

# **Plano Independent School District**

Plano, Texas

Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2021

Prepared By

Angela Marks-Cosby  
Director of Accounting

Courtney Reeves  
Executive Director of Financial Services

Randy McDowell  
Chief Financial Officer

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**Plano Independent School District**  
 Annual Comprehensive Financial Report  
 For the Fiscal Year Ended June 30, 2021  
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## Certificate of The Board

Plano Independent School District

Collin

043-910

Name of School District

County

County-District No.

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and 7 Board Mbrs approved \_\_\_\_\_ disapproved for the year ended June 30, 2021 at a meeting of the Board of Trustees of such school district on the 16 day of November, 2021.



Signature of Board President

David Stolle

  
Signature of Board Vice President  
Nancy Humphrey

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

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# Introductory Section

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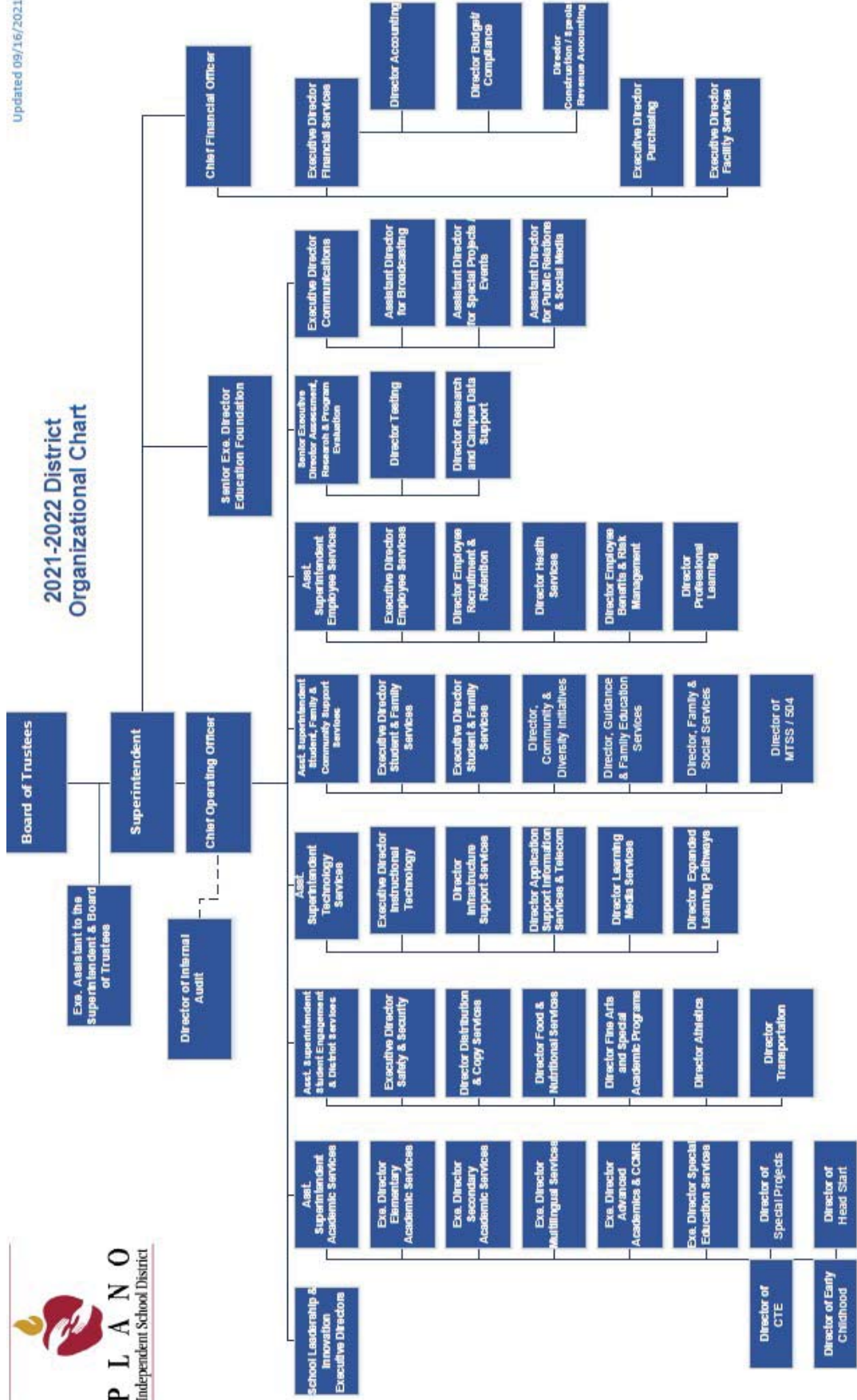
## Board of Trustees

