

Cameron
Independent School District
August 31, 2022

Financial Statements



CAMERON INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2022

**CAMERON INDEPENDENT SCHOOL DISTRICT
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CERTIFICATE OF BOARD

Cameron Independent School District Milam 166-901
Name of School District County Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) approved disapproved for the year ended August 31, 2022, at a meeting of the Board of Trustees of such school district on the 12th day of December, 2022.



Signature of Board Secretary



Signature of Board President

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

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Cameron Independent School District
Cameron, Texas

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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.

**INDEPENDENT AUDITOR'S REPORT
(CONTINUED)**

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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which precedes the basic financial statements, and the budgetary comparison information and TRS-related pension and other post-employment benefits schedules, following the notes to the financial statements, be presented to supplement the basic financial statements.

**INDEPENDENT AUDITOR'S REPORT
(CONTINUED)**

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

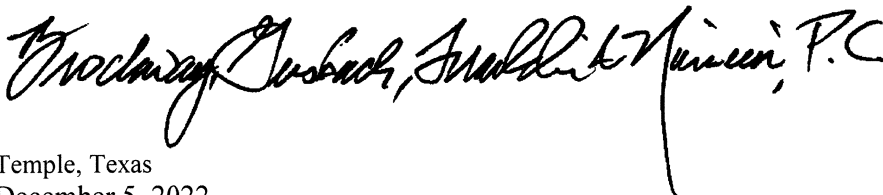
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the required TEA schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and 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 December 5, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.



Temple, Texas
December 5, 2022

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**MANAGEMENT'S DISCUSSION AND ANALYSIS
CAMERON INDEPENDENT SCHOOL DISTRICT
FOR THE YEAR ENDED AUGUST 31, 2022**

MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the Annual Financial Report, we, the managers of Cameron Independent School District (the District), discuss and analyze the District's financial performance for the fiscal year ended August 31, 2022. Please read it in conjunction with the Independent Auditor's Report on pages 5 - 7, and the District's Basic Financial Statements which begin on page 17.

FINANCIAL HIGHLIGHTS

- The General Fund ended the year with a fund balance of \$ 12,345,099.
- The General Fund had an decrease in total expenditures of approximately \$ 1.6 million from the prior year, due to ESSER III funds covering a significant portion of the District's payroll expenditures. General Fund expenditures were approximately \$ 3.2 million less than budgeted expenditures.
- During the year the District generated \$ 23.5 million in tax and other revenues for governmental activities. These revenues exceeded the District's governmental activities expenses by \$ 4.1 million.
- The total cost of all the District's programs decreased approximately \$ 581,000 from the prior year due primarily to decreases in instructional and data processing costs.

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 are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information and other information in addition to the basic financial statements themselves.

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 that of a private sector business.

The statement of net position presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods such as uncollected property tax.

The government-wide financial statements distinguish functions of the District that are principally supported by taxes, intergovernmental revenues, and user fees & charges (governmental activities). The governmental activities of the District include the education of District students and the programs necessary to support such education.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
CAMERON INDEPENDENT SCHOOL DISTRICT
FOR THE YEAR ENDED AUGUST 31, 2022**

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, like 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 two categories: governmental 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 spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds 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 impact of the government'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 the comparison between *governmental funds* and *governmental activities*.

The District maintains numerous individual governmental funds. 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 ESSER III fund as they are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The District adopts an annual appropriated budget for the General Fund. A budgetary comparison schedule has been provided for this fund to demonstrate compliance with this budget. Supplementary budgetary comparison schedules have also been prepared for the Child Nutrition and Debt Service Funds and are included in the other supplementary information section of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

Notes to the 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.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. In addition, certain information required by the Texas Education Agency and the federal government regarding tax collection and grant expenditures is also presented along with required supplementary information related to the District's contributions to a cost-sharing pension plan with the Teacher Retirement System of Texas.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
CAMERON INDEPENDENT SCHOOL DISTRICT
FOR THE YEAR ENDED AUGUST 31, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

We will present both current and prior year data and discuss significant changes in the accounts. Our analysis focuses on the Net Position (Table I) and Changes in Net Position (Table II) of the District's governmental activities.

Net position of the District's governmental activities increased from \$ 3,193,638 to \$ 6,998,713. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – was \$ 1.9 million at August 31, 2022. This is an increase of \$ 3.9 million in governmental unrestricted net position.

**Table I
Cameron Independent School District**

NET POSITION

	Governmental Activities 2022	Governmental Activities 2021	Change
Current and Other Assets	\$ 15,617,975	\$ 12,371,105	\$ 3,246,870
Capital Assets	<u>16,869,987</u>	<u>18,326,974</u>	<u>(1,456,987)</u>
Total Assets	<u>32,487,962</u>	<u>30,698,079</u>	<u>1,789,883</u>
Deferred Outflows of Resources	<u>2,364,004</u>	<u>2,322,904</u>	<u>41,100</u>
Other Liabilities	945,753	1,067,872	(122,119)
Long-Term Liabilities	<u>20,441,791</u>	<u>23,521,325</u>	<u>(3,079,534)</u>
Total Liabilities	<u>21,387,544</u>	<u>24,589,197</u>	<u>(3,201,653)</u>
Deferred Inflows of Resources	<u>6,465,709</u>	<u>5,238,148</u>	<u>1,227,561</u>
Net Position:			
Invested in Capital Assets, Net of Related Debt	3,068,586	3,268,542	(199,956)
Restricted	1,980,216	1,830,424	149,792
Unrestricted (Deficit)	<u>1,949,911</u>	<u>(1,905,328)</u>	<u>3,855,239</u>
Total Net Position	<u>\$ 6,998,713</u>	<u>\$ 3,193,638</u>	<u>\$ 3,805,075</u>

**MANAGEMENT'S DISCUSSION AND ANALYSIS
CAMERON INDEPENDENT SCHOOL DISTRICT
FOR THE YEAR ENDED AUGUST 31, 2022**

**Table II
Cameron Independent School District**

CHANGES IN NET POSITION

	Governmental Activities 2022	Governmental Activities 2021	Change
Revenues:			
Program Revenues:			
Charges for Services	\$ 257,324	\$ 152,394	\$ 104,930
Operating Grants and Contributions	5,411,795	3,773,969	1,637,826
General Revenues:			
Maintenance and Operations Taxes	4,423,161	4,253,445	169,716
Debt Service Taxes	1,552,565	1,424,167	128,398
State Aid - Formula Grants	11,374,931	11,598,761	(223,830)
Investment Earnings	148,739	95,422	53,317
Miscellaneous Income	286,291	107,096	179,195
Total Revenues	<u>23,454,806</u>	<u>21,405,254</u>	<u>2,049,552</u>
Expenses:			
Instruction, Curriculum and Media Services	10,534,506	10,738,534	(204,028)
Instructional and School Leadership	959,359	1,013,457	(54,098)
Student Support Services	1,123,009	1,102,600	20,409
Food Services	1,302,663	1,191,892	110,771
Extracurricular Activities	1,739,983	1,670,746	69,237
General Administration	914,701	848,553	66,148
Plant Maintenance, Security, and Data Processing	2,263,110	2,660,590	(397,480)
Community Services	122,213	114,554	7,659
Facilities Acquisition & Construction	129,612	47,684	81,928
Debt Services - Interest and Bond Fees	445,965	487,108	(41,143)
Payments to Other Districts/Agencies	114,610	103,660	10,950
Total Expenses	<u>19,649,731</u>	<u>19,979,378</u>	<u>(329,647)</u>
Excess of Revenues Over Expenses	<u>3,805,075</u>	<u>1,425,876</u>	<u>2,379,199</u>
Change in Net Position	3,805,075	1,425,876	2,379,199
Net Position - Beginning	<u>3,193,638</u>	<u>1,767,762</u>	<u>1,425,876</u>
Net Position - Ending	<u>\$ 6,998,713</u>	<u>\$ 3,193,638</u>	<u>\$ 3,805,075</u>

**MANAGEMENT'S DISCUSSION AND ANALYSIS
CAMERON INDEPENDENT SCHOOL DISTRICT
FOR THE YEAR ENDED AUGUST 31, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's total revenues increased by approximately \$ 2.0 million from the prior year. The District's cost of all programs and services decreased from the prior year by approximately \$ 330,000.

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds (as presented in the balance sheet on pages 20-21) reported a combined fund balance of \$ 14.3 million, which is over \$ 3.1 million more than last year's total of \$ 11.1 million. This is due primarily to an increase in federal revenues (ESSER III) in 2022.

The District's General Fund balance of \$ 12.3 million reported on page 20 differs from the General Fund's budgeted fund balance of \$ 9.3 million reported in the budgetary comparison schedule on page 55 due to payroll expenditures being less than amounts budgeted due to available ESSER III funds.

In the 2021-22 school year, we made two amendments to the budget. Child Nutrition and Debt Service were each amended due to receiving more revenues than estimated. Child Nutrition was also amended to cover August 2022 expenditures. The General Fund was amended for the following purposes:

- receiving more SHARS funds than estimated;
- to cover additional expenditures (HVAC units, PA system, renovations at several athletic venues and a parking lot, secure entry at BME, copier lease and bond expenditures, band uniforms, accruals and on-behalf contributions.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2022, the District had \$ 16.9 million, net of depreciation, invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance.

This year's major additions included:

Buildings and Improvements	\$ 30,891
Furniture and Equipment	286,198
Right of Use Assets - Leased Equipment	180,002
Total	\$ 497,091

Debt

At year-end, the District had \$ 12.8 million in bonds and leases outstanding versus \$ 14.1 million last year, a decrease due to principal payments made on balances during the year. More detailed information about the District's long-term liabilities is presented in the notes to the financial statements starting on page 37.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
CAMERON INDEPENDENT SCHOOL DISTRICT
FOR THE YEAR ENDED AUGUST 31, 2022**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following factors were considered in establishing the District's budget for 2022-2023:

- The District's budgeted expenditures for the 2022-2023 school year total \$ 16,233,307.
- The District's total tax rate for 2021-2022 was \$ 1.2198 per \$ 100 valuation. The rate adopted for the 2022-2023 school year is \$ 1.2067 per \$ 100 valuation. The rates approved were \$0.8546 for Maintenance and Operations and \$ 0.3521 for Interest and Sinking.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's business office, at Cameron Independent School District, P. O. Box 712, Cameron, Texas 76520.

