, and federal and state laws. State law and District policy limits credit risk by allowing investing in 1) Obligations of the United States or its agencies which are backed by the full faith and credit of the United States, obligations of the State of Texas or its agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized statistical rating organization (NRSRO) not less than A or its equivalent; 2) Certificates of deposit issued by a broker or depository located in Texas which is insured by the FDIC or purchased through a broker who has an office located in Texas; 3) Fully collateralized repurchase agreements secured by obligations of the United States or its agencies not to exceed 90 days to maturity from the date of purchase; 4) Securities lending program as permitted by Government Code 2256.0115; 5) Bankers acceptances with a stated maturity of 270 days or fewer which are eligible for collateral for borrowing from a Federal Reserve Bank; 6) Commercial paper if it has a stated maturity of 270 days or fewer from the date of its issuance and is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state; 7) No-load money market mutual funds which shall be registered with the Securities and Exchange Commission and have an dollar-weighted average stated maturity of 90 days or fewer; 8) No-load mutual funds which shall be registered with the Securities and Exchange Commission, have an average weighted maturity of less than two years, include investments that comply with the Public Funds Investment Act and are continuously rated not less than AAA by at least one NRSRO; 9) A guaranteed investment contract (for bond proceeds only) which meets the criteria and eligibility requirements established by the Public Funds Investment Act; 10) Public funds investment pools which meet the requirements of the Public Funds Investment Act.

## South San Antonio Independent School District

### Notes to the Financial Statements

The District's investments are in investment pools, are measured at amortized cost or Net Asset Value (NAV), and are not required to be categorized in the fair value hierarchy as presented in the table below. The District's investment balances, weighted average maturity, and credit risk of such investments are as follows:

All District Funds' Investment Type	Primary Government	Percent of Total Investments	Weighted Average Maturity (Days)	Weighted Average Credit Risk
Investments measured at amortized cost:				
Investment pools:				
Lone Star - Government Overnight Fund	\$ 18,097,209	80.1%	92	AAAm*
TexPool	41,009	0.2%	36	AAAm*
Texas Range - Texas DAILY	181,137	0.8%	42	AAAmmf**
Investments measured at Net Asset Value (NAV):				
Investment pools:				
Lone Star - Corporate Overnight Plus Fund	3,174,737	14.0%	89	AAAf/S 1+*
Texas CLASS	1,110,211	4.9%	87	AAAm*
<b>Total value</b>	<b>\$ 22,604,303</b>	<b>100%</b>		
<b>Portfolio weighted average maturity</b>			91	

\* Standard & Poor's rating

\*\* Fitch rating

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. The 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 of the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

Temporary investments consist of funds invested in local government investment pools. The investment pools used by the District are organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. The investment pools are public funds investment pools created to provide a safe environment for the placement of local government funds in authorized short-term investments.

The District's investments in investment pools, which are exempt from regulation by the Securities and Exchange Commission, have as one of their objectives the maintenance of a stable net asset value of \$1.00. The book value of the position in the pools is the same as the number of shares in each pool; the market value of a share should approximate the book value of a share.

GASB Statement No. 31 provides an exception to the fair value reporting for investments in external pools that operate as "2a7-like" pools. The exception applies to portfolio securities held by external investment pools and allows the use of amortized cost rather than market value to report net assets and to compute share prices.

## **South San Antonio Independent School District**

### Notes to the Financial Statements

TexPool is duly chartered and overseen by the State Comptroller's Office, administered and managed by Federated Hermes, Inc. State Street Bank serves as the custodial bank. The portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements; and AAA rated money market mutual funds.

The investment pool transacts at a net asset value of \$1.00 per share, has a weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by a nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. The investment pool has a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

Lone Star is duly chartered by the State of Texas Interlocal Cooperation Act, is administered by First Public, LLC, a subsidiary of the Texas Association of School Boards, and managed by Mellon Investments Corporation and American Beacon Advisors. State Street Bank and Trust Company is the custodial bank.

The investment pool has a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

The objective of the Lone Star Government Overnight Fund is to provide safety of principal, daily liquidity, and the highest possible rate of return. The fund seeks to maintain a net asset value of one dollar, and its dollar-weighted average maturity is 60 days or fewer. The fund may invest in obligations of the U.S. or its agencies and instrumentalities; other obligations guaranteed or insured by the U.S. or its agencies and instrumentalities; fully collateralized repurchase agreements having a defined termination date and secured by obligations of the U.S. or its agencies and instrumentalities; reverse repurchase agreements authorized under the Public Funds Investment Act; and SEC-regulated no-load money market mutual funds.

The objective of the Lone Star Corporate Overnight Plus Fund is to provide safety of principal, daily liquidity, and the highest possible rate of return. This fund seeks to maintain a net asset value of one dollar, and its dollar-weighted average maturity is 120 days or fewer. The fund may invest in all securities authorized under the Public Funds Investment Act; however, the fund has additional restrictions for SEC regulated money market mutual funds and fully collateralized repurchase agreements.

Texas CLASS was created in accordance with the requirements contained in section 2256.016 of the Public Funds Investment Act (PFIA). The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local government entities that choose to participate in the Trust (the Participants), Public Trust Advisors, LLC (Public Trust) as Program Administrator, and UMB Bank, N.A. as Custodian.

## **South San Antonio Independent School District**

### **Notes to the Financial Statements**

Texas CLASS is an external investment pool measured at fair value, i.e. net asset value. The investment pool's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short term marketable securities. There are no unfunded commitments related to the investment pool. Texas CLASS has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity. The Texas CLASS portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements; AAA rated money market mutual funds; and commercial paper.

The Texas Range Investment Program "the Pool" was organized as the TexasTERM Local Government Investment Pool in conformity with the State of Texas Interlocal Cooperation Act and is administered by PFM Asset Management, LLC. U.S. Bank serves as the Pool's custodial bank. The Pool operates three separate investment Portfolios, Texas DAILY, Texas DAILY Select and Texas TERM.

The primary objective of the Texas DAILY portfolio is to produce the highest income consistent with preserving principal and maintaining liquidity. The portfolio will maintain a dollar-weighted average maturity that does not exceed 60 days and seeks to maintain a net asset value of \$1.00 per share. Texas DAILY may invest in securities including: obligations of the United States or its agencies and instrumentalities, obligations that are fully guaranteed or insured by the FDIC or the United States, certificates of deposit issued by FDIC insured banks, money-market mutual funds, and repurchase agreements involving obligations of the United States or its agencies and instrumentalities which meet the requirements of the Public Funds Investment Act.

The Texas DAILY portfolio has a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

#### **Credit Risk**

At year-end, the District's investments were rated as noted in the table on the previous page. All credit ratings met acceptable levels required by legal guidelines prescribed in both the PFIA and the District's investment policy.

#### **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. The District monitors interest rate risk utilizing weighted average maturity analysis and specific identification. In accordance with its investment policy, the District reduces its exposure to declines in fair values by limiting the weighted average maturity of any internally created pool to no more than 180 days, and any other individual investment not to exceed two years from the time of purchase, unless specifically authorized by the Board of Trustees.

#### **Concentration of Credit Risk**

The District's investment policy does not limit an investment in any one issuer. The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer.

#### **Custodial Credit Risk – Deposits**

In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2024, District's deposits were not exposed to custodial credit risk because such balances were insured and collateralized with securities held by the District's agent in the District's name.

South San Antonio Independent School District

Notes to the Financial Statements

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. District policy requires investments to be in the District's name or held by the District's agent in the District's name. The District is not exposed to custodial risk as the investments are in the District's name or held by the District's agent in the District's name.

B. Receivables

Tax revenues of the general and debt service funds are reported net of estimated uncollectible amounts. Total change in uncollectible amounts related to revenues of the current period increased (decreased) revenues as follows:

Change in uncollectibles related to general fund property taxes	\$	17,106
Change in uncollectibles related to debt service property taxes		<u>24,615</u>
<b>Total change in uncollectibles of the current fiscal year</b>	<b>\$</b>	<b><u>41,721</u></b>

Approximately 69% of the delinquent outstanding balance of property taxes receivable is not anticipated to be collected within the next year.

C. Interfund Receivables, Payables, and Transfers

1. Receivables/Payables

The composition of interfund balances as of August 31, 2024, is as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental funds:		
General fund	\$ 1,989,315	\$ 42,868
Debt service fund	35,972	-
Internal service funds	426	-
Nonmajor governmental funds	<u>1,068</u>	<u>1,983,913</u>
<b>Total governmental funds</b>	<b>\$ 2,026,781</b>	<b>\$ 2,026,781</b>

The Due From balances in the General Fund from the Non-Major Governmental Funds are the result of utilizing a pooled cash account. As funds are expended for the benefit of the Non-Major Governmental Funds, the District subsequently submits a reimbursement from the grantor and funds are reimbursed. The Due From balances in the General Fund from the Internal Service Funds and the Due From balances in the Debt Service from the General Fund are the result of temporary lending between funds.

## South San Antonio Independent School District

### Notes to the Financial Statements

#### 2. Transfers

Interfund transfers are defined as “flows of assets without equivalent flow of assets in return and without a requirement for repayment.” Transfers are the use of funds collected in one fund and are transferred to finance various programs accounted for in other funds. The District recorded the transfers below for the fiscal year ended August 31, 2024 from the General Fund to the Internal Service Funds to fund the operations of those funds.

Funds	Transfers In	Transfers Out
General fund	\$ -	\$ 2,550,000
Internal service funds	2,800,000	250,000
<b>Totals</b>	<b>\$ 2,800,000</b>	<b>\$ 2,800,000</b>

#### D. Capital Assets

Capital asset activity for the fiscal year ended August 31, 2024 was as follows:

	Beginning Balance	Additions	Transfers, Adjustments and Dispositions	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated and amortized:				
Land and improvements	\$ 2,796,842	\$ -	\$ (2,859)	\$ 2,793,983
Construction in progress	1,478,251	-	(1,478,251)	-
Total capital assets, not being depreciated and amortized	4,275,093	-	(1,481,110)	2,793,983
Capital assets, being depreciated and amortized:				
Buildings and improvements	291,183,783	650,677	1,302,369	293,136,829
Furniture and equipment	22,089,214	578,371	-	22,667,585
Equipment and vehicle leases, right-to-use assets	615,746	-	-	615,746
Software subscriptions, right-to-use assets	932,568	143,697	-	1,076,265
Total capital assets, being depreciated and amortized	314,821,311	1,372,745	1,302,369	317,496,425
Less accumulated depreciation and amortization for:				
Buildings and improvements	(160,819,162)	(8,677,675)	110,895	(169,385,942)
Furniture and equipment	(19,070,041)	(913,180)	-	(19,983,221)
Equipment and vehicle leases, right-to-use assets	(382,121)	(220,567)	-	(602,688)
Software subscriptions, right-to-use assets	(372,614)	(318,295)	-	(690,909)
Total accumulated depreciation and amortization	(180,643,938)	(10,129,717)	110,895	(190,662,760)
Total capital assets, being depreciated and amortized, net	134,177,373	(8,756,972)	1,413,264	126,833,665
<b>Governmental activities capital assets, net</b>	<b>\$ 138,452,466</b>	<b>\$ (8,756,972)</b>	<b>\$ (67,846)</b>	<b>\$ 129,627,648</b>

## South San Antonio Independent School District

### Notes to the Financial Statements

Depreciation and amortization expense of the governmental activities was charged to functions/programs of the District as follows:

Governmental activities:	
11 Instruction	\$ 6,365,576
12 Instructional resources and media services	170,618
13 Curriculum and instructional staff development	21,427
21 Instructional leadership	172,179
23 School leadership	693,296
31 Guidance, counseling, and evaluation services	328,391
33 Health services	117,557
34 Student transportation	410,850
35 Food services	233,628
36 Cocurricular/extracurricular activities	155,895
41 General administration	219,458
51 Plant maintenance and operations	802,233
52 Security and monitoring services	123,183
53 Data processing services	311,630
61 Community services	3,796
<b>Total depreciation and amortization expense-governmental activities</b>	<b>\$ 10,129,717</b>

#### Construction Commitments

The District has active construction projects as of August 31, 2024. The projects include the construction and equipment of school facilities. At year-end, the District did not have additional commitments with contractors as the ongoing projects were either in the planning phase or near completion.