Name	Length of Service	Term Expires	Occupations
David Stolle President	10 Years	May 2023	Attorney
Nancy Humphrey Vice President	11 Years	May 2025	Community Volunteer and Retired Accountant
Jeri Chambers Secretary	3 Years	May 2025	Nonprofit Development Officer
Dr. Lauren Tyra Trustee	Newly Elected	May 2025	Scientist
Angela Powell Trustee	4 Years	May 2025	Chief Executive Officer
Dr. Heather Wang Trustee	2 years	May 2023	Real Estate Broker and Community Volunteer
Cody Weaver Trustee	2 years	May 2023	Real Estate Broker

## Administrative Officials

Name	Position	Length of District Service
Sara Bonser	Superintendent *total school district experience 31 years	4 Years*
Dr. Theresa Williams	Chief Operating Officer *total school district experience 28 years	3 Years*
Randy McDowell	Chief Financial Officer *total school district experience 29 years	4 Years*
Dr. Katrina Hasley	Assistant Superintendent for Academic Services	4 Years
Dr. Selenda Anderson	Assistant Superintendent for Student Engagement and District Services	33 Years
Dr. Beth Brockman	Assistant Superintendent for Employee Services	4 Years
Dr. Courtney Gober	Assistant Superintendent for Student, Family, and Community Services	14 Years
Patrick Tanner	Assistant Superintendent for Technology Services	Since January 2021
Dr. Dash Weerasinghe	Senior Exec. Director, Assessment, Research & Program Evaluation	13 Years

## 2021-2022 District Organizational Chart





November 16, 2021

Board of School Trustees  
Plano Independent School District  
2700 W. 15<sup>th</sup> Street  
Plano, Texas 75075

Members of the Board:

The Annual Comprehensive Financial Report (ACFR) of the Plano Independent School District (District) for the year ended June 30, 2021, is submitted herewith. This report was prepared by the District's Financial Services Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report includes all funds of the District. The District discusses in greater detail its financial position in the narrative, introduction, overview and analysis sections of the Management's Discussion and Analysis (MD&A).

The ACFR for the year ended June 30, 2021 is presented in conformance with the reporting model adopted by the Governmental Accounting Standards Board ("GASB") in their Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, issued in June 1999.

## GOVERNANCE

The governance of the District is overseen by a seven-member board of trustees (Board) that are elected by the citizens. Each member is elected to a four-year term with the elections being staggered in odd years so that not all positions are voted on during the same year. See page i for a listing of the present members of the Board along with the administrative officials who are appointed by the Board.

Regular action meetings are generally scheduled the first Tuesday of the month and regular work sessions the third Tuesday of the month. Both the action meetings and the work sessions are held in the District's Administration Building. Special meetings are scheduled as needed and announced in compliance with public notice requirements.

The Board has final control over local school matters limited only by the state legislature, by the courts and by the will of the people as expressed in School Board elections. Board decisions are based on a majority vote of a quorum of the Board.

In general, the Board adopts policies, sets direction for curriculum, employs the superintendent and oversees the operations of the District and its schools. Besides general Board business, trustees are charged with numerous statutory regulations, including appointing the tax assessor/collector, calling trustee and other school elections and canvassing the results, organizing the Board and electing its officers. The Board is also responsible for setting the tax rate, setting salary schedules, and acting as a board of appeals in personnel and student matters, confirming recommendations for textbook adoptions, and adopting and amending the annual budget.

The Board has responsibilities and control over all activities related to the public school education within its geographic boundaries. Even though there is considerable association between such other entities as the Collin County Tax Office and the Collin County Central Appraisal District, this report is restricted only to the actual activities of the District.

The Board solicits and evaluates community input and support concerning school policies.

## MISSION

The District is a public school system whose adopted mission is:

“Our Plano ISD learning community will educate, inspire and empower every student to activate their unique potential in a dynamic world.”