BASIC FINANCIAL STATEMENTS

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**CAMERON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2022**

Data Control Codes		<u>Primary Government</u> Governmental Activities
ASSETS		
1110	Cash and Cash Equivalents	\$ 13,756,394
1220	Property Taxes Receivable (Delinquent)	364,967
1230	Allowance for Uncollectible Taxes	(3,650)
1240	Due from Other Governments	1,439,629
1290	Other Receivables, net	19,910
1410	Prepaid Expenses	40,725
	Capital Assets:	
1510	Land	728,654
1520	Buildings, net	14,255,961
1530	Furniture and Equipment, net	1,770,825
1550	Right of Use Assets - Leased Equipment	114,547
1000	Total Assets	<u>32,487,962</u>
DEFERRED OUTFLOWS OF RESOURCES		
1705	Deferred Amount on Refunding	58,265
1705	Deferred Outflow Related to TRS Pension	1,311,589
1706	Deferred Outflow Related to TRS OPEB	994,150
1700	Total Deferred Outflows of Resources	<u>2,364,004</u>
LIABILITIES		
2110	Accounts Payable	150,443
2140	Interest Payable	17,694
2160	Accrued Wages Payable	754,406
2200	Accrued Expenditures	21,574
2300	Unearned Revenues	1,636
	Noncurrent Liabilities:	
2501	Due Within One Year	1,483,700
2502	Due in More Than One Year	12,375,966
2540	Net Pension Liability (District's Portion)	1,930,735
2545	Net OPEB Liability (District's Portion)	4,651,390
2000	Total Liabilities	<u>21,387,544</u>
DEFERRED INFLOWS OF RESOURCES		
2605	Deferred Inflow Related to TRS Pension	2,482,703
2606	Deferred Inflow Related to TRS OPEB	3,983,006
2600	Total Deferred Inflows of Resources	<u>6,465,709</u>
NET POSITION		
3200	Net Investment in Capital Assets	3,068,586
3820	Restricted for Federal and State Programs	483,485
3850	Restricted for Debt Service	1,426,050
3870	Restricted for Campus Activity	70,681
3900	Unrestricted	1,949,911
3000	Total Net Position	<u>\$ 6,998,713</u>

The accompanying notes are an integral part of the financial statements.

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**CAMERON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2022**

Data Control Codes	1	Program Revenues		Net (Expense)
		3	4	Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
11 Instruction	\$ 9,961,255	\$ -	\$ 4,409,024	\$ (5,552,231)
12 Instructional Resources and Media Services	188,994	-	(10,704)	(199,698)
13 Curriculum and Instructional Staff Development	384,257	-	(11,420)	(395,677)
23 School Leadership	959,359	-	(74,808)	(1,034,167)
31 Guidance, Counseling and Evaluation Services	450,606	-	(34,936)	(485,542)
32 Social Work Services	39,812	-	(3,665)	(43,477)
33 Health Services	129,386	-	(4,676)	(134,062)
34 Student (Pupil) Transportation	503,205	-	1,228	(501,977)
35 Food Services	1,302,663	85,159	1,040,758	(176,746)
36 Extracurricular Activities	1,739,983	172,165	(38,248)	(1,606,066)
41 General Administration	914,701	-	(32,473)	(947,174)
51 Facilities Maintenance and Operations	1,789,908	-	(63,871)	(1,853,779)
52 Security and Monitoring Services	91,197	-	-	(91,197)
53 Data Processing Services	382,005	-	(16,510)	(398,515)
61 Community Services	122,213	-	(8,258)	(130,471)
81 Facilities Acquisition & Construction	129,612	-	-	(129,612)
72 Debt Service - Interest on Long-Term Debt	439,293	-	260,354	(178,939)
73 Debt Service - Bond Issuance Cost and Fees	6,672	-	-	(6,672)
93 Payments related to Shared Services Arrangements	114,610	-	-	(114,610)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 19,649,731	\$ 257,324	\$ 5,411,795	\$ (13,980,612)

Data Control Codes	General Revenues:	
	Taxes:	
MT	Property Taxes, Levied for General Purposes	\$ 4,423,161
DT	Property Taxes, Levied for Debt Service	1,552,565
SF	State Aid - Formula Grants	11,374,931
IE	Investment Earnings	148,739
MI	Miscellaneous Local and Intermediate Revenue	286,291
TR	Total General Revenues	<u>17,785,687</u>
CN	Change in Net Position	3,805,075
NB	Net Position - Beginning	3,193,638
NE	Net Position - Ending	<u>\$ 6,998,713</u>

The accompanying notes are an integral part of the financial statements.

**CAMERON INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2022**

Data Control Codes	10 General Fund	ESSER III Grant	Other Funds
ASSETS			
1110	\$ 11,598,634	\$ -	\$ 2,157,760
1220	270,894	-	94,073
1230	(2,709)	-	(941)
1240	629,541	589,898	220,190
1260	654,740	-	1,252
1290	19,910	-	-
1410	40,725	-	-
1000	<u>\$ 13,211,735</u>	<u>\$ 589,898</u>	<u>\$ 2,472,334</u>
LIABILITIES			
2110	\$ 99,397	\$ -	\$ 51,046
2150	-	-	-
2160	487,591	226,693	40,122
2170	1,251	357,919	296,822
2190	-	-	-
2200	9,912	5,286	6,376
2300	300	-	1,336
2000	<u>598,451</u>	<u>589,898</u>	<u>395,702</u>
DEFERRED INFLOWS OF RESOURCES			
2600	268,185	-	93,132
	<u>268,185</u>	<u>-</u>	<u>93,132</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3430	40,725	-	-
Restricted Fund Balance:			
3450	-	-	483,485
3480	-	-	1,426,050
3490	-	-	70,681
Assigned Fund Balance:			
3590	-	-	3,284
3600	12,304,374	-	-
3000	<u>12,345,099</u>	<u>-</u>	<u>1,983,500</u>
4000	<u>\$ 13,211,735</u>	<u>\$ 589,898</u>	<u>\$ 2,472,334</u>

The accompanying notes are an integral part of the financial statements.

Total Governmental Funds	
\$	13,756,394
	364,967
	(3,650)
	1,439,629
	655,992
	19,910
	40,725
	<hr/>
\$	16,273,967
	<hr/> <hr/>
\$	150,443
	-
	754,406
	655,992
	-
	21,574
	1,636
	<hr/>
	1,584,051
	<hr/>
	361,317
	<hr/>
	361,317
	<hr/>
	40,725
	483,485
	1,426,050
	70,681
	3,284
	12,304,374
	<hr/>
	14,328,599
	<hr/>
\$	16,273,967
	<hr/> <hr/>

**CAMERON INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AUGUST 31, 2022**

Total Fund Balances - Governmental Funds		\$ 14,328,599
1	Capital assets used in governmental activities are not current financial resources and therefore are not reported in governmental funds. These assets consist of:	
	Land	\$ 728,654
	Buildings and improvements	41,567,415
	Furniture and equipment	6,286,607
	Right of Use Assets - leased equipment	180,002
	Accumulated depreciation	<u>(31,892,691)</u>
	Total capital assets	<u>\$ 16,869,987</u> 16,869,987
2	Deferred outflows of resources represent the consumption of net position that applies to future periods and will not be recognized as an expense until then:	
	Deferred amounts on refunding	\$ 58,265
	Deferred outflows related to TRS Pension	1,311,589
	Deferred outflows related to TRS OPEB	<u>994,150</u>
		<u>\$ 2,364,004</u> 2,364,004
3	Some revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year end. On the accrual basis, however, those revenues would be recognized, regardless of when they are collected.	361,317
4	Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheet. Those liabilities consist of:	
	Accrued interest on debt	\$ (17,694)
	Bonds	(12,730,000)
	Lease liabilities	(116,434)
	Premiums/discounts	(1,013,232)
	Net pension liability	(1,930,735)
	Net OPEB liability	<u>(4,651,390)</u>
		<u>\$ (20,459,485)</u> (20,459,485)
5	Deferred inflow of resources represent an acquisition of net position that applies to future periods and will not be recognized as revenue until then:	
	Deferred inflows related to TRS Pension	\$ (2,482,703)
	Deferred inflows related to TRS OPEB	<u>(3,983,006)</u>
		<u>\$ (6,465,709)</u> (6,465,709)
19	Net Position of Governmental Activities	<u>\$ 6,998,713</u>

The accompanying notes are an integral part of the financial statements.