#### E. Long-term Liabilities

The District's long-term liabilities consist of bond indebtedness, maintenance tax notes, leases payable, subscriptions payable, financed purchase liability, compensated absences, and net pension and OPEB liability. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. Other long-term liabilities are generally liquidated with resources of the general fund.

# South San Antonio Independent School District

## Notes to the Financial Statements

### Changes in Long-term Liabilities

Long-term liability activity for the fiscal year ended August 31, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 120,584,709	\$ -	\$ (8,208,000)	\$ 112,376,709	\$ 8,523,000
Accreted interest on capital appreciation bonds	12,094,976	1,283,768	-	13,378,744	-
Issuance premiums	6,284,765	-	(950,782)	5,333,983	844,586
Total bonds payable, net	138,964,450	1,283,768	(9,158,782)	131,089,436	9,367,586
Maintenance tax notes	10,127,000	-	(4,367,000)	5,760,000	726,000
Issuance premiums	138,923	-	(10,336)	128,587	7,731
Leases payable	248,512	-	(234,165)	14,347	14,347
Subscriptions payable	633,435	143,697	(246,247)	530,885	300,242
Financed purchase liability	223,014	-	(46,080)	176,934	47,481
Compensated absences	1,334,895	166,450	(185,876)	1,315,469	-
Net pension liability	35,293,655	9,317,213	(3,105,901)	41,504,967	-
Net OPEB liability	18,449,640	1,102,223	(2,733,407)	16,818,456	-
<b>Governmental activities total long-term liabilities</b>	<b>\$ 205,413,524</b>	<b>\$12,013,351</b>	<b>\$ (20,087,794)</b>	<b>\$ 197,339,081</b>	<b>\$10,463,387</b>

### General Obligation Bonds

The District issues general obligation bonds to provide funds for the construction and equipment of school buildings (BLDG) and to refund general obligation bonds (REF). General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued as 11-25 year current interest or capital appreciation bonds (CAB) with various amounts of principal maturing each year. Rates may be fixed or variable.

The following is a summary of changes in the general obligation bonds for the fiscal year:

Series	Interest Rate	Original Issue	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance
<b>Unlimited Tax School Building Bonds</b>							
Series 2005	3.25 - 5%	\$ 40,500,000	2030	\$ 7,510,000	\$ -	\$ -	\$ 7,510,000
<b>Unlimited Tax Qualified School Construction Bonds</b>							
Series 2010	5.19%	9,785,000	2027	9,785,000	-	(2,343,000)	7,442,000
<b>Unlimited Tax School Refunding Bonds</b>							
Series 2013	2 - 5%	18,815,000	2035	6,990,000	-	(1,450,000)	5,540,000
Series 2014	4 - 5%	25,380,000	2037	24,140,000	-	(1,300,000)	22,840,000
Series 2019A	4%	11,460,000	2029	10,015,000	-	(1,510,000)	8,505,000
Series 2019B	4%	18,360,000	2034	18,240,000	-	(1,495,000)	16,745,000
Series 2019C	3.5 - 4%	9,185,000	2029	370,000	-	(55,000)	315,000
Series 2020	3 - 4%	5,340,000	2031	5,340,000	-	-	5,340,000
Series 2022	3 - 4%	24,220,000	2037	24,220,000	-	(55,000)	24,165,000
<b>Capital Appreciation Bonds</b>							
Series 2010	3.25 - 5.02%	22,116,909	2035	13,974,709	-	-	13,974,709
<b>Grand total</b>				<b>\$ 120,584,709</b>	<b>\$ -</b>	<b>\$ (8,208,000)</b>	<b>\$ 112,376,709</b>

## South San Antonio Independent School District

### Notes to the Financial Statements

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending August 31,	Principal Value At Maturity	Interest	Total Requirements
2025	\$ 8,523,000	\$ 4,033,592	\$ 12,556,592
2026	8,842,000	3,789,192	12,631,192
2027	9,252,000	3,534,792	12,786,792
2028	8,028,712	4,369,088	12,397,800
2029	8,277,070	4,193,006	12,470,076
2030-2034	36,118,884	29,564,516	65,683,400
2035-2037	33,335,043	3,358,107	36,693,150
<b>Totals</b>	<b>\$ 112,376,709</b>	<b>\$ 52,842,293</b>	<b>\$ 165,219,002</b>

As of August 31, 2024, the District had \$22,840,000 of authorized but unissued bonds. On October 1, 2024, the District issued \$20,825,000 of these authorized bonds, which will be reflected in the District's 2025 financial statements.

In prior years, the District defeased certain outstanding bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts and the liability for the defeased bonds are not included in the District's financial statements. As of August 31, 2024, there were no outstanding defeased bonds.

#### Maintenance Tax Notes

The District has entered into various Maintenance Tax Notes to pay for energy conservation measures such as lighting upgrades, EMS optimization, ventilation control and power conditioning. The following is a summary of changes in the maintenance tax notes for the fiscal year.

Series	Interest Rate	Amounts Original Issue	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance
<b>Maintenance Tax Notes:</b>							
Series 2020	0.81 - 1.45%	2,000,000	2030	\$ 1,925,000	\$ -	\$ (265,000)	\$ 1,660,000
Series 2021	0.86 - 1.83%	4,000,000	2031	3,237,000	-	(387,000)	2,850,000
Series 2022	3 - 5%	4,985,000	2041	4,965,000	-	(3,715,000)	1,250,000
<b>Grand total</b>				<b>\$ 10,127,000</b>	<b>\$ -</b>	<b>\$ (4,367,000)</b>	<b>\$ 5,760,000</b>

Annual debt service requirements to maturity for maintenance tax notes are as follows:

Year Ending August 31,	Principal Value At Maturity	Interest	Total Requirements
2025	\$ 726,000	\$ 112,123	\$ 838,123
2026	735,000	103,018	838,018
2027	745,000	92,921	837,921
2028	756,000	82,006	838,006
2029	767,000	70,138	837,138
2030-2033	2,031,000	132,211	2,163,211
<b>Totals</b>	<b>\$ 5,760,000</b>	<b>\$ 592,417</b>	<b>\$ 6,352,417</b>

## South San Antonio Independent School District

### Notes to the Financial Statements

During the year ended August 31, 2024, the District defeased \$3,650,000 of outstanding maintenance tax notes using current resources. The funds were placed in an irrevocable trust to provide for all future debt service payments. Accordingly, the trust accounts and the liability for the defeased maintenance tax notes are not included in the District's financial statements. As of August 31, 2024, there were \$3,650,000 of outstanding defeased maintenance tax notes.

#### Leases Payable

The District has entered into lease agreements as lessee. The leases allow the right to use vehicles and copiers over the term of the lease. The District is required to make monthly payments at its incremental borrowing rate or the interest rate stated or implied within the leases. The lease rate, term and ending lease liability are as follows:

	Interest Rate(s)	Liability at Commencement	Lease Term in Years	Ending Balance
<b>Governmental activities</b>				
Copiers	7%	\$ 469,791	3.0	\$ 14,347
<b>Total governmental activities</b>				<u>\$ 14,347</u>

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

Year Ending August 31,	Principal	Interest	Total Requirements
2025	\$ 14,347	\$ 84	\$ 14,431
<b>Totals</b>	<u>\$ 14,347</u>	<u>\$ 84</u>	<u>\$ 14,431</u>

The value of the right-to-use lease assets as of the end of the current fiscal year was \$615,746 and had accumulated amortization of \$602,688.

The District also entered into a financed purchase agreement for print shop equipment that runs through March 31, 2028. The District is required to make monthly payments with an interest rate of 3%, with an initial liability of \$242,415. The future principal and interest payments as of fiscal year end are as follows:

Year Ending August 31,	Principal	Interest	Total Requirements
2025	\$ 47,481	\$ 4,659	\$ 52,140
2026	48,926	3,215	52,141
2027	50,414	1,726	52,140
2028	30,113	302	30,415
<b>Totals</b>	<u>\$ 176,934</u>	<u>\$ 9,902</u>	<u>\$ 186,836</u>

The value of the equipment as of the end of the current fiscal year was \$242,415 and had accumulated depreciation of \$66,281.

## South San Antonio Independent School District

### Notes to the Financial Statements

#### Subscription Based Information Technology Arrangements (SBITAs)

The District has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The District is required to make annual payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term and ending subscription liability are as follows:

	Interest Rate	Liability at Commencement	Subscription Term in Years	Ending Balance
<b>Governmental activities</b>				
Software subscriptions	7%	\$ 1,076,266	3 - 5	\$ 530,885
<b>Total governmental activities</b>				<u>\$ 530,885</u>

The future subscription liability principal and interest payments as of fiscal year end are as follows:

Year Ending August 31,	Principal	Interest	Total Requirements
2025	\$ 300,242	\$ 33,242	\$ 333,484
2026	157,764	16,145	173,909
2027	63,533	5,101	68,634
2028	9,346	654	10,000
<b>Totals</b>	<u>\$ 530,885</u>	<u>\$ 55,142</u>	<u>\$ 586,027</u>

The value of the right-to-use subscription assets as of the end of the current fiscal year was \$1,076,265 and had accumulated amortization of \$690,909.

#### F. Fund Balance

Other committed fund balance includes the following commitments of funds:

General fund:	
Tax subsidy	<u>\$ 1,101,909</u>
<b>Total committed for other purposes</b>	<u>\$ 1,101,909</u>

#### G. Revenues from Local and Intermediate Sources

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

	General	Debt Service	Nonmajor Funds	Totals
Property taxes	\$ 16,466,478	\$ 12,217,754	\$ -	\$ 28,684,232
Charges for services	259,400	-	179,511	438,911
Investment earnings	1,906,750	576,695	14,311	2,497,756
Other	104,487	-	637,063	741,550
<b>Totals</b>	<u>\$ 18,737,115</u>	<u>\$ 12,794,449</u>	<u>\$ 830,885</u>	<u>\$ 32,362,449</u>

South San Antonio Independent School District

Notes to the Financial Statements

Note 4. Other Information

A. Risk Management

Property/Liability

The District is exposed to various risks related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty and liability coverage through the participation in a risk pool. Settled claims have not exceeded insurance coverage in any of the three previous fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

Health Insurance

During the period ended August 31, 2024, employees of the District were covered by a self-insured health insurance plan (The Health Plan). The Health Plan is accounted for through an internal service fund. The District made contributions to cover the employees and the employees, at their option, authorized payroll withholdings to pay contributions for dependents. All contributions were paid to a third-party administrator acting on behalf of the District. The Health Plan was authorized by state statute and was documented by contractual agreement. The contract between the District and the third-party administrator is renewable annually.