To accomplish its mission, the District provides a full range of educational services appropriate to grade levels ranging from pre-kindergarten through grade 12. These include regular and enriched academic education, special education for handicapped children, career education and special programs for those with limited English proficiency. These programs are supplemented by a wide variety of co-curricular offerings, including those in fine arts and athletics. The District’s curriculum is well-defined for the purpose of preparing students early for college readiness. The participation rate of PISD students in Advanced Placement/International Baccalaureate ranks among the highest in the state and nation. PISD students’ performance on these exams gives them a competitive edge for college admission and college success.

As reflected in the District’s mission statement, activities of the District focus on learning opportunities for students. The District is providing educational services to approximately 49,415 students in state of the art facilities that include three early childhood schools for pre-kindergarten age students, 44 elementary schools with eleven offering pre-kindergarten classes, 23 secondary school programs and two special program centers. Included in the secondary schools are three academy programs – Health Science Academy as part of Williams High School and Plano East Senior High, International Baccalaureate World School as part of Plano East Senior High and the Academy High School an innovative 9<sup>th</sup>-12<sup>th</sup> grade learning community with an emphasis on science, technology, engineering, arts and mathematics (STEAM). The District has long maintained the philosophy of renovating and refurbishing its schools to ensure that all facilities continue to meet new building standards as well as curriculum and technology requirements.

## ECONOMIC CONDITIONS AND OUTLOOK

Plano’s economic base consists of a wide range of services and products. Accelerated industrial and commercial development within the past 25 years in the City and immediate surrounding area has created a very sound, balanced economy. Plano has substantial economic base and is home to numerous manufacturers, small businesses and start-ups from a vast variety of industries including telecommunications, software/information technology, digital media, financial services, health and medical, electronics, and energy. Plano’s continued retail and commercial development has made a steadily increasing contribution to the economic growth of the district. Situated in the heart of Texas and as an integral part of the Dallas/Fort Worth Metroplex, the City enjoys easy access to major transportation and shipping hubs in air, rail and trucking to any destination in the United States.

A significant factor in the growth of the district’s economic base is the addition, expansion and retention of numerous corporate and regional headquarters, including Toyota, Liberty Mutual Insurance, State Farm Insurance, Boeing Global Services, JPMorgan Chase, Fed Ex, HP Systems, Frito-Lay, Dr. Pepper/Snapple, Pizza Hut, and Ericsson. The combined effects of population, income, employment and residential growth, along with increased industrial, commercial and retail development, have ensured the continuance of steady growth during the past several years. These factors have created a more productive and diversified economic base and provided Plano ISD with the foundation for a steady transition from a suburban to urban character.

The City and District have enjoyed carefully planned development and, as a result, the local economy is based on research, development and manufacturing in the fields of information technology and telecommunications. Research activities, publishing, printing, banking, government employment, insurance, real estate and diverse manufacturing facilities provide a wide variety of opportunities.

The District’s latest multi-year bond program was successfully approved by the voters in May 2016. The purpose of this \$481 million program is to provide funding for eight major project areas with no increase to the tax rate. All Plano ISD campuses will be impacted by district-wide security updates, renovation and facility upgrades, as well as technology improvements. The program also provides funding for the purchase of property and construction of new facilities that will increase classroom capacity and expand program offerings for students along with the purchase of school buses. \$300 million of bonds (inclusive of bond premiums) were sold during the fiscal year ended June 30, 2017. The second bond issue of \$120.05 million (inclusive of bond premiums) were sold during the fiscal year ended June 30, 2018. The third bond issue of \$13.65 million (inclusive of bond premiums) were

sold during the fiscal year ended June 30, 2019. The fourth bond issue of \$13.045 million (inclusive of bond premiums) were sold during the fiscal year ended June 30, 2020. A list of construction projects in progress is included in Note 5 to the financial statements.