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CAMERON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		10 General Fund	ESSER III Grant	Other Funds
REVENUES:				
5700	Total Local and Intermediate Sources	\$ 4,750,414	\$ -	\$ 1,743,321
5800	State Program Revenues	11,374,694	-	305,838
5900	Federal Program Revenues	406,048	3,654,079	1,983,041
5020	Total Revenues	<u>16,531,156</u>	<u>3,654,079</u>	<u>4,032,200</u>
EXPENDITURES:				
Current:				
0011	Instruction	6,275,647	3,126,042	696,574
0012	Instructional Resources and Media Services	142,891	9,000	-
0013	Curriculum and Instructional Staff Development	232,125	9,000	164,992
0023	School Leadership	999,613	48,000	-
0031	Guidance, Counseling and Evaluation Services	422,431	71,747	-
0032	Social Work Services	19	49,460	-
0033	Health Services	136,530	6,000	-
0034	Student (Pupil) Transportation	461,929	40,482	-
0035	Food Services	36,484	72,000	1,274,110
0036	Extracurricular Activities	1,085,097	81,000	83,956
0041	General Administration	1,026,972	15,000	-
0051	Facilities Maintenance and Operations	1,683,670	60,000	-
0052	Security and Monitoring Services	58,988	-	29,529
0053	Data Processing Services	377,039	12,000	-
0061	Community Services	51,703	54,348	46,984
0081	Facilities Acquisition & Construction	340,213	-	-
Debt Service:				
0071	Principal on Long-Term Debt	58,020	-	1,255,000
0072	Interest on Long-Term Debt	11,730	-	478,013
0073	Bond Issuance Cost and Fees	3,422	-	3,250
Intergovernmental:				
0093	Payments to Fiscal Agent/Member Districts of SSA	114,610	-	-
6030	Total Expenditures	<u>13,519,133</u>	<u>3,654,079</u>	<u>4,032,408</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,012,023</u>	<u>-</u>	<u>(208)</u>
OTHER FINANCING SOURCES (USES):				
7913	Proceeds from Right to Use Leased Assets	180,002	-	-
7915	Operating transfers in	-	-	150,000
8911	Operating transfers out	(150,000)	-	-
7080	Total Other Financing Sources (Uses)	<u>30,002</u>	<u>-</u>	<u>150,000</u>
1200	Net Change in Fund Balances	<u>3,042,025</u>	<u>-</u>	<u>149,792</u>
0100	Fund Balance - September 1 (Beginning)	<u>9,303,074</u>	<u>-</u>	<u>1,833,708</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 12,345,099</u>	<u>\$ -</u>	<u>\$ 1,983,500</u>

The accompanying notes are an integral part of the financial statements.

Total Governmental Funds	
\$	6,493,735
	11,680,532
	6,043,168
	<u>24,217,435</u>
	10,098,263
	151,891
	406,117
	1,047,613
	494,178
	49,479
	142,530
	502,411
	1,382,594
	1,250,053
	1,041,972
	1,743,670
	88,517
	389,039
	153,035
	340,213
	1,313,020
	489,743
	6,672
	114,610
	<u>21,205,620</u>
	<u>3,011,815</u>
	180,002
	150,000
	(150,000)
	<u>180,002</u>
	<u>3,191,817</u>
	<u>11,136,782</u>
\$	<u><u>14,328,599</u></u>

CAMERON INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2022

Total Net Change in Fund Balances - Governmental Funds \$ 3,191,817

Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlay	\$ 497,091	
Depreciation expense	<u>(1,954,078)</u>	
	<u>\$ (1,456,987)</u>	(1,456,987)

Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include recognizing deferred revenue as revenue and adjusting current year revenue to show the revenue earned from the current year's tax levy and to reflect the disposals of capital assets. The net effect these reclassifications and recognitions is to increase net position.

177,172

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt is an expenditure in the governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the government-wide statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Proceeds from capital lease	\$ (180,002)	
Bond principal repayments	1,255,000	
Capital lease principal repayments	134,411	
Amortization of bond issuance premiums	123,164	
Amortization of deferred amounts on refundings	<u>(75,542)</u>	
Net adjustment	<u>\$ 1,257,031</u>	1,257,031

GASB 68 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$ 373,599. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. This caused a decrease in net position totaling \$ 322,657. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense increased the change in net position by \$ 216,723. The net result is a increase in the change in net position.

267,665

GASB 75 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$ 102,602. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net OPEB liability. This caused a decrease in net position totaling \$ 94,179. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense increased the change in net position by \$ 359,954. The net result is an increase to the change in net position.

368,377

Change in Net Position of Governmental Activities

\$ 3,805,075

The accompanying notes are an integral part of the financial statements.

**CAMERON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2022**

	Custodial Fund
ASSETS	
Cash and Cash Equivalents	\$ 79,024
Total Assets	\$ 79,024
NET POSITION	
Restricted for Student Groups	\$ 79,024
Total Net Position	\$ 79,024

The accompanying notes are an integral part of the financial statements.

**CAMERON INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES
IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED AUGUST 31, 2022**

	Custodial Fund
ADDITIONS	
Collections from Student Groups	\$ 186,964
Total Additions	186,964
DEDUCTIONS	
Payments On-behalf of Student Groups	183,131
Total Deductions	183,131
NET INCREASE IN FIDUCIARY NET POSITION	3,833
NET POSITION, BEGINNING	75,191
NET POSITION, ENDING	\$ 79,024

The accompanying notes are an integral part of the financial statements.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Board of Trustees (the "Board"), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the Cameron Independent School District (the "District"). Because members of the Board are elected by the public; have the authority to make decisions, appoint administrators, and significantly influence operations; and have the primary accountability for fiscal matters; the District is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board ("GASB") Statement No. 61, "The Financial Reporting Entity-Omnibus" and GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units." There are no component units included within the reporting entity.

The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board and other authoritative sources identified in GASB Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments"; and it complies with the requirements of the appropriate version of Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding entities. However, the District is not included in any other governmental reporting entity. The District is a governmental entity exempt from federal income taxation and reporting under Internal Revenue Code Section 115.

B. GOVERNMENT-WIDE AND FUND 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 non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes, state funding revenue, and user service charges.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. All capital asset depreciation is reported as a direct expense of the functional program that benefits from the use of the capital assets. Indirect costs associated with grant activities are allocated to administrative and support services functions to cover the overhead cost of providing the program. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirement of a particular function, as well as, charges for services relating to the food service function. Taxes and other items are not properly included among program revenues and are reported instead as general revenues.

Separate financial statements are provided for governmental funds and agency funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds have no measurement focus. 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 have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This measurement focus means that only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present resources (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when the obligation has matured.

Property taxes, state revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Grant funds are considered to be earned when all eligibility requirements have been met and to the extent of expenditures made under the provisions of the grant, and accordingly, when such funds are received in advance, they are recorded as unearned revenue.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. 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 general government, except those required to be accounted for in another fund.

The *ESSER III Grant Fund* is used to account for federal stimulus ESSER III funds granted to the District through the ARP Act that support the District's ability to operate and instruct its students following the COVID-19 pandemic.

Additionally, the District reports the following non-major fund types:

Special revenue funds are used to account for resources restricted, committed, or assigned for specific purposes by a grantor or the Board. Federal and state financial assistance generally is accounted for in a *special revenue fund*. Generally, unused balances are returned to the grantor at the close of specified project periods. The food service funds are rolled over from year to year for use in the program(s).

The *Debt Service Fund* is used to account for revenues collected to pay interest and related costs and to retire long-term debt.

Custodial funds (a fiduciary fund type) report resources, not in a trust, that are held by the District for other parties outside of the District. Custodial funds are accounted for using the accrual basis of accounting. These funds are used to account for the District's student activity funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include operating grants and contributions, food service user charges, and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

D. ASSETS, DEFERRED OUTFLOW OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION OR EQUITY

Deposits and Investments

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

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Another type of interfund transaction is a transfer, which occurs when resources of one fund are transferred to another.

All property tax receivables are shown net of an allowance for uncollectible taxes. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based upon historical experience in collecting personal property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Inventories and Prepaid Items

Inventories of supplies on the balance sheet are stated at weighted average cost, while inventories of donated food commodities are recorded at fair values supplied by the Texas Department of Human Services. Inventory items are recorded as expenditures when they are consumed. Supplies are used for almost all functions of activity, while food commodities are used only in the food service program. Although commodities are received at no cost, the fair value is supplied by the Texas Department of Human Services and recorded as inventory and revenue when received. When requisitioned, inventory is depleted and expenditures are charged. Inventories also include facilities maintenance and operation supplies, as well as instructional supplies. Supplies inventory reported in the General Fund and Child Nutrition Fund is offset in the fund level financial statements by a fund balance reserve that indicates that it is "non-spendable resources".

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. Prepaid items reported in the General Fund are offset in the fund level financial statements by a fund balance reserve that indicates that it is "non-spendable resources".

Pensions

The fiduciary net position of the Teacher Retirement System of Texas ("TRS") has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities, and additions to/deductions from TRS's fiduciary net position. Benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan has been determined using the flow of economic 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 post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

Governmental Fund Balances

Certain resources of the governmental funds are set aside for the repayment or use of specific programs and are recorded to four categories of designations:

Non-spendable - Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to approval by formal action by the Board.

Assigned - For the General Fund, amounts that are appropriated by the Board or Board designee that are to be used for specific purposes. For all other governmental funds, any remaining positive amounts not previously classified as non-spendable, restricted or committed.

Unassigned fund balances are amounts that are available for any purpose; these amounts can be reported only in the District's General Fund. The District's unassigned fund balance will be maintained to provide the District with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The unassigned General Fund balance may only be appropriated by resolution of the Board. Amendments or modifications of the committed fund balance must also be approved by resolutions of the Board. When it is appropriate for fund balance to be assigned, the Board has delegated authority by resolution to the Superintendent. In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted, committed, assigned and unassigned.

Capital Assets

Capital assets, which include land, buildings, furniture and equipment are reported in the governmental activities columns in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$ 5,000 and an estimated life greater than one year. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30-50
Building Improvements	10-30
Vehicles	5-10
Computer Equipment	3-5
Other Equipment	5-10

Compensated Absences

It is the District's policy to permit some employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the government. There are limitations on carryover and accumulation of benefits and as a result the liability for accrued but unused benefits is not significant and therefore not recorded.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the period incurred.

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

Fund Equity/Net Position

The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. In the fund financial statements, governmental funds report non-spendable, restrictions or commitments of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties or through action of the Board for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change and are neither restricted nor committed.

Deferred Outflows and Inflows of Resources

The District complies with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which provides guidance for reporting the financial statement elements of deferred outflows of resources, which represent the consumption of the District's net position that is applicable to a future reporting period, and deferred inflows of resources, which represent the District's acquisition of net position applicable to a future reporting period.