In accordance with state statute, the District was protected against unanticipated catastrophic individual or aggregate loss by stop-loss coverage up to \$200,000 per individual carried through a commercial insurer licensed to do business in Texas in accordance with the Texas Insurance Code. Estimates of claims payable and of claims incurred but not reported at August 31, 2024, are reflected as accrued expenses of the respective internal service fund. The liabilities include an amount for claims that have been incurred but were not reported until after August 31, 2024. Because actual claims liabilities depend on such complex factors as inflation, changes in legal requirements and damage awards, the process used in computing claims liability is an estimate.

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

	Year Ended 8/31/2024	Year Ended 8/31/2023
Unpaid claims, beginning of fiscal year	\$ 681,072	\$ 443,761
Provision for claims		
Incurred claims, including provision (adjustment) for IBNR	8,591,216	8,187,544
Claim payments	(8,250,154)	(7,950,233)
<b>Unpaid claims, end of fiscal year</b>	<b>\$ 1,022,134</b>	<b>\$ 681,072</b>

Workers' Compensation

During the period ended August 31, 2024, employees of the District were covered by a self-funded workers' compensation insurance plan (the Plan). The District currently utilizes an internal service fund's fund balance to pay for the workers' compensation claims. A third-party administrator acts on behalf of the District to administer claims filed against the self-funded pool. The contract was authorized under the rules of the Texas Insurance Code and was documented by contractual agreement. This contract between the District and the third-party administrator is renewable annually and terms of coverage and premium costs are included in the contractual provision.

South San Antonio Independent School District

Notes to the Financial Statements

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other non-incremental claims adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for subrogation, are another component of the claims liability estimate. An excess coverage insurance policy covers individual claims in excess of \$500,000 and an annual employer's maximum limit of \$1,000,000.

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

	Year Ended 8/31/2024	Year Ended 8/31/2023
Unpaid claims, beginning of fiscal year	\$ 440,247	\$ 314,514
Provision for claims		
Incurred claims, including provision (adjustment) for IBNR	265,471	391,798
Claim payments	(398,450)	(266,065)
<b>Unpaid claims, end of fiscal year</b>	<b>\$ 307,268</b>	<b>\$ 440,247</b>

B. Litigation and Contingencies

The District is a defendant in various legal claims arising principally in its normal course of operations. In the opinion of the District's management, such claims will not have a material effect of the District's financial position, results of operations or liquidity.

The District participates in a number of federal and state financial assistance programs. Although the District's grant programs have been audited in accordance with the provisions of the Single Audit Act through August 31, 2024, these programs are subject to financial and compliance audits by the grantor agencies. The District is also subject to audit by the TEA of the attendance data upon which payments from the agency are based. These audits could result in questioned costs or refunds to be paid back to the granting agencies.

C. Defined Benefit Pension Plan

Plan Description

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

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

Pension Plan Fiduciary Net Position

South San Antonio Independent School District

Notes to the Financial Statements

Detailed information about the TRS's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at [http://www.trs.texas.gov/Pages/about\\_archive\\_acfr.aspx](http://www.trs.texas.gov/Pages/about_archive_acfr.aspx) ; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided

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

Texas Government Code section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025.

Rates for the District's current and prior fiscal years are as follows:

	Contribution Rates	
	2024	2023
Member	8.25%	8.00%
Non-employer contribution entity (State)	8.25%	8.00%
Employers (District)	1.90%	1.80%

South San Antonio Independent School District

Notes to the Financial Statements

The contribution amounts for the District's fiscal year 2024 are as follows:

District contributions	\$ 2,979,130
Member contributions	5,402,177
NECE on-behalf contributions (State)	3,471,869

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act.

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 the fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

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

- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment-after-retirement surcharge.
- Public education employer contribution - all public schools, charter schools and regional education service centers must contribute 1.8% of the member's salary beginning in fiscal year 2023, gradually increasing to 2.0% in fiscal year 2025.

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

On August 31, 2024, the District reported a liability of \$41,504,967 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 are as follows:

District's proportionate share of the net pension liability	\$ 41,504,967
State's proportionate share of the net pension liability associated with the District	36,619,857
<b>Total</b>	<u><u>\$ 78,124,824</u></u>

## South San Antonio Independent School District

### Notes to the Financial Statements

The net pension liability was measured as of August 31, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as August 31, 2022 rolled forward to August 31, 2023. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2022 through August 31, 2023.

At the measurement date of August 31, 2023, the District's proportion of the collective net pension liability was 0.0604232863%, which was an increase of 0.0009737592% from its proportion measured as of August 31, 2022.

For the fiscal year ended August 31, 2024, the District recognized pension expense and revenue of \$2,740,338 for support provided by the State.

On August 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,478,836	\$ 502,580
Changes of assumptions	3,925,557	960,673
Difference between projected and actual earnings on pension plan investments	6,039,981	-
Changes in proportion and difference between District's contributions and the proportionate share of contributions	2,154,161	1,114,502
District contributions paid subsequent to the measurement date	2,979,130	-
<b>Totals</b>	<b>\$ 16,577,665</b>	<b>\$ 2,577,755</b>

\$2,979,130 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year Ending August 31,	
2025	\$ 2,077,192
2026	1,394,701
2027	5,450,056
2028	1,892,719
2029	206,112
<b>Total</b>	<b>\$ 11,020,780</b>

## South San Antonio Independent School District

### Notes to the Financial Statements

#### Actuarial Methods and Assumptions

The actuarial valuation of the total pension liability was performed as of August 31, 2022. Update procedures were used to roll forward the total pension liability to August 31, 2023 and was determined using the following actuarial methods and assumptions:

Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected rate of return	7.00%
Municipal bond rate as of August 2023	4.13%. 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
Last year ending August 31 in projection period (100 years)	2122
Inflation	2.30%
Salary increases	2.95% to 8.95% including inflation
Ad hoc post-employment benefit changes	None
Mortality	The active mortality rates were based on PUB (2010), Amount-Weighted, Below-Median Income, Teacher male and female tables (with a two-year set forward for males), also with full generational mortality using Scale UMP 2021. The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using Scale UMP 2021 (the ultimate rates of MP-2021) but with immediate

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2021 and adopted in July 2022.

#### Discount Rate and Long-term Expected Rate of Return

A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine the single discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity will be made at the rates set by the legislature in the 2019 session. It is assumed that future employer and state contributions will be 9.50 percent of payroll in fiscal year 2024 gradually increasing to 9.56 percent in fiscal year 2025 and thereafter. 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 payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

## South San Antonio Independent School District

### Notes to the Financial Statements

Best estimates of arithmetic real rates of return for each major asset class included in TRS's target asset allocation as of August 31, 2023 are summarized below:

Asset Class	Target Allocation %**	Long-term Expected Geometric Real Rate of Return***	Expected Contribution to Long-Term Portfolio Returns
Global equity:			
U.S.	18.0%	4.0%	1.0%
Non-U.S. developed	13.0%	4.5%	0.9%
Emerging markets	9.0%	4.8%	0.7%
Private equity*	14.0%	7.0%	1.5%
Stable value:			
Government bonds	16.0%	2.5%	0.5%
Absolute return*	-	3.6%	-
Stable value hedge funds	5.0%	4.1%	0.2%
Real return:			
Real estate	15.0%	4.9%	1.1%
Energy, natural resources and infrastructure	6.0%	4.8%	0.4%
Commodities	-	4.4%	-
Risk parity:			
Risk parity	8.0%	4.5%	0.4%
Asset allocation leverage:			
Cash	2.0%	3.7%	-
Asset allocation leverage	-6.0%	4.4%	-0.1%
Inflation expectation			2.3%
Volatility drag****			-0.9%
<b>Total</b>	<b>100.0%</b>		<b>8.0%</b>

\* Absolute return includes credit sensitive investments.

\*\* Target allocations are based on the FY 2023 policy model.

\*\*\* Capital market assumptions come from Aon Hewitt (as of 6/30/2023).

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

### Discount Rate Sensitivity Analysis

The following table presents the District's proportionate share of the TRS net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 62,052,225	\$ 41,504,967	\$ 24,419,912

### Change of Assumptions Since the Prior Measurement Date

The actuarial assumptions and methods are the same as used in the determination of the prior year's net pension liability.

South San Antonio Independent School District

Notes to the Financial Statements

Change of Benefit Terms Since the Prior Measurement Date

The Texas 2023 Legislature passed legislation that provides a one-time stipend to certain retired teachers. The stipend was paid to retirees beginning in September of 2023. The Legislature appropriated funds to pay for this one-time stipend so there will be no impact on the Net Pension Liability of TRS. In addition, the Legislature also provided for a cost of living adjustment (COLA) to retirees which was approved during the November 2023 election which was paid January 2024. Therefore, this contingent liability was not reflected as of measurement period ending August 31, 2023.

D. Defined Other Postemployment Benefit Plan

Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Postemployment Benefit (OPEB) plan that has a special funding situation. TRS-Care was established in 1986 by the Texas Legislature and is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees in accordance with the Texas Insurance Code, Chapter 1575. The Board may adopt rules, plans, procedures and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

OPEB Plan Fiduciary Net Position

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

Benefits Provided

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

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees of TRS is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052.

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

TRS-Care Monthly Plan Premium Rates

	Medicare	Non-medicare
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

South San Antonio Independent School District

Notes to the Financial Statements

Contributions

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

Texas Insurance Code, section 1575.202 establishes the State's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act.

Rates for the District's current and prior fiscal years are as follows:

	Contribution Rates	
	2024	2023
Active employee	0.65%	0.65%
Non-employer contribution entity (State)	1.25%	1.25%
Employers (District)	0.75%	0.75%
Federal/private funding*	1.25%	1.25%

\* Contributions paid from federal funds and private grants are remitted by the employer (District) and paid at the State rate.

The contribution amounts for the District's fiscal year 2024 are as follows:

District contributions	\$ 625,391
Member contributions	425,628
NECE on-behalf contributions (State)	698,499

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 hiring a TRS retiree, employers are required to pay TRS-Care a monthly surcharge of \$535 per retiree.

The State of Texas also contributed \$349,907, \$334,290, and \$254,527 in 2024, 2023, and 2022, respectively, for on-behalf payments for Medicare Part D.

TRS-Care received a supplemental appropriation from the State of Texas as the Non-Employer Contributing Entity in the amount of \$21 million in fiscal year 2023 provided by Rider 14 of the Senate Bill GAA of the 87th Legislature. These amounts were re-appropriated from amounts received by the pension and TRS-Care funds in excess of the state's actual obligation and then transferred to TRS-Care.

## South San Antonio Independent School District

### Notes to the Financial Statements

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

On August 31, 2024, the District reported a liability of \$16,818,456 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided by the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District are as follows:

District's proportionate share of the net OPEB liability	\$ 16,818,456
State's proportionate share of the net OPEB liability associated with the District	<u>20,294,052</u>
<b>Total</b>	<b><u>\$ 37,112,508</u></b>

The net OPEB liability was measured as of August 31, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of August 31, 2022 rolled forward to August 31, 2023. The District's proportion of the net OPEB liability was based on the District's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2022 through August 31, 2023.

At the measurement date of August 31, 2023, the employer's proportion of the collective net OPEB liability was 0.075969935% which was a decrease of 0.001083393% from its proportion measured as of August 31, 2022.

For the fiscal year ended August 31, 2024, the District recognized OPEB expense and revenue of \$795,209 for support provided by the State.