The District complies with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

Estimates

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

Data Control Codes

The data control codes refer to the account code structure prescribed by TEA in the *Financial Accountability System Resource Guide*. The TEA requires school districts to display those codes in the financial statements filed with the Agency in order to ensure accuracy in building a stateside database for policy development and funding plans.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

Adoption of New Accounting Standard

Statement No. 87, *Leases* increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee will be required to recognize a lease liability and an intangible right-to-use a leased asset, and a lessor will be required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities. The requirements of this statement are effective for the fiscal year ending August 31, 2022 for the District.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY DATA

The Board of Trustees adopts an "appropriated budget" for the General Fund, Debt Service Fund and the Child Nutrition Program which is included in the Special Revenue Funds. The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures. The General Fund Budget report appears in Exhibit G-1 and the other two reports appear in Exhibits J-2 and J-3.

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

1. Prior to August 20 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. At least ten days' public notice of the meeting must be given.
3. Prior to September 1, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end.
4. Each budget is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. DEPOSITS AND INVESTMENTS

Legal and Contractual Provisions Governing Deposits and Investments

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

At August 31, 2022, the District had no investments that meet these criteria.

Additional Contractual Provisions governing deposits and investments are as follows:

The funds of the District must be deposited and invested under the terms of a contract, the contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank 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.

At August 31, 2022, the carrying amount of the District's deposits was \$ 13,835,418 and the bank balance was \$ 14,117,956. The District's cash deposits at August 31, 2022 and during the year then ended, were covered by FDIC insurance or by pledged securities by the District's agent bank in the District's name.

Policies Governing Deposits and Investments

1. Foreign Currency Risk – The District's deposits and investments are not exposed to foreign currency risk.
2. Custodial Credit Risk – The District's policy is to be collateralized. The District was fully collateralized during the year.
3. Interest Rate Risk – The District has no debt securities which have interest rate risk.
4. Other Credit Risk Exposure – The District does not have investments which would expose the District to credit risk.
5. Concentration of Credit Risk – The District does not have investments which would expose the District to this risk.

B. PROPERTY TAXES

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

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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C. INTERFUND RECEIVABLES AND PAYABLES

The purpose of the interfund balance is mainly for cash flows concerns, and the amounts are anticipated to be repaid in the current year. Interfund balances at August 31, 2022 consisted of the following balances:

	General	Due To		Total
		ESSER III	All Other Funds	
Due From General		357,920	296,821	654,741
ESSER III	-		-	-
All Other Funds	1,251	-		1,251
Total	<u>1,251</u>	<u>357,920</u>	<u>296,821</u>	<u>655,992</u>

D. CAPITAL ASSET ACTIVITY

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

	Beginning Balance	Additions	Disposals	Ending Balance
Governmental Activities				
Land	\$ 728,654	\$ -	\$ -	\$ 728,654
Building and Improvements	41,536,524	30,891	-	41,567,415
Furniture and Equipment	6,135,091	286,198	(134,682)	6,286,607
Right to Use Leased Assets	-	180,002	-	180,002
Totals at Historic Cost	<u>48,400,269</u>	<u>497,091</u>	<u>(134,682)</u>	<u>48,762,678</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(25,785,208)	(1,526,246)	-	(27,311,454)
Furniture and Equipment	(4,288,087)	(362,377)	134,682	(4,515,782)
Right of Use Assets - Leased Equipment	-	(65,455)	-	(65,455)
Total Accumulated Depreciation	<u>(30,073,295)</u>	<u>(1,954,078)</u>	<u>134,682</u>	<u>(31,892,691)</u>
Governmental Activities Capital Assets, Net	<u>\$ 18,326,974</u>	<u>\$ (1,456,987)</u>	<u>\$ -</u>	<u>\$ 16,869,987</u>

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Depreciation expense was charged to governmental activities functions as follows:

Instruction	\$ 893,824
Instructional Resources and Media Services	51,834
Curriculum Development	589
School Leadership	26,189
Guidance, Counseling and Evaluation Services	5,561
Health Services	2,342
Student Transportation	160,781
Food Services	76,692
Extracurricular Activities	554,262
General Administration	4,696
Facilities Maintenance and Operations	158,355
Security Monitoring	2,680
Data Processing Services	15,981
Facilities Acquisition and Construction	292
Total Depreciation Expense	<u>\$ 1,954,078</u>

E. BONDS

Bonded indebtedness of the District is reflected in the Statement of Net Position and current requirements for principal and interest expenditures are accounted for in the Debt Service Fund.

A summary of changes in general long-term debt for the year ended August 31, 2022, were as follows:

General Long-Term Debt Description	Interest Rate	Amounts Outstanding 9/1/2021	Issued Current Year	(Retired/ Refunded) Current Year	Amounts Outstanding 8/31/2022	Due Within One Year
7/15/2014 Unlimited Tax School Building Bonds, Series 2014	2.0-4.0%	\$ 4,265,000	\$ -	\$ (190,000)	\$ 4,075,000	\$ 190,000
11/1/2015 Unlimited Tax Refunding Bonds, Series 2015	4.0%	1,460,000	-	(470,000)	990,000	485,000
11/1/2018 Unlimited Tax Refunding Bonds, Series 2018	3.1-4.0%	8,260,000	-	(595,000)	7,665,000	620,000
9/1/2021 Right of Use Assets -Leased Equipment	4.0%	70,843	180,002	(134,411)	116,434	65,536
Total		<u>\$ 14,055,843</u>	<u>\$ 180,002</u>	<u>\$ (1,389,411)</u>	<u>\$ 12,846,434</u>	<u>\$ 1,360,536</u>

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Debt service requirements are as follows:

Bonds Payable

Year Ending August 31,	Principal	Interest	Total Requirements
2023	\$ 1,295,000	\$ 438,600	\$ 1,733,600
2024	1,335,000	395,050	1,730,050
2025	1,100,000	350,950	1,450,950
2026	1,145,000	306,050	1,451,050
2027	1,190,000	259,350	1,449,350
2028-2032	6,665,000	590,535	7,255,535
	<u>\$ 12,730,000</u>	<u>\$ 2,340,535</u>	<u>\$ 15,070,535</u>

Right of Use Assets Payable

Year Ending August 31,	Principal	Interest	Total Requirements
2023	\$ 65,536	\$ 3,465	\$ 69,001
2024	50,898	852	51,750
	<u>\$ 116,434</u>	<u>\$ 4,317</u>	<u>\$ 120,751</u>

There are a number of limitations and restrictions contained in the general obligation bond indenture. Management has indicated that the District is in compliance with all significant limitations and restrictions at August 31, 2022.

F. CHANGES IN LONG-TERM LIABILITIES, DEFERRED AMOUNT ON REFUNDING

Long-term liability activity for the year ended August 31, 2022 was as follows:

	Beginning Balance	Additions	Reductions/ Amortization	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 13,985,000	\$ -	\$ (1,255,000)	\$ 12,730,000	\$ 1,295,000
Right of Use Assets - Leased Equip	70,843	180,002	(134,411)	116,434	65,536
Bond Premium	1,136,396	-	(123,164)	1,013,232	123,164
Net Pension Liability	3,808,275	(1,554,002)	(323,538)	1,930,735	-
Net OPEB Liability	4,520,811	224,781	(94,202)	4,651,390	-
Total Governmental Activities Long-Term Liabilities	<u>\$ 23,521,325</u>	<u>\$ (1,149,219)</u>	<u>\$ (1,930,315)</u>	<u>\$ 20,441,791</u>	<u>\$ 1,483,700</u>

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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The following is a summary of deferred amounts on refunding for the year ended August 31, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Unlimited Tax Refunding Bonds	\$ 133,807	\$ -	\$ (75,542)	\$ 58,265	\$ 52,583

G. DUE FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of August 31, 2022, are summarized below. Most federal grants shown below are passed through the TEA and all are reported on the statement of net position as Due from Other Governments.

Fund	State Entitlements	State & Federal Grants	Total
General	\$ 627,910	\$ 1,631	\$ 629,541
ESSER III	-	589,898	589,898
Nonmajor Governmental Funds	-	220,190	220,190
Total	<u>\$ 627,910</u>	<u>\$ 811,719</u>	<u>\$ 1,439,629</u>

H. REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

During the current year, revenues from local and intermediate sources as shown on the statement of revenues, expenditures and changes in fund balances of governmental funds consisted of the following:

	General Fund	Nonmajor Special Revenue Funds	Total
Property Taxes	\$ 4,196,219	\$ 1,534,540	\$ 5,730,759
Penalties, Interest and Other			
Tax-Related Income	52,598	18,025	70,623
Investment Income	132,705	16,278	148,983
Food Sales	-	85,159	85,159
Extracurricular Student Activities	82,845	89,319	172,164
Other	286,047	-	286,047
Total	<u>\$ 4,750,414</u>	<u>\$ 1,743,321</u>	<u>\$ 6,493,735</u>

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

I. DEFINED BENEFIT PENSION PLAN

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

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

Pension Plan Fiduciary Net Position. Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information.

That report may be obtained on the Internet at https://www.trs.texas.gov/Pages/about_publications_.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, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in the manner are determined by the System's actuary.