On August 31, 2024, the District reported its proportionate share of the TRS' deferred outflows of resources and deferred inflows of resources related to other postemployment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 760,908	\$ 14,149,545
Changes of assumptions	2,295,597	10,298,387
Difference between projected and actual earnings on OPEB plan investments	7,267	-
Changes in proportion and difference between District's contributions and the proportionate share of contributions	2,120,768	3,089,950
District contributions paid subsequent to the measurement date	<u>625,391</u>	<u>-</u>
<b>Totals</b>	<b><u>\$ 5,809,931</u></b>	<b><u>\$ 27,537,882</u></b>

## South San Antonio Independent School District

### Notes to the Financial Statements

\$625,391 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended August 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB revenue as follows:

Year Ending August 31,	
2025	\$ (5,028,572)
2026	(4,257,190)
2027	(3,212,867)
2028	(3,355,799)
2029	(2,736,836)
Thereafter	(3,762,078)
<b>Total</b>	<b><u>\$ (22,353,342)</u></b>

#### Actuarial Methods and Assumptions

The actuarial valuation of the total OPEB liability was performed as of August 31, 2022. Update procedures were used to roll forward the total OPEB liability to August 31, 2023.

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The following assumptions used for the valuation of the TRS-Care OPEB liability are identical to the assumptions employed in the August 31, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

<u>Demographic Assumptions</u>	<u>Economic Assumptions</u>
Rates of mortality	General inflation
Rates of retirement	Wage inflation
Rates of termination	
Rates of disability	

See Note 4.C. for detail on these assumptions. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2021.

The active mortality rates were based on PUB(2010), Amount-Weighted, Below-Median Income, Teacher male and female tables (with a two-year set forward for males). The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from mortality projection scale MP-2021.

The initial medical trend rates were 7.75% for Medicare retirees and 7.00% for non-Medicare retirees. There was an initial prescription drug trend rate of 7.75% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 12 years.

## South San Antonio Independent School District

### Notes to the Financial Statements

The following methods and additional assumptions were used in the TRS-Care OPEB valuation:

Actuarial cost method	Individual entry age normal
Inflation	2.30%
Single discount rate	4.13%
Aging factors	Based on plan specific experience
Election rates	Normal retirement: 62% participation rate prior to age 65 and 25% after age 65. Pre-65 retirees: 30% of 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.
Salary increases	2.95% to 8.95%, including inflation
Ad hoc post-employment benefit changes	None

#### Discount Rate

A single discount rate of 4.13% was used to measure the total OPEB liability at August 31, 2023. This was an increase of 0.22% in the discount rate since the August 31, 2022 measurement date. The plan is essentially a "pay-as-you-go" plan, and based on the assumption that contributions are made at the statutorily required rates, the OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments to current plan members and therefore, the single discount rate is equal to the prevailing municipal bond rate. The source for the rate is the Fixed Income Market Data / Yield Curve / Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of August 31, 2023.

#### Sensitivity Analysis of Rates

##### Discount Rate

The following table presents the District's proportionate share of the TRS-Care net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that was 1% less than and 1% greater than the discount rate that was used (4.13%) in measuring the net OPEB liability.

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
District's proportionate share of the net OPEB liability	\$ 19,808,639	\$ 16,818,456	\$ 14,378,396

South San Antonio Independent School District

Notes to the Financial Statements

Healthcare Cost Trend Rates

The following table presents the District's proportionate share of net OPEB liability using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher than the assumed health-care cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 13,849,157	\$ 16,818,456	\$ 20,638,470

Change of Assumptions Since the Prior Measurement Date

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 3.91% as of August 31, 2022 to 4.13% as of August 31, 2023, accompanied by revised demographic and economic assumptions based on the TRS experience study.

Change of Benefit Terms Since the Prior Measurement Date

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

E. Nonmonetary Transactions

During the year ended August 31, 2024, the District received goods purchased by the State of Texas for the benefit of the District through the Technology and Instructional Materials Allotment program. The instructional materials have been recorded in the amount of \$628,961 in a special revenue fund as both state revenues and expenditures, which represents the amount of consideration given by the State of Texas.

During the year ended August 31, 2024, the District received goods purchased by the Texas Department of Agriculture (TDA) through the Food Distribution Program (commodities) as part of the National School Lunch Program (NSLP). These commodities have been recorded in the amount of \$301,646 in a special revenue fund as federal revenues, which represents the amount of consideration given by TDA. In addition, the District received \$143,222 in commodities through the Department of Defense (DoD) Fresh Program, which is also part of the NSLP.

## **Required Supplementary Information**

**South San Antonio Independent School District**  
**Schedule of Revenues, Expenditures and Changes**  
**In Fund Balance – Budget and Actual**  
**General Fund**  
**For the Fiscal Year Ended August 31, 2024**

**Exhibit G-1**

Data Control Codes		Budgeted Amounts			Variance with Final Budget
		Original	Final	Actual	Positive (Negative)
REVENUES					
5700	Local and intermediate sources	\$ 18,696,080	\$ 20,428,403	\$ 18,737,115	\$ (1,691,288)
5800	State program revenues	56,286,564	55,276,620	56,116,706	840,086
5900	Federal program revenues	3,492,656	2,192,656	2,313,346	120,690
5020	Total revenues	78,475,300	77,897,679	77,167,167	(730,512)
EXPENDITURES					
Current:					
0011	Instruction	44,862,188	46,238,652	45,768,114	470,538
0012	Instructional resources and media services	1,117,983	1,167,446	1,115,867	51,579
0013	Curriculum and instructional staff development	683,318	1,060,653	1,025,527	35,126
0021	Instructional leadership	1,643,265	1,680,102	1,604,665	75,437
0023	School leadership	5,399,206	5,117,466	4,949,364	168,102
0031	Guidance, counseling, and evaluation services	3,558,331	3,935,466	3,909,112	26,354
0032	Social work services	388,362	471,374	402,440	68,934
0033	Health services	1,139,380	1,085,761	1,070,035	15,726
0034	Student transportation	2,157,371	2,639,835	2,276,366	363,469
0035	Food services	-	10,000	1,821	8,179
0036	Cocurricular/extracurricular activities	2,795,826	3,048,215	2,872,706	175,509
0041	General administration	3,138,095	3,472,618	3,356,805	115,813
0051	Plant maintenance and operations	10,205,363	9,875,399	9,797,531	77,868
0052	Security and monitoring services	1,564,418	1,525,873	1,442,579	83,294
0053	Data processing services	1,627,036	1,786,086	1,421,165	364,921
0061	Community services	275,153	166,238	145,133	21,105
Debt service:					
0071	Principal on long-term debt	717,000	1,307,300	1,129,517	177,783
0072	Interest on long-term debt	268,431	274,131	230,990	43,141
0073	Other debt service fees	4,000	3,751,715	3,747,856	3,859
Capital outlay:					
0081	Facilities acquisition and construction	3,655,876	337,047	255,547	81,500
Intergovernmental:					
0093	Payments related shares services arrangements	96,000	172,852	172,852	-
0095	Payments to juvenile justice alternative education programs	11,000	11,000	8,151	2,849
0099	Other intergovernmental charges	161,292	161,292	160,524	768
6030	Total expenditures	85,468,894	89,296,521	86,864,667	2,431,854
1100	Excess (deficiency) of revenues over (under) expenditures	(6,993,594)	(11,398,842)	(9,697,500)	1,701,342
OTHER FINANCING SOURCES (USES)					
7912	Sale of real and personal property	-	-	281,980	281,980
7913	Proceeds from right to use leased assets and subscriptions	-	-	143,697	143,697
8911	Transfers out	(2,550,000)	(2,550,000)	(2,550,000)	-
7080	Total other financing sources (uses)	(2,550,000)	(2,550,000)	(2,124,323)	425,677
EXTRAORDINARY ITEMS					
7919	Other sources	-	-	283	283
	Total extraordinary items	-	-	283	283
1200	Net change in fund balance	(9,543,594)	(13,948,842)	(11,821,540)	2,127,302
0100	Fund balance - beginning	38,860,112	38,860,112	38,860,112	-
3000	FUND BALANCE - ENDING	\$ 29,316,518	\$ 24,911,270	\$ 27,038,572	\$ 2,127,302

The Notes to the Required Supplementary Information are an integral part of this schedule.

# South San Antonio Independent School District

# Exhibit G-2

Schedule of the District's Proportionate Share of the Net Pension Liability of a Cost-Sharing Multiple-Employer Pension Plan Teacher Retirement System of Texas For the Last Ten Fiscal Years\*

Year	District's Proportion of Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State's Proportionate Share of the Net Pension Liability Associated with the District	Total	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.0604233%	\$ 41,504,967	\$ 36,619,857	\$ 78,124,824	\$ 61,398,617	67.60%	73.15%
2023	0.0594495%	35,293,655	34,432,568	69,726,223	60,287,791	58.54%	75.62%
2022	0.0531322%	13,530,887	19,605,959	33,136,846	62,810,123	21.54%	88.79%
2021	0.0535488%	28,679,643	42,390,784	71,070,427	62,518,405	45.87%	75.54%
2020	0.0582592%	30,284,965	37,488,457	67,773,422	57,881,610	52.32%	75.24%
2019	0.0608164%	33,474,812	43,435,411	76,910,223	59,240,180	56.51%	73.74%
2018	0.0624478%	19,967,448	29,289,547	49,256,995	62,046,102	32.18%	82.17%
2017	0.0594752%	22,474,786	36,147,509	58,622,295	60,094,300	37.40%	78.00%
2016	0.0581993%	20,572,678	34,992,059	55,564,737	56,912,759	36.15%	78.43%
2015	0.0449481%	12,006,259	30,308,470	42,314,729	56,694,241	21.18%	83.25%

\* The amounts presented for the fiscal years were determined as of the Plan's fiscal year end, August 31 of the prior year.

**South San Antonio Independent School District****Exhibit G-3**

Schedule of the District's Contributions to the  
Teacher Retirement System of Texas Pension Plan  
For the Last Ten Fiscal Years\*

<b>Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2024	\$ 2,979,130	\$ (2,979,130)	\$ -	\$ 64,503,966	4.62%
2023	3,045,414	(3,045,414)	-	61,398,617	4.96%
2022	2,788,156	(2,788,156)	-	60,287,791	4.62%
2021	2,236,783	(2,236,783)	-	62,810,123	3.56%
2020	2,209,438	(2,209,438)	-	62,518,405	3.53%
2019	2,040,584	(2,040,584)	-	57,881,610	3.53%
2018	2,077,722	(2,077,722)	-	59,240,180	3.51%
2017	1,977,312	(1,977,312)	-	62,046,102	3.19%
2016	1,889,677	(1,889,677)	-	60,094,300	3.14%
2015	1,817,619	(1,817,619)	-	56,912,759	3.19%

\* The amounts presented for the fiscal years were determined as of the District's fiscal year end.

# South San Antonio Independent School District

# Exhibit G-4

Schedule of the District's Proportionate Share of the Net OPEB  
Liability of a Cost-Sharing Multiple-Employer OPEB Plan  
Teacher Retirement System of Texas  
For the Last Seven Fiscal Years\*

Year	District's Proportion of Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	State's Proportionate Share of the Net OPEB Liability Associated with the District	Total	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2024	0.0759699%	\$ 16,818,456	\$ 20,294,052	\$ 37,112,508	\$ 61,398,617	27.39%	14.94%
2023	0.0770533%	18,449,640	22,505,662	40,955,302	60,287,791	30.60%	11.52%
2022	0.0724951%	27,964,581	37,466,306	65,430,887	62,810,123	44.52%	6.18%
2021	0.0749231%	28,481,658	38,272,521	66,754,179	62,518,405	45.56%	4.99%
2020	0.0759812%	35,932,429	47,746,158	83,678,587	57,881,610	62.08%	2.66%
2019	0.0781501%	39,021,061	47,571,974	86,593,035	59,240,180	65.87%	1.57%
2018	0.0809117%	35,185,477	47,559,318	82,744,795	62,046,102	56.71%	0.91%

\* The amounts presented for the fiscal years were determined as of the Plan's fiscal year end, August 31 of the prior year.  
Ten years of data is not available.

**South San Antonio Independent School District****Exhibit G-5**

Schedule of the District's Contributions to the  
Teacher Retirement System of Texas OPEB Plan  
For the Last Seven Fiscal Years\*

<b>Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2024	\$ 625,391	\$ (625,391)	\$ -	\$ 64,503,966	0.97%
2023	658,889	(658,889)	-	61,398,617	1.07%
2022	632,341	(632,341)	-	60,287,791	1.05%
2021	562,466	(562,466)	-	62,810,123	0.90%
2020	569,468	(569,468)	-	62,518,405	0.91%
2019	539,256	(539,256)	-	57,881,610	0.93%
2018	477,293	(477,293)	-	59,240,180	0.81%

\* The amounts presented for the fiscal years were determined as of the District's fiscal year end.  
Ten years of data is not available.

## South San Antonio Independent School District

### Notes to the Required Supplementary Information

#### Note 1. Budget

##### A. Budgetary Information

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the general fund, debt service fund, and the National School Breakfast and Lunch Program special revenue fund. The Texas Education Code requires the budget to be prepared not later than August 20 and adopted by August 31 of each year. The budgets are prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles.

The following procedures are followed in establishing the budgetary data reflected in the fund financial schedules:

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to September 1, the budget is formally approved and adopted by the Board.

The appropriated budget is prepared by fund and function. The District's campus/department heads may make transfers of appropriations within a campus or department. Transfers of appropriations between campuses or departments require the approval of the District's management. Increasing any one of the functional spending categories, or revenues object accounts and other resources require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund. All annual appropriations lapse at fiscal year end.

#### Note 2. Net Pension Liability and Net OPEB Liability

The following factors significantly affect trends in the amounts reported for the District's proportionate share of the net pension liability and net OPEB liability:

##### Changes in Actuarial Assumptions and Inputs

Measurement Date August 31,	Net Pension Liability		Net OPEB Liability
	Discount Rate	Long-term Expected Rate of Return	Discount Rate
2023	7.000%	7.000%	4.130%
2022	7.000%	7.000%	3.910%
2021	7.250%	7.250%	1.950%
2020	7.250%	7.250%	2.330%
2019	7.250%	7.250%	2.630%
2018	6.907%	7.250%	3.690%
2017	8.000%	8.000%	3.420%
2016	8.000%	8.000%	
2015	8.000%	8.000%	
2014	8.000%	8.000%	

## **South San Antonio Independent School District**

### Notes to the Required Supplementary Information

#### **Changes in Demographic and Economic Assumptions**

For measurement date August 31, 2018 – Net Pension Liability and Net OPEB Liability:

- Demographic assumptions including post-retirement mortality, termination rates, and rates of retirement and economic assumptions, including rates of salary increase for individual participants were updated based on the experience study performed for TRS for the period ending August 31, 2017.

#### **Changes in Benefit Terms**

For measurement date August 31, 2018 – Net OPEB Liability:

- Changes of benefit terms were made effective September 1, 2017 by the 85<sup>th</sup> Texas Legislature.

#### **Other Changes**

For measurement date August 31, 2022 – Net OPEB Liability:

- The participation rate for pre-65 retirees was lowered from 65% to 62%. The participation rate for post-65 retirees was lowered from 40% to 25%.

For measurement date August 31, 2020 – Net OPEB Liability:

- The participation rate for post-65 retirees was lowered from 50% to 40%.
- The ultimate health care trend rate assumption decreased to reflect the repeal of the excise (Cadillac) tax on high-cost employer health plans.

For measurement date August 31, 2019 – Net Pension Liability:

- With the enactment of SB3 by the 2019 Texas Legislature, an assumption was made about how this would impact future salaries. It is assumed that eligible active members will each receive a \$2,700 increase in fiscal year 2020. This is in addition to the salary increase expected based on the actuarial assumptions.

For measurement date August 31, 2019 – Net OPEB Liability:

- The participation rate for pre-65 retirees was lowered from 70% to 65%. The participation rate for post-65 retirees was lowered from 75% to 50%. 25% of pre-65 retirees are assumed to discontinue their coverage at age 65.
- The trend rates were reset to better reflect the plan's anticipated experience.
- The percentage of retirees who are assumed to have two-person coverage was lowered from 20% to 15%. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20% to 10%.

For measurement date August 31, 2018 – Net OPEB Liability:

- Adjustments were made for retirees that were known to have discontinued their health care coverage in fiscal year 2018.
- The health care trend rate assumption was updated to reflect the anticipated return of the Health Insurer Fee (HIF) in 2020.

## **Supplementary Information**

# South San Antonio Independent School District

Combining Balance Sheet  
Nonmajor Governmental Funds  
August 31, 2024

		205	206	211	212
Data Control Codes			ESSA Title IX, Part A - Education for Homeless Children and Youth	ESEA Title I, Part A - Improving Basic Programs	ESEA Title I, Part C - Education of Migratory Children
		Head Start			
ASSETS					
1110	Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
1120	Current investments	-	-	-	-
1240	Due from other governments	318,320	-	459,196	-
1260	Due from other funds	-	-	-	-
1290	Other receivables	3	-	-	-
1300	Inventories	-	-	-	-
1410	Prepaid items	4,377	-	350	-
1000	TOTAL ASSETS	\$ 322,700	\$ -	\$ 459,546	\$ -
LIABILITIES					
2110	Accounts payable	\$ 3,123	\$ -	\$ 37,203	\$ -
2160	Accrued wages payable	75,633	-	22,994	-
2170	Due to other funds	243,862	-	397,442	-
2180	Due to other governments	82	-	1,907	-
2190	Due to student groups	-	-	-	-
2300	Unearned revenue	-	-	-	-
2000	Total liabilities	322,700	-	459,546	-
FUND BALANCES					
Nonspendable:					
3410	Nonspendable - inventories	-	-	-	-
3430	Nonspendable - prepaid items	4,377	-	350	-
3450	Restricted - grants	-	-	-	-
3470	Restricted - capital acquisitions and contractual obligations	-	-	-	-
3490	Restricted - other	-	-	-	-
3600	Unassigned	(4,377)	-	(350)	-
3000	Total fund balances	-	-	-	-
4000	TOTAL LIABILITIES AND FUND BALANCES	\$ 322,700	\$ -	\$ 459,546	\$ -

224	225	240	244	255	263	274
IDEA - Part B, Formula	IDEA - Part B, Preschool	National School Breakfast and Lunch Program	Career and Technical - Basic Grant	ESEA, Title II, Part A - Teacher & Principal Training & Recruiting	Title III, Part A - English Language Acquisition & Enhancement	GEAR UP
\$ -	\$ -	\$ 2,561,928	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
350,997	1,991	635,568	13,891	103,845	39,967	45,328
-	-	1,068	-	-	-	-
-	-	19,445	-	-	-	-
-	-	50,209	-	-	-	-
-	-	-	3,456	-	-	-
<u>\$ 350,997</u>	<u>\$ 1,991</u>	<u>\$ 3,268,218</u>	<u>\$ 17,347</u>	<u>\$ 103,845</u>	<u>\$ 39,967</u>	<u>\$ 45,328</u>
\$ 14,960	\$ -	\$ 207,699	\$ 1,721	\$ 1,400	\$ 1,448	\$ 659
181,063	-	-	-	-	-	-
154,974	1,991	-	15,626	102,445	38,519	44,669
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	123,839	-	-	-	-
350,997	1,991	331,538	17,347	103,845	39,967	45,328
-	-	50,209	-	-	-	-
-	-	-	3,456	-	-	-
-	-	2,886,471	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(3,456)	-	-	-
-	-	2,936,680	-	-	-	-
<u>\$ 350,997</u>	<u>\$ 1,991</u>	<u>\$ 3,268,218</u>	<u>\$ 17,347</u>	<u>\$ 103,845</u>	<u>\$ 39,967</u>	<u>\$ 45,328</u>

# South San Antonio Independent School District

## Combining Balance Sheet

### Nonmajor Governmental Funds - Continued

August 31, 2024

Data Control Codes		278	279	280	282
		Elementary and Secondary School Emergency Relief Fund - ARP Homeless Children and Youth	Elementary and Secondary School Emergency Relief Fund III - TCLAS	Elementary and Secondary School Emergency Relief Fund - ARP Homeless II	Elementary and Secondary School Emergency Relief Fund III - ARPA
ASSETS					
1110	Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
1120	Current investments	-	-	-	-
1240	Due from other governments	-	8,998	-	884,344
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1300	Inventories	-	-	-	-
1410	Prepaid items	-	-	-	-
1000	TOTAL ASSETS	\$ -	\$ 8,998	\$ -	\$ 884,344
LIABILITIES					
2110	Accounts payable	\$ -	\$ -	\$ -	\$ 12,030
2160	Accrued wages payable	-	2,984	-	-
2170	Due to other funds	-	6,014	-	872,314
2180	Due to other governments	-	-	-	-
2190	Due to student groups	-	-	-	-
2300	Unearned revenue	-	-	-	-
2000	Total liabilities	-	8,998	-	884,344
FUND BALANCES					
Nonspendable:					
3410	Nonspendable - inventories	-	-	-	-
3430	Nonspendable - prepaid items	-	-	-	-
3450	Restricted - grants	-	-	-	-
3470	Restricted - capital acquisitions and contractual obligations	-	-	-	-
3490	Restricted - other	-	-	-	-
3600	Unassigned	-	-	-	-
3000	Total fund balances	-	-	-	-
4000	TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 8,998	\$ -	\$ 884,344

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Other Federal Special Revenue Funds	Shared Service Arrangements - IDEA, Part C	State Supplemental Visually Impaired	Texas Successful Schools Program	Advanced Placement Incentives	State Instructional Materials Fund	Other State Special Revenue Funds
\$ -	\$ 9	\$ -	\$ 700	\$ 5,353	\$ 486,479	\$ -
-	-	-	-	-	-	-
105,737	-	-	-	-	-	16,023
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,996	-	-	-	-	177,025	-
<u>\$ 107,733</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ 700</u>	<u>\$ 5,353</u>	<u>\$ 663,504</u>	<u>\$ 16,023</u>
\$ 4,900	\$ -	\$ -	\$ -	\$ -	\$ 186,949	\$ 1,022
5,141	-	-	-	-	-	-
97,692	-	-	-	-	-	3,043
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	5,317	453,530	-
107,733	-	-	-	5,317	640,479	4,065
-	-	-	-	-	-	-
1,996	-	-	-	-	177,025	-
-	9	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	700	36	-	11,958
(1,996)	-	-	-	-	(154,000)	-
-	9	-	700	36	23,025	11,958
<u>\$ 107,733</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ 700</u>	<u>\$ 5,353</u>	<u>\$ 663,504</u>	<u>\$ 16,023</u>

Combining Balance Sheet  
Nonmajor Governmental Funds - Continued  
August 31, 2024