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

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.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Contribution Rates

	2021	2022
Member	7.70%	8.00%
Non-Employer Contributing Entity (State)	7.50%	7.75%
Employers	7.50%	7.75%
Current fiscal year employer contributions		\$ 373,599
Current fiscal year member contributions		842,186
2021 measurement year NECE on-behalf contributions		611,073

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

As the non-employer contributing entity for public education, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers 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 90 days of employment.
- When any part or all of an employee’s salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public or charter school, 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 additional surcharges an employer is subject to:

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.
- All public schools, charter schools, and regional educational service centers must contribute 1.5% of the member’s salary beginning in fiscal year 2021, gradually increasing to 2% in fiscal year 2025.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Actuarial Assumptions. The total pension liability in the August 31, 2020 actual valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-Term Expected Investment Rate of Return	7.25%
Municipal Bond Rate as of August 2019	1.95%. Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."
Last year ending August 31 in Projection Period (100 years)	2120
Inflation	2.30%
Salary Increases	3.05% to 9.05% including inflation
Ad hoc post employment benefit changes	None

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

Discount Rate. A single discount rate of 7.25% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.25%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2020 gradually increasing to 9.55% of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2021 are summarized below:

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Asset Class*	Target Allocation **	Long-Term Expected Geometric Real Rate of Return ***	Expected Contribution to Long- Term Portfolio Returns
Global Equity			
U. S. A.	18.00%	3.60%	0.94%
Non-U.S. Developed	13.00%	4.40%	0.83%
Emerging Markets	9.00%	4.60%	0.74%
Private Equity	14.00%	6.30%	1.36%
Stable Value			
Government Bonds	16.00%	-0.20%	0.01%
Absolute Return	0.00%	1.10%	0.00%
Stable Value Hedge Funds	5.00%	2.20%	0.12%
Real Return			
Real Estate	15.00%	4.50%	1.00%
Energy, Natural Resources, and Infrastructure	6.00%	4.70%	0.35%
Commodities	0.00%	1.70%	0.00%
Risk Parity			
Risk Parity	8.00%	2.80%	0.28%
Leverage			
Cash	2.00%	-0.70%	-0.01%
Asset Allocation Leverage	-6.00%	-0.50%	0.03%
Inflation Expected			2.20%
Volatility Drag ****			-0.95%
Expected Return	100.00%		6.90%

* Absolute Return includes Credit Sensitive Investments.

**Target allocations are based on the FY2021 policy model.

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

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

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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Discount Rate Sensitivity Analysis. The following table presents the Net Pension Liability of the plan using the discount rate of 7.25%, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
CISD's Proportionate Share of the Net Pension Liability:	\$ 4,218,962	\$ 1,930,735	\$ 74,288

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2022, the District reported a net pension liability of \$ 1,930,735 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate Share of the Collective Net Pension Liability	\$ 1,930,735
State's Proportionate Share that is Associated with the District	3,646,619
Total	\$ 5,577,354

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

At August 31, 2021, the employer's proportion of the collective net pension liability was 0.0075814810% which is a decrease of 0.0004709125% from its proportion measured as of August 31, 2020.

Changes Since the Prior Actuarial Valuation

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

For the year ended August 31, 2022, the District recognized pension expense of \$ 120,513 and revenue of \$ 14,579 for support provided by the State.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
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At August 31, 2022, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources. The amounts shown below will be the cumulative layers for the current and prior years combined.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 3,231	\$ 135,925
Changes in actuarial assumptions	682,477	297,501
Difference between projected and actual investment earnings	-	1,618,896
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	252,282	430,381
Total as of measurement date	937,990	2,482,703
Contributions paid to TRS subsequent to the measurement date	373,599	-
Total as of fiscal year end	<u>\$ 1,311,589</u>	<u>\$ 2,482,703</u>

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

Year Ending August 31,	Pension Expense Amount
2023	\$ (294,832)
2024	(297,828)
2025	(451,317)
2026	(514,444)
2027	6,666
Thereafter	7,042
	<u>\$ (1,544,713)</u>

J. DEFINED OTHER POST EMPLOYMENT BENEFIT PLANS

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 Post-Employment Benefit (OPEB) plan that has a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. 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. Detail 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 https://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 district who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

**CAMERON INDEPENDENT SCHOOL DISTRICT
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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. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for retired are reflected in the following table.

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

Contributions. Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and 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 or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

	<u>Contribution Rates</u>	
	<u>2021</u>	<u>2022</u>
Member	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding Remitted by Employers	1.25%	1.25%
Current fiscal year employer contributions		\$ 102,602
Current fiscal year member contributions		68,429
2021 measurement year NECE on-behalf contributions		126,210

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

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

**CAMERON INDEPENDENT SCHOOL DISTRICT
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Actuarial Assumptions. The actuarial valuation was performed as of August 31, 2020. Updated procedures were used to roll forward the Total OPEB Liability to August 31, 2021. The actuarial valuation was determined using the following actuarial assumptions:

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actual valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2020 TRS pension actuarial valuation that was rolled forward to August 31, 2021:

Rates of Mortality	Rates of Disability
Rates of Retirement	General Inflation
Rates of Termination	Wage Inflation

The active mortality rates were based on 90% of the RP-2014 Employee Mortality Tables for males and females. The post retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the mortality projection scale MP-2018.

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Discount Rate	2.20%
Actuarial Cost Method	Entry Age
Salary Increases	2.30% to 9.05% including inflation
Inflation	2.30%
Ad Hoc Post-Employment Benefit Changes	None

Annual Healthcare Trend Rates

HealthSelect

8.80% for FY2022, 5.25% for FY2023, 5.00% for FY2024, 4.75% for FY2025, 4.60% for FY2026, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2029 and later years

HealthSelect Medicare Advantage

(53.30)% for FY2022, 0.00% for FY2023, 66.67% for FY2024, 24.00% for FY2025, 4.60% for FY2026, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2029 and later years

Pharmacy

10.00% for FY2022 and FY2023, decreasing 100 basis points per year to 5.00% for FY2028 and 4.30% for FY2029 and later years

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

Discount Rate. A single discount rate of 1.95% was used to measure the total OPEB liability. There was a decrease of 0.38% in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to *not be able* to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine that total OPEB liability.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2021 using the fixed-income Market Data/Yield Curve/Data municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (1.95%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (0.95%)	Current Single Discount Rate (1.95%)	1% Increase in Discount Rate (2.95%)
CISD's Proportionate Share of the Net OPEB Liability:	\$ 5,610,648	\$ 4,651,390	\$ 3,896,423

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At August 31, 2022, the District reported a liability of \$ 4,651,390 for its proportionate share of the TRS’s Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's Proportionate Share of the Collective Net Pension Liability	\$ 4,651,390
State's Proportionate Share that is Associated with the District	6,231,826
Total	\$ 10,883,216

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

At August 31, 2021 the employer’s proportion of the collective Net OPEB Liability was 0.0120582092% which was an increase of 0.0001658815% from its proportion measured as of August 31, 2020.

The following schedule shows the impact of the Net OPEB Liability if a healthcare trend rate that is 1% less than and 1% greater than the health trend rates assumed.

	1% Decrease in Healthcare Trend Rate	Current Single Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
CISD's Proportionate Share of the Net OPEB Liability:	\$ 3,767,472	\$ 4,651,390	\$ 5,837,389

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

Changes Since the Prior Actuarial Valuation. The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability (TOL) since the prior measurement period:

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

Changes of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

For the year ended August 31, 2022, the District recognized OPEB expense of (\$ 495,777) and revenue of (\$ 230,002) for support provided by the State.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 200,264	\$ 2,251,598
Changes in actuarial assumptions	515,196	983,683
Difference between projected and actual investment earnings	5,050	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	171,038	747,725
Total as of measurement date	891,548	3,983,006
Contributions paid to TRS subsequent to the measurement date	102,602	-
Total as of fiscal year end	<u>\$ 994,150</u>	<u>\$ 3,983,006</u>

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

Year Ending August 31,	OPEB Expense Amount
2023	\$ (600,524)
2024	(600,637)
2025	(600,606)
2026	(478,172)
2027	(312,412)
Thereafter	(499,107)
	<u>\$ (3,091,458)</u>

K. ON-BEHALF PAYMENTS FOR FRINGE BENEFITS

The Medicare Prescription Drug, Improvement and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the year ended August 31, 2022, the contribution made on behalf of the District was \$ 44,080.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

L. COMMITMENTS AND CONTINGENCIES

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

M. SHARED SERVICE ARRANGEMENTS

Cameron ISD is not a fiscal agent for any shared service arrangements.

The District participates in the BURLISON-MILAM SPECIAL SERVICES COOPERATIVE which is a shared services arrangement (SSA) for resource education services. This SSA includes nine participating independent school districts with the Rockdale ISD acting as fiscal agent for the SSA. Financial transactions of the SSA are accounted for in accordance with Model 3 of the SSA section of the Texas Education Agency *Financial Account System Resource Guide*. This SSA is funded partially through State and Local funds and partially through federal programs.

The individual programs and the Cameron ISD participation in each which were included in this SSA were as follows:

Program	CFDA Number	District Value
State and Local	--	\$ 142,150
IDEA-B,	84.027	310,748
IDEA-B, Preschool	84.173	5,710
Total		<u>\$ 458,608</u>

The expenditures under the above programs were classified as follows:

Classification	Amount
6100 - Payroll Costs	\$ 339,003
6200 - Contracted Services	79,596
6300 - Supplies and Materials	27,333
6400 - Other Operating Costs	12,676
6500 - Debt Service	-
6600 - Capital Outlay	-
	<u>\$ 458,608</u>

N. HEALTH CARE COVERAGE AND MAINTENANCE OF EFFORT

During the year ended August 31, 2022, employees of the District were covered by the state health insurance plan. The District contributed \$ 250 per month per full time employee, the state paid \$ 75 per month, and the employees authorized payroll deductions to cover the remaining premiums due for the desired coverage. Contributions were paid to TRS Active Care.

The total District premium paid for health care was approximately \$ 659,100 for the 169 participating employees at August 31, 2022. There were 235 employees eligible for coverage at August 31, 2022.

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022**

O. UNEMPLOYMENT COMPENSATION POOL

During the year ended August 31, 2021, the District provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligation to the Texas Workforce Commission. Expenses are accrued monthly until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for the Unemployment Compensation pool. For the year ended August 31, 2022, the Fund anticipates that the District has no additional liability beyond the contractual obligation for payment of contribution.

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

P. TAX ABATEMENT

On March 12, 2021, the District's Board of Trustees approved an agreement Ben Milam Solar 2, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes pursuant to Chapter 313 of the Texas Tax Code. Value limitation agreements are part of a State program, originally created in 2001 which allows school districts to limit the taxable value of an approved project for Maintenance and Operations (M&O) for a period of years specified in a statute. The project(s) must be consistent with the State's goal to "encourage large scale capital investments in this State." Chapter 313 grants eligibility to companies engaged in manufacturing, research and development, renewable electric energy production, clean coal projects, nuclear power generation and Texas Priority projects. Ben Milam Solar 2, LLC's property qualified for a tax limitation agreement under Section §313.024(b)(5) of the Texas tax code, as a renewable energy electric generation. The agreement includes supplemental payments to the District in the amount of \$ 159,300 annually through 2036. The first tax year applicable to this limitation on appraised value of property is 2021.