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**Exhibit H-1**  
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Total Nonmajor Special Revenue Funds	Public Property Finance Fund	Facilities Emergency Grant	School Facilities Assistance Program	Nonmajor Capital Projects Fund	Total Nonmajor Capital Projects	Total Nonmajor Funds (See Exhibit C-1)
\$ 3,536,701	\$ 3	\$ 1	\$ -	\$ 140,635	\$ 140,639	\$ 3,677,340
-	994	1,668	1,231	224,296	228,189	228,189
2,989,493	-	-	-	-	-	2,989,493
1,068	-	-	-	-	-	1,068
19,448	-	-	-	-	-	19,448
50,209	-	-	-	-	-	50,209
187,204	-	-	-	-	-	187,204
<u>\$ 6,784,123</u>	<u>\$ 997</u>	<u>\$ 1,669</u>	<u>\$ 1,231</u>	<u>\$ 364,931</u>	<u>\$ 368,828</u>	<u>\$ 7,152,951</u>
\$ 477,090	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 477,090
287,815	-	-	-	-	-	287,815
1,983,913	-	-	-	-	-	1,983,913
2,734	-	-	-	-	-	2,734
1,960	-	-	-	-	-	1,960
661,177	-	-	-	-	-	661,177
3,414,689	-	-	-	-	-	3,414,689
50,209	-	-	-	-	-	50,209
187,204	-	-	-	-	-	187,204
2,886,480	-	-	-	-	-	2,886,480
-	997	1,669	1,231	364,931	368,828	368,828
409,720	-	-	-	-	-	409,720
(164,179)	-	-	-	-	-	(164,179)
<u>3,369,434</u>	<u>997</u>	<u>1,669</u>	<u>1,231</u>	<u>364,931</u>	<u>368,828</u>	<u>3,738,262</u>
<u>\$ 6,784,123</u>	<u>\$ 997</u>	<u>\$ 1,669</u>	<u>\$ 1,231</u>	<u>\$ 364,931</u>	<u>\$ 368,828</u>	<u>\$ 7,152,951</u>

# South San Antonio Independent School District

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended August 31, 2024

		205	206	211	212
Data Control Codes		ESSA Title IX, Part A - Education for Homeless Children and Youth			
		Head Start		ESEA Title I, Part A - Improving Basic Programs	ESEA Title I, Part C - Education of Migratory Children
REVENUES					
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	3,210,397	870	4,071,192	210
5020	Total revenues	3,210,397	870	4,071,192	210
EXPENDITURES					
Current:					
0011	Instruction	1,747,208	570	1,288,668	210
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	208,614	-	2,270,895	-
0021	Instructional leadership	401,115	-	114,901	-
0023	School leadership	-	-	59,851	-
0031	Guidance, counseling, and evaluation services	83,795	-	-	-
0032	Social work services	-	300	61,894	-
0033	Health services	19,620	-	-	-
0034	Student transportation	72,739	-	-	-
0035	Food services	-	-	-	-
0036	Cocurricular/extracurricular activities	-	-	-	-
0041	General administration	52,501	-	-	-
0051	Plant maintenance and operations	132,322	-	-	-
0052	Security and monitoring services	97	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	489,890	-	196,583	-
Debt service:					
0071	Principal on long-term debt	2,396	-	65,499	-
0072	Interest on long-term debt	100	-	12,901	-
Capital outlay:					
0081	Facilities acquisition and construction	-	-	-	-
6030	Total expenditures	3,210,397	870	4,071,192	210
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
1200	Net change in fund balances	-	-	-	-
0100	Fund balances - beginning	-	-	-	-
3000	FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -

**Exhibit H-2**  
(Page 1 of 3)

224	225	240	244	255	263	274
IDEA - Part B, Formula	IDEA - Part B, Preschool	National School Breakfast and Lunch Program	Career and Technical - Basic Grant	ESEA, Title II, Part A - Teacher & Principal Training & Recruiting	Title III, Part A - English Language Acquisition & Enhancement	GEAR UP
\$ -	\$ -	\$ 179,511	\$ -	\$ -	\$ -	\$ -
-	-	27,779	-	-	-	-
1,785,541	33,440	7,824,413	148,480	587,368	193,078	504,876
1,785,541	33,440	8,031,703	148,480	587,368	193,078	504,876
1,421,452	33,440	-	139,993	-	72,356	213,902
-	-	-	-	7,314	-	-
1,950	-	-	7,287	435,547	114,440	10,745
204,984	-	-	-	136,468	4,751	41,577
-	-	-	-	7,875	-	677
9,433	-	-	1,200	164	-	237,066
-	-	-	-	-	-	-
-	-	-	-	-	-	-
147,722	-	-	-	-	-	-
-	-	7,876,811	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	790,213	-	-	-	527
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,531	382
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,785,541	33,440	8,667,024	148,480	587,368	193,078	504,876
-	-	(635,321)	-	-	-	-
-	-	(635,321)	-	-	-	-
-	-	3,572,001	-	-	-	-
\$ -	\$ -	\$ 2,936,680	\$ -	\$ -	\$ -	\$ -

# South San Antonio Independent School District

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds - Continued  
For the Fiscal Year Ended August 31, 2024

Data Control Codes		278	279	280	282
		Elementary and		Elementary	
		Secondary		and Secondary	
		School		School	Elementary
	Emergency Relief	Elementary and	School	and Secondary	
	Fund - ARP	Secondary	Emergency	School	
	Homeless	School	Relief Fund -	Emergency	
	Children and	Emergency Relief	ARP Homeless	Relief Fund III -	
	Youth	Fund III - TCLAS	II	ARPA	
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	2,974	57,465	50,502	2,871,278
5020	Total revenues	2,974	57,465	50,502	2,871,278
EXPENDITURES					
Current:					
0011	Instruction	2,974	57,465	44,862	1,142,512
0012	Instructional resources and media services	-	-	-	64,266
0013	Curriculum and instructional staff development	-	-	-	85,137
0021	Instructional leadership	-	-	-	24,942
0023	School leadership	-	-	-	79,131
0031	Guidance, counseling, and evaluation services	-	-	5,640	68,735
0032	Social work services	-	-	-	8,116
0033	Health services	-	-	-	155,846
0034	Student transportation	-	-	-	45,646
0035	Food services	-	-	-	98,861
0036	Cocurricular/extracurricular activities	-	-	-	8,102
0041	General administration	-	-	-	69,137
0051	Plant maintenance and operations	-	-	-	413,913
0052	Security and monitoring services	-	-	-	70,054
0053	Data processing services	-	-	-	39,375
0061	Community services	-	-	-	7,355
Debt service:					
0071	Principal on long-term debt	-	-	-	-
0072	Interest on long-term debt	-	-	-	-
Capital outlay:					
0081	Facilities acquisition and construction	-	-	-	490,150
6030	Total expenditures	2,974	57,465	50,502	2,871,278
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
1200	Net change in fund balances	-	-	-	-
0100	Fund balances - beginning	-	-	-	-
3000	FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -

289	340	385	393	397	410	429
Other Federal Special Revenue Funds	Shared Service Arrangements - IDEA, Part C	State Supplemental Visually Impaired	Texas Successful Schools Program	Advanced Placement Incentives	State Instructional Materials Fund	Other State Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	7,766	-	-	628,961	2,139,169
906,399	-	-	-	-	-	-
906,399	-	7,766	-	-	628,961	2,139,169
352,970	-	7,766	-	-	920,281	263,371
-	-	-	-	-	-	-
272,326	-	-	-	-	5,050	1,552,683
11,245	-	-	-	-	-	-
54,640	-	-	-	-	-	-
59,601	-	-	-	-	-	-
150,365	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	323,115
-	-	-	-	-	-	-
5,252	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
906,399	-	7,766	-	-	925,331	2,139,169
-	-	-	-	-	(296,370)	-
-	-	-	-	-	(296,370)	-
-	9	-	700	36	319,395	11,958
\$ -	\$ 9	\$ -	\$ 700	\$ 36	\$ 23,025	\$ 11,958

# South San Antonio Independent School District

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds - Continued  
For the Fiscal Year Ended August 31, 2024

		435	461	487	499
Data Control Codes		Shared Service Arrangements - Regional Day School for the Deaf			Locally Funded Special Revenue Funds
			Campus Activity Funds	SA Sports Foundation	
REVENUES					
5700	Local and intermediate sources	\$ -	\$ 341,848	\$ -	\$ 295,215
5800	State program revenues	-	-	-	6,862
5900	Federal program revenues	-	-	-	-
5020	Total revenues	-	341,848	-	302,077
EXPENDITURES					
Current:					
0011	Instruction	-	148,666	-	184,263
0012	Instructional resources and media services	-	37,577	-	582
0013	Curriculum and instructional staff development	-	308	-	46,988
0021	Instructional leadership	-	-	-	-
0023	School leadership	-	32,766	-	-
0031	Guidance, counseling, and evaluation services	-	-	-	2,973
0032	Social work services	-	-	-	67,873
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food services	-	-	-	-
0036	Cocurricular/extracurricular activities	-	101,575	43,206	250
0041	General administration	-	-	-	15
0051	Plant maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	1,341	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	709
Debt service:					
0071	Principal on long-term debt	-	-	-	-
0072	Interest on long-term debt	-	-	-	-
Capital outlay:					
0081	Facilities acquisition and construction	-	-	-	-
6030	Total expenditures	-	322,233	43,206	303,653
1100	Excess (deficiency) of revenues over (under) expenditures	-	19,615	(43,206)	(1,576)
1200	Net change in fund balances	-	19,615	(43,206)	(1,576)
0100	Fund balances - beginning	53,502	194,639	122,935	51,117
3000	FUND BALANCES - ENDING	\$ 53,502	\$ 214,254	\$ 79,729	\$ 49,541

	616	617	618	699		
Total Nonmajor Special Revenue Funds	Public Property Finance Fund	Facilities Emergency Grant	School Facilities Assistance Program	Nonmajor Capital Projects Fund	Total Nonmajor Capital Projects	Total Nonmajor Funds (See Exhibit C-2)
\$ 816,574	\$ -	\$ -	\$ -	\$ 14,311	\$ 14,311	\$ 830,885
2,810,537	-	-	-	-	-	2,810,537
22,248,483	-	-	-	-	-	22,248,483
25,875,594	-	-	-	14,311	14,311	25,889,905
8,042,929	-	-	-	-	-	8,042,929
109,739	-	-	-	-	-	109,739
5,011,970	-	-	-	-	-	5,011,970
939,983	-	-	-	-	-	939,983
234,940	-	-	-	-	-	234,940
468,607	-	-	-	-	-	468,607
288,548	-	-	-	-	-	288,548
175,466	-	-	-	-	-	175,466
266,107	-	-	-	-	-	266,107
7,975,672	-	-	-	-	-	7,975,672
153,133	-	-	-	-	-	153,133
121,653	-	-	-	-	-	121,653
1,336,975	-	-	-	-	-	1,336,975
394,607	-	-	-	-	-	394,607
39,375	-	-	-	-	-	39,375
701,702	-	-	-	-	-	701,702
67,895	-	-	-	-	-	67,895
13,001	-	-	-	-	-	13,001
490,150	-	-	-	-	-	490,150
26,832,452	-	-	-	-	-	26,832,452
(956,858)	-	-	-	14,311	14,311	(942,547)
(956,858)	-	-	-	14,311	14,311	(942,547)
4,326,292	997	1,669	1,231	350,620	354,517	4,680,809
\$ 3,369,434	\$ 997	\$ 1,669	\$ 1,231	\$ 364,931	\$ 368,828	\$ 3,738,262