Q. EVALUATION OF SUBSEQUENT EVENTS

The District has evaluated all subsequent events through December 5, 2022, the date the financial statements were available to be issued.

In September 2022, the District issued Adjustable Rate Unlimited Tax School Building Bonds, Series 2022 in the aggregate principal amount of \$9,500,000 to provide funds for the construction, renovation, improvement, and equipment of existing school buildings and facilities in the District, including renovations to the original C.H. Yoe High School to create a Career and Technical Education Center, and for the construction, renovation, improvement, and equipment of existing school buildings to improve and enhance Agricultural Science Program facilities, and (ii) to pay the costs of issuance of the Bonds. The Bonds are dated September 1, 2022 and will mature on February 15, 2042.

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REQUIRED SUPPLEMENTARY INFORMATION

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CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
		Original	Final		
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 4,620,900	\$ 4,651,406	\$ 4,750,414	\$ 99,008
5800	State Program Revenues	11,367,338	11,760,221	11,374,694	(385,527)
5900	Federal Program Revenues	355,382	406,042	406,048	6
5020	Total Revenues	<u>16,343,620</u>	<u>16,817,669</u>	<u>16,531,156</u>	<u>(286,513)</u>
EXPENDITURES:					
Current:					
0011	Instruction	9,169,807	8,504,807	6,275,647	2,229,160
0012	Instructional Resources and Media Services	144,594	154,594	142,891	11,703
0013	Curriculum and Instructional Staff Development	222,838	242,838	232,125	10,713
0023	School Leadership	1,085,750	1,085,750	999,613	86,137
0031	Guidance, Counseling and Evaluation Services	424,100	434,100	422,431	11,669
0032	Social Work Services	43,315	43,315	19	43,296
0033	Health Services	160,317	160,317	136,530	23,787
0034	Student (Pupil) Transportation	887,811	887,811	461,929	425,882
0035	Food Services	45,000	50,000	36,484	13,516
0036	Extracurricular Activities	1,110,142	1,135,142	1,085,097	50,045
0041	General Administration	957,433	1,107,433	1,026,972	80,461
0051	Facilities Maintenance and Operations	1,699,728	1,724,728	1,683,670	41,058
0052	Security and Monitoring Services	84,000	109,000	58,988	50,012
0053	Data Processing Services	464,434	464,434	377,039	87,395
0061	Community Services	105,345	80,345	51,703	28,642
0081	Facilities Acquisition and Construction	-	350,000	340,213	9,787
Debt Service:					
0071	Principal on Long-Term Debt	62,000	92,000	58,020	33,980
0072	Interest on Long-Term Debt	13,000	13,000	11,730	1,270
0073	Bond Issuance Cost and Fees	5,000	30,000	3,422	26,578
Intergovernmental:					
0093	Payments to Fiscal Agent/Member Districts	103,660	118,660	114,610	4,050
6030	Total Expenditures	<u>16,788,274</u>	<u>16,788,274</u>	<u>13,519,133</u>	<u>3,269,141</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(444,654)</u>	<u>29,395</u>	<u>3,012,023</u>	<u>2,982,628</u>
OTHER FINANCING SOURCES (USES):					
7913	Proceeds from Right of Use Leased Assets	-	-	180,002	(180,002)
8911	Operating Transfers Out	-	-	(150,000)	150,000
7080	Total Other Financing Sources (Uses)	-	-	30,002	(30,002)
1200	Net Change in Fund Balances	<u>(444,654)</u>	<u>29,395</u>	<u>3,042,025</u>	<u>2,952,626</u>
0100	Fund Balance - September 1 (Beginning)	<u>9,303,074</u>	<u>9,303,074</u>	<u>9,303,074</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 8,858,420</u>	<u>\$ 9,332,469</u>	<u>\$ 12,345,099</u>	<u>\$ 2,952,626</u>

**CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2022**

Measurement period ended August 31,	<u>2021</u>	<u>2020</u>	<u>2019</u>
District's Proportion of the Net Pension Liability (Asset)	0.7581481000%	0.0071105685%	0.0078514153%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 1,930,735	\$ 3,808,275	\$ 4,081,411
State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	<u>3,646,619</u>	<u>8,448,305</u>	<u>8,122,086</u>
Total	<u>\$ 5,577,354</u>	<u>\$ 12,256,580</u>	<u>\$ 12,203,497</u>
District's Covered Employee Payroll	\$ 10,437,312	\$ 10,709,066	\$ 10,359,918
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its covered Employee Payroll	18.50%	35.56%	39.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.79%	75.54%	75.24%

Note: Only eight years of data is presented in accordance with GASB #68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

EXHIBIT G-2

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.0084037180%	0.0090069421%	0.0082656617%	0.0089964000%	0.0063936000%
\$ 4,625,610	\$ 2,879,935	\$ 3,123,471	\$ 3,180,108	\$ 1,707,819
<u>8,860,664</u>	<u>4,955,912</u>	<u>5,613,014</u>	<u>5,414,269</u>	<u>4,516,526</u>
<u>\$ 13,486,274</u>	<u>\$ 7,835,847</u>	<u>\$ 8,736,485</u>	<u>\$ 8,594,377</u>	<u>\$ 6,224,345</u>
\$ 10,016,716	\$ 9,705,865	\$ 8,990,042	\$ 8,878,985	\$ 8,609,608
46.18%	29.67%	34.74%	35.82%	19.84%
73.74%	82.17%	78.00%	78.43%	83.25%

**CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2022**

Fiscal year ended August 31,	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 373,599	\$ 322,657	\$ 276,669
Contribution in Relation to the Contractually Required Contribution	<u>(373,599)</u>	<u>(322,657)</u>	<u>(276,669)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 10,527,116	\$ 10,437,312	\$ 10,709,066
Contributions as a Percentage of Covered Employee Payroll	3.55%	3.09%	2.58%

Note: Only eight years of data is presented in accordance with GASB #68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

EXHIBIT G-3

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 274,107	\$ 283,418	\$ 295,195	\$ 261,991	\$ 266,388
<u>(274,107)</u>	<u>(283,418)</u>	<u>(295,195)</u>	<u>(261,991)</u>	<u>(266,388)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,359,918	\$ 10,016,716	\$ 9,705,865	\$ 8,990,042	\$ 8,878,985
2.65%	2.83%	3.04%	2.91%	3.00%

**CAMERON INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
 OF THE NET OPEB LIABILITY
 TEACHER RETIREMENT SYSTEM OF TEXAS
 FOR THE YEAR ENDED AUGUST 31, 2022**

Measurement year ended August 31,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's Proportion of the Net OPEB Liability (Asset)	0.0120582092%	0.0118923277%	0.0117286572%	0.0129087610%	0.0136564431%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 4,651,390	\$ 4,520,811	\$ 5,546,624	\$ 6,445,463	\$ 5,938,675
State's Proportionate Share of the Net OPEB Liability (Asset) associated with the District	<u>6,231,826</u>	<u>6,074,886</u>	<u>7,370,225</u>	<u>8,756,472</u>	<u>7,356,237</u>
Total	<u>\$ 10,883,216</u>	<u>\$ 10,595,697</u>	<u>\$ 12,916,849</u>	<u>\$ 15,201,935</u>	<u>\$ 13,294,912</u>
District's Covered Employee Payroll *	\$ 10,437,312	\$ 10,709,066	\$ 10,359,918	\$ 10,016,716	\$ 9,705,865
District's Proportionate Share of the Net OPEB Liability (Asset) as a percentage of its covered Employee Payroll	44.57%	42.21%	53.54%	64.35%	61.19%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.18%	4.99%	2.66%	1.57%	0.91%

* As of the measurement

Note: Only five years of data is presented in accordance with GASB #75, paragraph 245. "The information for all fiscal years for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

**CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS FOR OTHER
POST EMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2022**

Fiscal Year Ended August 31,	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 102,602	\$ 94,179	\$ 87,076	\$ 83,241	\$ 89,052
Contribution in Relation to the Contractually Required Contribution	<u>(102,602)</u>	<u>(94,179)</u>	<u>(87,076)</u>	<u>(83,241)</u>	<u>(89,052)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	10,527,116	10,437,312	10,709,066	10,359,918	10,008,345
Contributions as a Percentage of Covered Employee Payroll	0.97%	0.90%	0.81%	0.80%	0.89%

Note: Only five years of data is presented in accordance with GASB #75, paragraph 245. "The information for all fiscal years for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2022**

Budgetary Information

The Board of Trustees adopts an “appropriated budget” for the General Fund, Debt Service Fund, and the National School Breakfast and Lunch Fund which is included in the Special Revenue Funds. The District is required to present the adopted and final amended budgeted revenue and expenditures. The District presented the General Fund budgetary comparison schedule as required supplementary information, while the National School Breakfast and Lunch and Debt Service Funds budgetary comparison schedules are presented as required TEA schedules.

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

1. Prior to August 20, 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. At least 10 days’ public notice of the meeting must be given.
3. Prior to September 1, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments, made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end. Because the District has a policy of careful budgetary control, amendments were necessary during the year.
4. Each budget is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year-end.

COMBINING SCHEDULES

**CAMERON INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2022**

Data Control Codes	211 ESEA I, A Improving Basic Program	240 National Breakfast and Lunch Program	242 Summer Feeding Program	244 Vocational Education Basic Grant	255 ESEA II, A Training and Recruiting	
ASSETS						
1110	Cash and Cash Equivalents	\$ -	\$ 472,713	\$ 16,302	\$ 2,096	\$ -
1220	Property Taxes - Delinquent	-	-	-	-	-
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-	-	-
1240	Due from Other Governments	98,518	65,324	-	9,751	18,439
1260	Due from Other Funds	-	-	-	-	-
1000	Total Assets	<u>\$ 98,518</u>	<u>\$ 538,037</u>	<u>\$ 16,302</u>	<u>\$ 11,847</u>	<u>\$ 18,439</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
2110	Accounts Payable	\$ -	\$ 51,046	\$ -	\$ -	\$ -
2160	Accrued Wages Payable	-	40,122	-	-	-
2170	Due to Other Funds	98,156	-	-	8,247	17,650
2200	Accrued Expenditures	362	5,959	-	-	55
2300	Unearned Revenue	-	-	-	-	-
2000	Total Liabilities	<u>98,518</u>	<u>97,127</u>	<u>-</u>	<u>8,247</u>	<u>17,705</u>
Deferred Inflows of Resources:						
2600	Unavailable Revenue - Property Taxes	-	-	-	-	-
	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Restricted Fund Balance:						
3450	Federal or State Funds Grant Restriction	-	440,910	16,302	3,600	734
3480	Retirement of Long-Term Debt	-	-	-	-	-
3490	Campus Activity Fund Restriction	-	-	-	-	-
Assigned Fund Balance:						
3590	Other Assigned Fund Balance	-	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>440,910</u>	<u>16,302</u>	<u>3,600</u>	<u>734</u>
4000	Total Liabilities and Fund Balances	<u>\$ 98,518</u>	<u>\$ 538,037</u>	<u>\$ 16,302</u>	<u>\$ 11,847</u>	<u>\$ 18,439</u>

EXHIBIT H-1

263 Title III Bilingual/ESL Fund	270 Title IV, B Rural & Low Inc Sch Prg	276 Instructional Continuity Fund	277 Coronavirus Relief Fund (CRF)	289 Rural Educ. Achievement Program	397 AP/IB Exam Fee Subsidy Fund	410 State Textbook Fund	429 Ready to Read Grant
\$ 3,751	\$ 9,295	\$ 495	\$ 100,000	\$ -	\$ 237	\$ 51,456	\$ 1,400
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,225	1,491	-	-	24,508	-	234	700
-	-	-	-	1,252	-	-	-
<u>\$ 4,976</u>	<u>\$ 10,786</u>	<u>\$ 495</u>	<u>\$ 100,000</u>	<u>\$ 25,760</u>	<u>\$ 237</u>	<u>\$ 51,690</u>	<u>\$ 2,100</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
4,025	1,311	495	100,000	13,848	-	51,690	1,400
-	-	-	-	-	-	-	-
-	-	-	-	1,336	-	-	-
<u>4,025</u>	<u>1,311</u>	<u>495</u>	<u>100,000</u>	<u>15,184</u>	<u>-</u>	<u>51,690</u>	<u>1,400</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
951	9,475	-	-	10,576	237	-	700
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>951</u>	<u>9,475</u>	<u>-</u>	<u>-</u>	<u>10,576</u>	<u>237</u>	<u>-</u>	<u>700</u>
<u>\$ 4,976</u>	<u>\$ 10,786</u>	<u>\$ 495</u>	<u>\$ 100,000</u>	<u>\$ 25,760</u>	<u>\$ 237</u>	<u>\$ 51,690</u>	<u>\$ 2,100</u>

**CAMERON INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
AUGUST 31, 2022**

Data Control Codes	461 Campus Activity Fund	484 Centex Workforce Grant	486 Austin Food Bank Grant	599 Debt Service Fund	Total Nonmajor Governmental Funds	
ASSETS						
1110	Cash and Cash Equivalents	\$ 70,681	\$ 217	\$ 3,067	\$ 1,426,050	\$ 2,157,760
1220	Property Taxes - Delinquent	-	-	-	94,073	94,073
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-	(941)	(941)
1240	Due from Other Governments	-	-	-	-	220,190
1260	Due from Other Funds	-	-	-	-	1,252
1000	Total Assets	<u>\$ 70,681</u>	<u>\$ 217</u>	<u>\$ 3,067</u>	<u>\$ 1,519,182</u>	<u>\$ 2,472,334</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 51,046
2160	Accrued Wages Payable	-	-	-	-	40,122
2170	Due to Other Funds	-	-	-	-	296,822
2200	Accrued Expenditures	-	-	-	-	6,376
2300	Unearned Revenue	-	-	-	-	1,336
2000	Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>395,702</u>
Deferred Inflows of Resources:						
2600	Unavailable Revenue - Property Taxes	-	-	-	93,132	93,132
	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,132</u>	<u>93,132</u>
Fund Balances:						
Restricted Fund Balance:						
3450	Federal or State Funds Grant Restriction	-	-	-	-	483,485
3480	Retirement of Long-Term Debt	-	-	-	1,426,050	1,426,050
3490	Campus Activity Fund Restriction	70,681	-	-	-	70,681
Assigned Fund Balance:						
3590	Other Assigned Fund Balance	-	217	3,067	-	3,284
3000	Total Fund Balances	<u>70,681</u>	<u>217</u>	<u>3,067</u>	<u>1,426,050</u>	<u>1,983,500</u>
4000	Total Liabilities and Fund Balances	<u>\$ 70,681</u>	<u>\$ 217</u>	<u>\$ 3,067</u>	<u>\$ 1,519,182</u>	<u>\$ 2,472,334</u>

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**CAMERON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022**

Data Control Codes	211 ESEA I, A Improving Basic Program	240 National Breakfast and Lunch Program	242 Summer Feeding Program	244 Vocational Education Basic Grant	255 ESEA II, A Training and Recruiting	
REVENUES:						
5700	Total Local and Intermediate Sources	\$ -	\$ 85,159	\$ -	\$ -	\$ -
5800	State Program Revenues	-	20,391	-	-	-
5900	Federal Program Revenues	705,712	1,063,739	-	27,999	80,935
5020	Total Revenues	<u>705,712</u>	<u>1,169,289</u>	<u>-</u>	<u>27,999</u>	<u>80,935</u>
EXPENDITURES:						
Current:						
0011	Instruction	531,961	-	-	27,549	43,718
0013	Curriculum and Instructional Staff Development	163,984	-	-	450	-
0035	Food Services	-	1,274,110	-	-	-
0036	Extracurricular Activities	-	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-	-
0061	Community Services	9,767	-	-	-	37,217
Debt Service:						
0071	Debt Service - Principal on Long-Term Debt	-	-	-	-	-
0072	Debt Service - Interest on Long-Term Debt	-	-	-	-	-
0073	Debt Service - Bond Issuance Cost and Fees	-	-	-	-	-
6030	Total Expenditures	<u>705,712</u>	<u>1,274,110</u>	<u>-</u>	<u>27,999</u>	<u>80,935</u>
OTHER FINANCING SOURCES (USES):						
7915	Operating Transfers In	-	150,000	-	-	-
	Total Other Financing Sources (Uses)	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	-	45,179	-	-	-
0100	Fund Balance - September 1 (Beginning)	-	395,731	16,302	3,600	734
3000	Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ 440,910</u>	<u>\$ 16,302</u>	<u>\$ 3,600</u>	<u>\$ 734</u>

EXHIBIT H-2

263 Title III Bilingual/ESL Fund	270 Title IV, B Rural & Low Inc Sch Prg	276 Instructional Continuity Fund	277 Coronavirus Relief Fund (CRF)	289 Rural Educ. Achievement Program	397 AP/IB Exam Fee Subsidy Fund	410 State Textbook Fund	429 Ready to Read Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	237	24,156	700
9,950	37,720	-	-	56,986	-	-	-
<u>9,950</u>	<u>37,720</u>	<u>-</u>	<u>-</u>	<u>56,986</u>	<u>237</u>	<u>24,156</u>	<u>700</u>
8,441	37,720	-	-	23,029	-	24,156	-
558	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	29,529	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>8,999</u>	<u>37,720</u>	<u>-</u>	<u>-</u>	<u>52,558</u>	<u>-</u>	<u>24,156</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
951	-	-	-	4,428	237	-	700
-	9,475	-	-	6,148	-	-	-
<u>\$ 951</u>	<u>\$ 9,475</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,576</u>	<u>\$ 237</u>	<u>\$ -</u>	<u>\$ 700</u>

**CAMERON INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2022**

	461 Campus Activity Fund	484 Centex Workforce Grant	486 Austin Food Bank Grant	599 Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES:					
Total Local and Intermediate Sources	\$ 89,319	\$ -	\$ -	\$ 1,568,843	\$ 1,743,321
State Program Revenues	-	-	-	260,354	305,838
Federal Program Revenues	-	-	-	-	1,983,041
Total Revenues	<u>89,319</u>	<u>-</u>	<u>-</u>	<u>1,829,197</u>	<u>4,032,200</u>
EXPENDITURES:					
Current:					
Instruction	-	-	-	-	696,574
Curriculum and Instructional Staff Development	-	-	-	-	164,992
Food Services	-	-	-	-	1,274,110
Extracurricular Activities	83,956	-	-	-	83,956
Security and Monitoring Services	-	-	-	-	29,529
Community Services	-	-	-	-	46,984
Debt Service:					
Debt Service - Principal on Long-Term Debt	-	-	-	1,255,000	1,255,000
Debt Service - Interest on Long-Term Debt	-	-	-	478,013	478,013
Debt Service - Bond Issuance Cost and Fees	-	-	-	3,250	3,250
Total Expenditures	<u>83,956</u>	<u>-</u>	<u>-</u>	<u>1,736,263</u>	<u>4,032,408</u>
OTHER FINANCING SOURCES (USES):					
Operating Transfers In	-	-	-	-	150,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
Net Change in Fund Balance	5,363	-	-	92,934	149,792
Fund Balance - September 1 (Beginning)	65,318	217	3,067	1,333,116	1,833,708
Fund Balance - August 31 (Ending)	<u>\$ 70,681</u>	<u>\$ 217</u>	<u>\$ 3,067</u>	<u>\$ 1,426,050</u>	<u>\$ 1,983,500</u>