# South San Antonio Independent School District

# Exhibit H-3

## Combining Statement of Net Position

## Internal Service Funds

August 31, 2024

	752	753	770	Total Internal Service Funds (See Exhibit D-1)
	Print Shop	Workers' Compensation Fund	Medical Insurance Fund	
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 24,744	\$ 67,086	\$ 434,031	\$ 525,861
Current investments	-	9,184	-	9,184
Due from other funds	-	-	426	426
Prepaid items	-	83,922	-	83,922
Total current assets	24,744	160,192	434,457	619,393
Noncurrent assets:				
Capital assets:				
Furniture and equipment	242,415	-	-	242,415
Accumulated depreciation	(66,281)	-	-	(66,281)
Total noncurrent assets	176,134	-	-	176,134
Total assets	200,878	160,192	434,457	795,527
<b>LIABILITIES</b>				
Current liabilities:				
Financed purchase liability - due within one year	47,481	-	-	47,481
Accrued expenses	-	307,268	1,022,134	1,329,402
Total current liabilities	47,481	307,268	1,022,134	1,376,883
Noncurrent liabilities:				
Financed purchase liability - noncurrent	129,453	-	-	129,453
Total current liabilities	129,453	-	-	129,453
Total liabilities	176,934	307,268	1,022,134	1,506,336
<b>NET POSITION</b>				
Unrestricted	23,944	(147,076)	(587,677)	(710,809)
<b>TOTAL NET POSITION</b>	<u>\$ 23,944</u>	<u>\$ (147,076)</u>	<u>\$ (587,677)</u>	<u>\$ (710,809)</u>

# South San Antonio Independent School District

# Exhibit H-4

Combining Statement of Revenues, Expenses,  
and Changes in Net Position  
Internal Service Funds  
For the Fiscal Year Ended August 31, 2024

	752	753	770	Total Internal Service Funds (See Exhibit D-2)
	Print Shop	Workers' Compensation Fund	Medical Insurance Fund	
<b>OPERATING REVENUES</b>				
Local and Intermediate Sources	\$ 29,778	\$ 20,545	\$ 5,557,507	\$ 5,607,830
Total operating revenues	29,778	20,545	5,557,507	5,607,830
<b>OPERATING EXPENSES</b>				
Payroll costs	55,123	16,849	22,332	94,304
Professional and contracted services	1,830	38,398	1,212,714	1,252,942
Supplies and materials	18,942	-	-	18,942
Other operating costs	46,080	181,892	8,341,164	8,569,136
Debt service	6,060	-	-	6,060
Total operating expenses	128,035	237,139	9,576,210	9,941,384
Operating loss	(98,257)	(216,594)	(4,018,703)	(4,333,554)
Income before contributions and transfers	(98,257)	(216,594)	(4,018,703)	(4,333,554)
Transfers in	-	-	2,800,000	2,800,000
Transfers out	-	(250,000)	-	(250,000)
Change in net position	(98,257)	(466,594)	(1,218,703)	(1,783,554)
Net position - beginning	122,201	319,518	631,026	1,072,745
<b>NET POSITION - ENDING</b>	<u>\$ 23,944</u>	<u>\$ (147,076)</u>	<u>\$ (587,677)</u>	<u>\$ (710,809)</u>

# South San Antonio Independent School District

# Exhibit H-5

## Combining Statement of Cash Flows

## Internal Service Funds

For the Fiscal Year Ended August 31, 2024

	752	753	770	Total Internal Service Funds (See Exhibit D-3)
	Print Shop	Workers' Compensation Fund	Medical Insurance Fund	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from services provided	\$ 29,778	\$ 39,413	\$ 5,560,537	\$ 5,629,728
Cash payments for claims and administrative services	-	(434,031)	(9,217,733)	(9,651,764)
Cash payments for goods and services	(26,832)	-	-	(26,832)
Cash payments to employees for services	(55,123)	(16,849)	(22,332)	(94,304)
Net cash used by operating activities	(52,177)	(411,467)	(3,679,528)	(4,143,172)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers from other funds	-	-	2,800,000	2,800,000
Transfers to other funds	-	(250,000)	-	(250,000)
Net cash (used) provided by noncapital financing activities	-	(250,000)	2,800,000	2,550,000
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Financed purchase payments	(46,080)	-	-	(46,080)
Net cash used by capital and related financing activities	(46,080)	-	-	(46,080)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Sale of investments	-	332,808	-	332,808
Net cash provided by investing activities	-	332,808	-	332,808
Net decrease in cash and cash equivalents	(98,257)	(328,659)	(879,528)	(1,306,444)
Cash and cash equivalents - beginning	123,001	395,745	1,313,559	1,832,305
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<u>\$ 24,744</u>	<u>\$ 67,086</u>	<u>\$ 434,031</u>	<u>\$ 525,861</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>				
Operating loss	\$ (98,257)	\$ (216,594)	\$ (4,018,703)	\$ (4,333,554)
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation	46,080	-	-	46,080
Change in:				
Due from other funds	-	-	4	4
Other receivables	-	18,923	3,114	22,037
Prepaid items	-	(78,597)	-	(78,597)
Accounts payable	-	(2,165)	(4,917)	(7,082)
Claims payable	-	(132,979)	341,062	208,083
Due to other funds	-	(55)	(88)	(143)
<b>NET CASH USED BY OPERATING ACTIVITIES</b>	<u>\$ (52,177)</u>	<u>\$ (411,467)</u>	<u>\$ (3,679,528)</u>	<u>\$ (4,143,172)</u>

**South San Antonio Independent School District****Exhibit H-6**

Combining Statement of Fiduciary Net Position

Private Purpose Trust Funds

For the Fiscal Year Ended August 31, 2024

	<b>810</b>	<b>811</b>	<b>Total</b>
	<b>Private Purpose</b>	<b>West Campus</b>	<b>Private</b>
	<b>Trust Fund</b>	<b>Scholarship</b>	<b>Purpose Trust</b>
		<b>Fund</b>	<b>Funds</b>
			<b>(See Exhibit E-1)</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 14,600	\$ 49,450	\$ 64,050
Total assets	14,600	49,450	64,050
<b>NET POSITION</b>			
Net position held for individuals and organizations	14,600	49,450	64,050
<b>TOTAL NET POSITION</b>	<u>\$ 14,600</u>	<u>\$ 49,450</u>	<u>\$ 64,050</u>

**South San Antonio Independent School District****Exhibit H-7**

Combining Statement of Fiduciary Changes in Net Position

Private Purpose Trust Funds

For the Fiscal Year Ended August 31, 2024

	<b>810</b>	<b>811</b>	<b>Total</b>
	<b>Private Purpose</b>	<b>West Campus</b>	<b>Private</b>
	<b>Trust Fund</b>	<b>Scholarship</b>	<b>Purpose Trust</b>
		<b>Fund</b>	<b>Funds</b>
			<b>(See Exhibit E-2)</b>
<b>ADDITIONS</b>			
Contributions or gifts	\$ -	\$ 70,000	\$ 70,000
Total additions	-	70,000	70,000
<b>DEDUCTIONS</b>			
Beneficiary payments	-	20,550	20,550
Total deductions	-	20,550	20,550
Net change in fiduciary net position	-	49,450	49,450
Net position - beginning of year	14,600	-	14,600
<b>NET POSITION - END OF YEAR</b>	<b>\$ 14,600</b>	<b>\$ 49,450</b>	<b>\$ 64,050</b>

**South San Antonio Independent School District****Exhibit H-8**

Combining Statement of Fiduciary Net Position – Custodial Funds

Custodial Funds

For the Fiscal Year Ended August 31, 2024

	<b>865</b>	<b>876</b>	<b>Total</b>
	<b>Student Activity</b>	<b>Faculty Activity</b>	<b>Custodial</b>
		<b>Fund</b>	<b>Funds</b>
			<b>(See Exhibit E-1)</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 220,952	\$ 608	\$ 221,560
Total assets	220,952	608	221,560
<b>LIABILITIES</b>			
Accounts payable	2,974	-	2,974
Due to Other Governments	5	-	5
Total liabilities	2,979	-	2,979
<b>NET POSITION</b>			
Net position held for individuals and organizations	217,973	608	218,581
<b>TOTAL NET POSITION</b>	<u>\$ 217,973</u>	<u>\$ 608</u>	<u>\$ 218,581</u>

# South San Antonio Independent School District

# Exhibit H-9

Combining Statement of Fiduciary Changes in Net Position

Custodial Funds

For the Fiscal Year Ended August 31, 2024

	865	876	Total Custodial Funds (See Exhibit E-2)
	Student Activity	Faculty Activity Fund	
<b>ADDITIONS</b>			
Contributions or gifts	\$ 36,242	\$ 603	\$ 36,845
Fundraising activity	158,067	-	158,067
Student club fees	49,842	-	49,842
Other	32,075	-	32,075
Total additions	276,226	603	276,829
<b>DEDUCTIONS</b>			
Student activities	307,385	-	307,385
Administrative expense	-	327	327
Total deductions	307,385	327	307,712
Net change in fiduciary net position	(31,159)	276	(30,883)
Net position - beginning of year	249,132	332	249,464
<b>NET POSITION - END OF YEAR</b>	<u>\$ 217,973</u>	<u>\$ 608</u>	<u>\$ 218,581</u>

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# South San Antonio Independent School District

## Schedule of Delinquent Taxes Receivable

For the Fiscal Year Ended August 31, 2024

Year Ended August 31,	Tax Rates		Assessed/ Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2015 and Prior Years	\$ Various	\$ Various	\$ Various
2016	1.0400	0.4115	1,435,618,939
2017	1.0400	0.4115	1,487,464,313
2018	1.0400	0.4115	1,600,484,459
2019	1.0400	0.4115	1,830,493,894
2020	0.9700	0.4800	1,968,397,218
2021	0.9112	0.4800	2,001,721,888
2022	0.8948	0.4900	2,116,716,781
2023	0.8546	0.4990	2,370,424,793
2024	0.6692	0.4990	2,565,317,497

### 1000 TOTALS

8000 - Taxes refunded under section 26.1115, tax code, for owners who received an exemption as provided by section 11.42(f), tax code

# Exhibit J-1

Beginning Balance 09/01/23	Current Year's Total Levy	Maintenance Collections	Debt Service Collections	Entire Year's Adjustments	Ending Balance 08/31/24	Total Taxes Refunded Under Section 26.1115(c)
\$ 420,803	\$ -	\$ 13,821	\$ 5,513	\$ (30,998)	\$ 370,471	
58,791	-	2,115	837	(45)	55,794	
78,616	-	1,838	727	(1)	76,050	
129,168	-	3,491	1,381	(421)	123,875	
129,774	-	15,018	5,942	(4,813)	104,001	
182,570	-	36,562	15,511	8,712	139,209	
250,965	-	44,780	23,589	7,918	190,514	
481,909	-	65,069	34,905	(48,971)	332,964	
1,147,242	-	198,513	113,822	(246,473)	588,434	
-	29,968,039	16,112,345	12,014,436	(525,516)	1,315,742	
<u>\$ 2,879,838</u>	<u>\$ 29,968,039</u>	<u>\$ 16,493,552</u>	<u>\$ 12,216,663</u>	<u>\$ (840,608)</u>	<u>\$ 3,297,054</u>	
						\$ 48,559

# South San Antonio Independent School District

# Exhibit J-2

Schedule of Revenues, Expenditures and Changes  
in Fund Balance – Budget and Actual  
National School Breakfast and Lunch Program  
For the Fiscal Year Ended August 31, 2024

Data Control Codes		Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 185,000	\$ 185,000	\$ 179,511	\$ (5,489)
5800	State program revenues	-	-	27,779	27,779
5900	Federal program revenues	6,963,802	7,379,103	7,824,413	445,310
5020	Total revenues	7,148,802	7,564,103	8,031,703	467,600
EXPENSES					
Current:					
0035	Food services	7,542,263	8,400,887	7,876,811	524,076
0051	Plant maintenance and operations	736,207	886,207	790,213	95,994
6030	Total expenses	8,278,470	9,287,094	8,667,024	620,070
1200	Net change in fund balance	(1,129,668)	(1,722,991)	(635,321)	1,087,670
0100	Fund balance - beginning	3,572,001	3,572,001	3,572,001	-
3000	FUND BALANCE - ENDING	\$ 2,442,333	\$ 1,849,010	\$ 2,936,680	\$ 1,087,670

# South San Antonio Independent School District

# Exhibit J-3

Schedule of Revenues, Expenditures and Changes  
in Fund Balance – Budget and Actual  
Debt Service Fund  
For the Fiscal Year Ended August 31, 2024

Data Control Codes		Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 13,155,119	\$ 13,155,119	\$ 12,794,449	\$ (360,670)
5800	State program revenues	2,238,498	2,238,498	2,333,993	95,495
5900	Federal program revenues	478,895	478,895	241,920	(236,975)
5020	Total revenues	15,872,512	15,872,512	15,370,362	(502,150)
EXPENDITURES					
	Debt service:				
0071	Principal on long-term debt	8,208,000	8,208,000	8,207,998	2
0072	Interest on long-term debt	4,281,192	4,281,192	4,281,192	-
0073	Other debt service fees	50,000	50,000	23,167	26,833
6030	Total expenditures	12,539,192	12,539,192	12,512,357	26,835
1200	Net change in fund balance	3,333,320	3,333,320	2,858,005	(475,315)
0100	Fund balance - beginning	3,766,266	3,766,266	3,766,266	-
3000	FUND BALANCE - ENDING	\$ 7,099,586	\$ 7,099,586	\$ 6,624,271	\$ (475,315)

**South San Antonio Independent School District****Exhibit J-4**

Use of Funds Report – Select State Allotment  
For the Fiscal Year Ended August 31, 2024

<b>Data Codes</b>		<b>Responses</b>
<b>Section A: Compensatory Education Programs</b>		
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.	\$ 11,134,175
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 6,291,226
<b>Section B: Bilingual Education Programs</b>		
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.	\$ 1,074,065
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25)	\$ 809,747

## **Overall Compliance, Internal Control Section and Federal Awards**

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**Independent Auditor's Report on Internal Control over Financial  
Reporting and on Compliance and Other Matters Based on an  
Audit of Financial Statements Performed in Accordance  
with Government Auditing Standards**

To the Board of Trustees of  
South San Antonio Independent School District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of South San Antonio Independent School District (the District) as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 22, 2025.

**Report on Internal Control over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Board of Trustees of  
South San Antonio Independent School District

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Austin, Texas  
January 22, 2025

**Independent Auditor's Report on Compliance for Each Major Federal  
Program and Report on Internal Control over Compliance  
in Accordance with the Uniform Guidance**

To the Board of Trustees of  
South San Antonio Independent School District

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

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

We have audited South San Antonio Independent School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2024.

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

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

### **Auditor's Responsibility for the Audit of Compliance**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control over Compliance**

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

The Board of Trustees of  
South San Antonio Independent School District

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

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

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

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Austin, Texas  
January 22, 2025

## South San Antonio Independent School District

### Schedule of Findings and Questioned Costs

For the Fiscal Year Ended August 31, 2024

#### Section 1. Summary of Auditor's Results

##### Financial Statements

- a. Type of auditor's report issued Unmodified
- b. Internal control over financial reporting:
  - i. Material weakness(es) identified? No
  - ii. Significant deficiency(ies) identified that are not considered to be material weaknesses? None reported
- c. Noncompliance material to financial statements noted? No

##### Federal Awards

- d. Internal control over major programs:
  - i. Material weakness(es) identified? No
  - ii. Significant deficiency(ies) identified that are not considered to be material weaknesses? No
- e. Type of auditor's report issued on compliance with major programs Unmodified
- f. Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? Yes
- g. Identification of major programs
  - Head Start Cluster – 93.600
  - Title I, Improving Basic Programs – 84.010
  - Special Education Cluster (IDEA) – 84.027A, 84.173A
- h. Dollar threshold used to distinguish between Type A and Type B federal programs \$750,000
- i. Auditee qualified as a low-risk auditee? Yes

#### Section 2. Financial Statement Findings

None reported

#### Section 3. Federal Award Findings and Questioned Costs

None reported

## **South San Antonio Independent School District**

Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended August 31, 2024

### **Section 4. Prior Year Findings**

#### **Finding 2023-001**

**ALN 32.009 Emergency Connectivity Fund**

**Equipment/Real Property Management**

**Type of Finding: Significant Deficiency and Non-Compliance**

**Federal Communications Commission**

*Prior Year Finding:* The District was unable to support adherence to all of the various equipment and service inventory requirements under the federal program for fiscal year ending August 31, 2023.

*Status of Prior Audit Finding:* Planned corrected action completed this fiscal year.

# South San Antonio Independent School District

# Exhibit K-1

## Schedule of Expenditures of Federal Awards For the Fiscal Year Ended August 31, 2024

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Child Nutrition Cluster:			
Passed Through Texas Education Agency:			
National School Breakfast Program	10.553	NT4XL1YGLGC5	\$ 2,417,547
National School Lunch Program	10.555	NT4XL1YGLGC5	4,419,166
Passed Through Texas State Department of Agriculture:			
USDA DoD Fresh Allocations - Noncash Assistance	10.555	NT4XL1YGLGC5	143,222
National School Lunch Program - Noncash Assistance	10.555	NT4XL1YGLGC5	301,646
COVID-19 Supply Chain Assistance Grant	10.555	NT4XL1YGLGC5	229,252
Seamless Summer Option Program	10.555	NT4XL1YGLGC5	36,779
Total Assistance Listing Number 10.555			5,130,065
USDA Food Storage & Delivery Fee Reimbursement	10.560	NT4XL1YGLGC5	35,222
Total Assistance Listing Number 10.560			35,222
Total Child Nutrition Cluster			7,582,834
Passed Through Texas State Department of Agriculture:			
Child & Adult Care Food Program - Cash Assistance	10.558	NT4XL1YGLGC5	277,399
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			7,860,233
<b>U.S. DEPARTMENT OF DEFENSE</b>			
Direct:			
ROTC	12.000	N/A	35,500
<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>			35,500
<b>U.S. DEPARTMENT OF TREASURY</b>			
Passed Through Bexar County:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP 1970	241,605
<b>TOTAL U.S. DEPARTMENT OF TREASURY</b>			241,605
<b>FEDERAL COMMUNICATIONS COMMISSION</b>			
Direct:			
COVID-19 Emergency Connectivity Fund (ECF)	32.009	N/A	203,358
<b>TOTAL FEDERAL COMMUNICATIONS COMMISSION</b>			203,358
<b>U.S. DEPARTMENT OF EDUCATION</b>			
Passed Through ESC Region 20:			
McKinney Vento-TEHCY	84.196	379662410	870
Passed Through University of Texas Austin:			
Gear Up	84.334S	N/A	121,070
Gear Up	84.334S	N/A	383,806
Total Assistance Listing Number 84.334S			504,876
Passed Through Texas Education Agency:			
Title I, Improving Basic Programs	84.010A	23610101015908	3,387
Title I, Improving Basic Programs	84.010A	24610101015908	4,142,654
Title I, Improving Basic Programs	84.010A	24610141015908	129,079
Total Assistance Listing Number 84.010A			4,275,120
Title I, Part C Migrant	84.011A	23615001015908	221
Total Assistance Listing Number 84.011A			221

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**South San Antonio Independent School District**  
**Schedule of Expenditures of Federal Awards - Continued**  
**For the Fiscal Year Ended August 31, 2024**

**Exhibit K-1**

<b>Federal Grantor/ Pass-Through Grantor/ Program Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Total Federal Expenditures</b>
Special Education Cluster (IDEA):			
IDEA B Formula	84.027A	236600010159086600	2,133
IDEA B Formula	84.027A	246600010159086600	1,871,999
Total Assistance Listing Number 84.027A			1,874,132
IDEA B Preschool	84.173A	246610010159086610	35,093
Total Special Education Cluster (IDEA)			1,909,225
Carl D. Perkins Basic Grant Formula for CATE	84.048A	24420006015908	155,972
Title III Part A - ELA	84.365A	23671001015908	1,576
Title III Part A - ELA	84.365A	24671001015908	180,558
Title III Part A - Immigrant	84.365A	24671003015908	20,519
Total Assistance Listing Number 84.365A			202,653
Title II Part A Supporting Effective Instruction	84.367A	23694501015908	173
Title II Part A Supporting Effective Instruction	84.367A	24694501015908	616,451
Total Assistance Listing Number 84.367A			616,624
Title IV, Part A	84.424A	23680101015908	173
Title IV, Part A	84.424A	24680101015908	296,980
Total Assistance Listing Number 84.424A			297,153
COVID-19 Education Stabilization Fund:			
COVID-19 American Rescue Plan (ARP) – ESSER – Homeless Children and Youth	84.425W	278505211	2,974
COVID-19 American Rescue Plan (ARP) – ESSER – Homeless Children and Youth	84.425W	367446213	50,502
COVID-19 American Rescue Plan (ARP) – ESSER III	84.425U	21528001015908	2,889,879
COVID-19 Texas COVID Learning Acceleration Supports (TCLAS) - ESSER III	84.425U	21528042015908	67,233
COVID-19 TCLAS - High Quality After-School	84.425U	215280587110138	300,421
Total Assistance Listing Number 84.425			3,311,009
Total Passed Through Texas Education Agency			10,767,977
Passed Through ESC Region 18:			
Teacher and School Leader Incentive Program	84.374A	T365A22005	146,506
National Professional Development Grant - CLASS Project	84.365Z	S374A230023	37,185
Total Passed Through ESC Region 18			183,691
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>11,457,414</b>

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**South San Antonio Independent School District**  
Schedule of Expenditures of Federal Awards - Continued  
For the Fiscal Year Ended August 31, 2024

**Exhibit K-1**

<b>Federal Grantor/ Pass-Through Grantor/ Program Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Total Federal Expenditures</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Direct:			
Head Start Cluster:			
Head Start	93.600	06CH010831/01	1,467,694
Head Start	93.600	06CH010831/05	1,881,779
Head Start	93.600	06CH010831/05/C3	21,384
Total Assistance Listing Number 93.600			3,370,857
Total Head Start Cluster			3,370,857
Passed Through Texas Department of Health and Human Services:			
Medical Assistance Program	93.778	529-08-0177-000014	40,402
Total Passed Through Texas Department of Health and Human Services			40,402
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			3,411,259
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 23,209,369</b>

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

## South San Antonio Independent School District

### Notes to the Schedule of Expenditures of Federal Awards

#### Note 1. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of South San Antonio Independent School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) 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. National School Lunch Program and Food Distribution Cluster non-cash commodities are recorded at their estimated acquisition value at the time of donation.

#### Note 2. De Minimis Cost Rate

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

#### Note 3. Reconciliation to Basic Financial Statements

Presented below is a reconciliation of federal revenues:

Total Expenditures of Federal Awards per Exhibit K-1	\$ 23,209,369
General Fund - Federal Revenue:	
School Health and Related Services (SHARS)	787,843
E-Rate Program Revenue	331,168
Other Miscellaneous Federal Receipts	233,449
Government Subsidized Debt in Debt Service Fund	241,920
	<hr/>
<b>Total federal revenues per Exhibit C-2</b>	<b>\$ 24,803,749</b>

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## **Other Information**

# South San Antonio Independent School District

# Exhibit L-1

## Schedule of Required Responses to Selected School First Indicators (Unaudited) For the Fiscal Year Ended August 31, 2024

Data Codes		Responses
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered <b>to not have made</b> timely payments.)  Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued.  Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the 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 that were in effect at the school district's 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	\$ 13,378,744