REQUIRED TEA SCHEDULES

**CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE YEAR ENDED AUGUST 31, 2022**

Last 10 Years Ended August 31,	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2013 and prior years	various	various	various
2014	1.040000	0.300000	249,705,919
2015	1.040000	0.300000	254,853,505
2016	1.040000	0.280000	294,157,324
2017	1.040000	0.350000	266,013,936
2018	1.040000	0.350000	290,193,772
2019	1.040000	0.330000	346,851,721
2020	0.970000	0.349500	398,564,903
2021	0.961400	0.318600	407,114,844
2022 (School Year Under Audit)	0.892700	0.327100	485,595,425
100 TOTALS			

EXHIBIT J-1

(10) Beginning Balance 9/1/2021	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2022
\$ 36,244	\$ -	\$ 1,086	\$ 276	\$ (7,641)	\$ 27,241
6,036	-	553	159	-	5,324
5,890	-	409	118	-	5,363
6,166	-	1,035	279	-	4,852
7,937	-	1,526	514	-	5,897
16,615	-	5,138	1,729	-	9,748
29,925	-	10,217	3,242	-	16,466
55,813	-	16,845	6,070	(1,278)	31,620
102,478	-	40,706	13,489	(6,185)	42,098
-	5,923,293	4,102,581	1,503,253	(101,101)	216,358
<u>\$ 267,104</u>	<u>\$ 5,923,293</u>	<u>\$ 4,180,096</u>	<u>\$ 1,529,129</u>	<u>\$ (116,205)</u>	<u>\$ 364,967</u>

CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
		Original	Final		
	REVENUES:				
5700	Total Local and Intermediate Sources	\$ 62,000	\$ 72,655	\$ 85,159	\$ 12,504
5800	State Program Revenues	5,200	20,391	20,391	-
5900	Federal Program Revenues	971,563	1,053,484	1,063,739	10,255
5020	Total Revenues	<u>1,038,763</u>	<u>1,146,530</u>	<u>1,169,289</u>	<u>22,759</u>
	EXPENDITURES:				
0035	Food Services	<u>1,038,763</u>	<u>1,188,763</u>	<u>1,274,110</u>	<u>(85,347)</u>
6030	Total Expenditures	<u>1,038,763</u>	<u>1,188,763</u>	<u>1,274,110</u>	<u>(85,347)</u>
	OTHER FINANCING SOURCES:				
7915	Operating Transfers In	-	-	150,000	150,000
7999	Non-Operating Revenue	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>(150,000)</u>
	Total Other Financing Sources	<u>-</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
1200	Net Change in Fund Balances	-	107,767	45,179	(62,588)
0100	Fund Balance - September 1 (Beginning)	<u>395,731</u>	<u>395,731</u>	<u>395,731</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 395,731</u>	<u>\$ 503,498</u>	<u>\$ 440,910</u>	<u>\$ (62,588)</u>

**CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2022**

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 1,569,783	\$ 1,569,783	\$ 1,568,843	\$ (940)
5800	State Program Revenues	166,480	260,354	260,354	-
5020	Total Revenues	<u>1,736,263</u>	<u>1,830,137</u>	<u>1,829,197</u>	<u>(940)</u>
EXPENDITURES:					
Debt Service:					
0071	Principal on Long-Term Debt	1,502,988	1,255,000	1,255,000	-
0072	Interest on Long-Term Debt	230,025	478,013	478,013	-
0073	Bond Issuance Cost and Fees	3,250	3,250	3,250	-
6030	Total Expenditures	<u>1,736,263</u>	<u>1,736,263</u>	<u>1,736,263</u>	<u>-</u>
Excess (Deficiency) of Revenues					
1100	Over (Under) Expenditures	-	93,874	92,934	(940)
1200	Net Change in Fund Balances	-	93,874	92,934	(940)
0100	Fund Balance - September 1 (Beginning)	<u>1,333,116</u>	<u>1,333,116</u>	<u>1,333,116</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 1,333,116</u>	<u>\$ 1,426,990</u>	<u>\$ 1,426,050</u>	<u>\$ (940)</u>

**CAMERON INDEPENDENT SCHOOL DISTRICT
USE OF FUNDS REPORT – SELECT STATE ALLOTMENT PROGRAMS
FOR THE YEAR ENDED AUGUST 31, 2022**

<u>Data Control Codes</u>		<u>Responses</u>
<u>Section A: Compensatory Education Programs</u>		
AP1	Did your District expend any state compensatory education state allotment funds during the District's fiscal year?	Yes
AP2	Does the District have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 1,883,918
AP4	List the actual direct program expenditures for state compensatory education programs during the District's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$ 1,270,217
<u>Section B: Bilingual Education Programs</u>		
AP5	Did your District expend any bilingual education program state allotment funds during the District's fiscal year?	Yes
AP6	Does the District 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 District's fiscal year.	\$ 113,650
AP8	List the actual direct program expenditures for bilingual education programs during the District's fiscal year. (PICs 25, 35)	\$ 73,692

FEDERAL AWARDS SECTION

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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
Cameron Independent School District
Cameron, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cameron Independent School District (the District), as of and for the year ended August 31, 2022, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated December 5, 2022.

Report on Internal Control over Financial Reporting

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

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

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

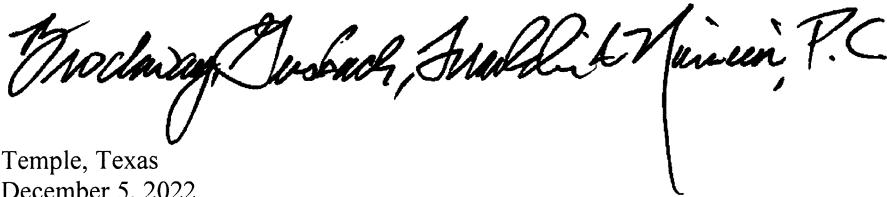
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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*
(CONTINUED)

Purpose of this Report

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



Tracy J. Cusack, CPA

Temple, Texas
December 5, 2022



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

To the Board of Trustees
Cameron Independent School District
Cameron, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cameron 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, 2022. 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, 2022.

Basis for Opinion on Each Major Federal Program

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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED THE UNIFORM GUIDANCE
(CONTINUED)**

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED THE UNIFORM GUIDANCE
(CONTINUED)**

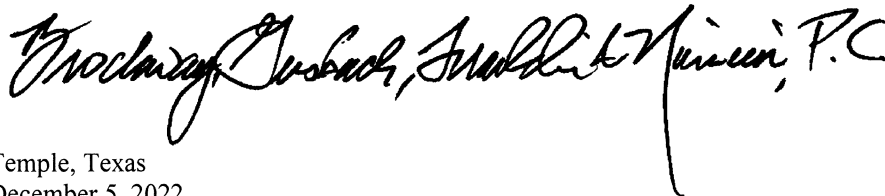
Report on Internal Control over Compliance

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

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



Temple, Texas
December 5, 2022

**CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2022**

I. Summary of Auditor's Results

A. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes _X_ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ___ Yes _X_ None reported

Noncompliance material to financial statements noted? ___ Yes _X_ No

B. Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ___ Yes _X_ No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? ___ Yes _X_ None reported

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

Any audit findings disclosed that are required to be Reported in accordance with the 2 CFR 200.516(a)? ___ Yes _X_ No

Identification of Major Programs:

<u>ALN Number</u>	<u>Name of Federal Program or Cluster</u>
84.425U	Elementary and Secondary School Emergency Relief Fund (ARP ESSER)

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

Auditee qualified as low risk auditee? _X_ Yes ___ No

**CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2022**

II. Financial Statement Findings

None

III. Federal Award Findings and Questioned Costs

<u>Program</u>	<u>Finding/ Noncompliance</u>	<u>Questioned Costs</u>
	NONE	

**CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS
AND CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED AUGUST 31, 2022**

Prior Year Findings:

None

**CAMERON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2022**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(1) Assistance Listing Number	(2a) Pass-Through Entity Identifying Number	(3) Federal Expenditures
U. S. DEPARTMENT OF EDUCATION			
<u>Passed Through the Texas Education Agency</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	S010A210043	\$ 705,712
Career and Technical Education - Basic Grants	84.048A	V048A210043	27,999
Rural Education Achievement Program	84.358B	S358B210043	37,720
English Language Acquisition	84.365A	S365A190043	8,999
ESEA, Title II, Part A, Teacher/Principal Training	84.367A	S367A210041	80,935
ESEA Title IV, Part A	84.424A	S424A210045	52,558
COVID-19 - Elementary and Secondary School Emergency Relief Fund (ARP ESSER)	84.425U	S425U210042	<u>3,654,079</u>
Total Passed Through the Texas Education Agency			<u>4,568,002</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>4,568,002</u>
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the Texas Education Agency</u>			
School Breakfast Program	10.553	202222N109946	322,105
National School Lunch Program	10.555	202222N109946	639,049
Total Passed Through the Texas Education Agency			<u>961,154</u>
<u>Passed Through the Texas Department of Agriculture</u>			
COVID-19 - NSLP - Emergency Operational Cost Reimbursement	10.555		3,063
NSLP - Commodities - Noncash Assistance	10.555		99,522
Total Passed Through the Texas Department of Agriculture			<u>102,585</u>
Total Child Nutrition Cluster			<u>1,063,739</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>1,063,739</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 5,631,741</u></u>

**CAMERON INDEPENDENT SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2022**

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Cameron Independent School District under programs of the federal government for the year ended August 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Cameron Independent School District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Cameron Independent School District.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C – Indirect Cost Rate

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

Expenditures Reported:

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

The modified accrual basis of accounting is used for the Governmental Fund types and Agency Funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

3. During the current year, the District received the following funds which are not included in the Schedule of Expenditures of Federal Awards.

Total expenditures of Federal Awards	\$	5,631,741
Medicaid Reimbursement (SHARS)		406,048
Miscellaneous prepayments (non-major funds)		5,379
Federal Revenues per Financial Statements	<u>\$</u>	<u>6,043,168</u>