### The 86<sup>th</sup> Legislative Session

The Legislature approved House Bill 3 “HB3” that made significant changes to school finance for the 2019-20 school year and subsequent years. Funding formula changes included increasing the basic allotment from \$5,140 to \$6,160, eliminating the cost of education index adjustment, the move to current year values for calculation of the district’s property wealth, elimination of the gifted & talented allotment, expansion of the bilingual allotment, and the creation of the college & career military ready allotment, early education allotment, and dyslexia allotment. The Bill also compressed all school districts’ maintenance and operations tax rates. The Tier I rate was compressed from \$1.00 to \$.93, and the Tier II rate was compressed from a maximum rate of \$.17 to \$.13835; effectively, reducing the total maximum M&O rate from \$1.17 to \$1.06835. Further tax rate compression will continue in future years when either a school district or the state average growth rate increases more than 2.5%. The greater of the state average or the district’s property growth percentage will be used for tax compression and will compress the district’s Tier I rate by the percentage that exceeds 2.5% growth. For the 2020-21 school year the Tier I rate was compressed from \$.93 to \$.9164 while the Tier II rate stay the same at a maximum rate of \$.13835 further reducing the total maximum M&O rate for 2020-21 from \$1.06835 to \$1.05475.

### COVID-19 Impact – ESSER Funds

As school districts continued to navigate the residual effects of the COVID-19 pandemic in the 2020-21 school year, Elementary and Secondary School Emergency Relief (ESSER) grant funding was authorized in three pieces of legislation. As a result, the ESSER programs were administered by TEA as separate grant programs. The CARES ESSER I, CRRSA ESSER II, and ARP ESSER III grant programs run concurrently. During the overlap in periods of availability, school districts may expend funds from any of the grant programs.

- CARES ESSER I - Authorized in Title VIII, Division B, of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, signed into law in March 2020. Period of availability is March 13, 2020 (with pre-award), to September 30, 2022 (with carryover). The state of Texas was allocated \$1.29 billion.
  - The District was allocated \$4.03 million dollars. \$1.7 million was expensed in the 2020-21 school year while the remaining will be expensed in the following 2021-22 school year.
- CRRSA ESSER II - Authorized in the Coronavirus Response and Relief Supplemental Appropriations (CRRSA), signed into law in December 2020. Period of availability is March 13, 2020 (with pre-award), to September 30, 2023 (with carryover). The state of Texas was allocated \$5.53 billion.
  - The District was allocated \$19.25 million to be expensed in school years 2021-22 and 2022-23.
- ARP ESSER III - Authorized in the American Rescue Plan Act (ARP), signed into law in March 2021. Period of availability is March 13, 2020 (with pre-award), to September 30, 2024 (with carryover). The state of Texas was allocated \$12.42 billion.

### 2021-22 Budget and Tax Rate

The Board of Trustees is required to adopt a final budget by no later than the close of the fiscal year, June 30. Annual budgets for the General Operating Fund, Debt Service Fund and Food Service Fund were adopted by the Board of Trustees on June 22, 2021. The budget is prepared by fund and function. Site based decisions are made throughout the year as campuses and departments manage their budgets. Budget transfers between functions, however, require approval from the Board of Trustees. The District operates a tightly controlled budget in all areas of operation while maintaining a high quality educational program.

On September 7, 2021 the District adopted a maintenance and operations tax rate of \$1.05175, the maximum rate approved by voters in the Tax Ratification Election in November 2013. The debt service tax rate of \$0.269 remained constant and was also adopted.

For additional information about the financial status of the District, readers should refer to Management's Discussion and Analysis section of this report.

## OTHER INFORMATION

### Controls

An internal control structure that has been designed, managed and maintained by the District is in place to ensure the District's assets are protected from loss, theft and misuse, and to ensure that accurate accounting data is compiled in the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The cost of a control should not exceed the benefits to be derived, therefore the internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

### Independent Audit

State law and District policy require an annual audit of the accounts and financial records of the District by independent certified public accountants selected by the Board of Trustees. Weaver has issued an unqualified opinion on the financial statements of Plano Independent School District for the year ended June 30, 2021. The independent auditors' report has been included in this report at the front of the financial section.

### Awards

In 1999, the 76<sup>th</sup> Texas Legislature, approved legislation requiring the commissioner of education in consultation with the comptroller of public accounts to develop a rating system for school district financial accountability. The 77<sup>th</sup> Texas Legislature in 2001 subsequently adopted rules for the implementation and administration of the financial accountability rating system known as School FIRST, Financial Integrity Rating System of Texas. The financial accountability rating system benefits the public by having in place a system to ensure that school districts will be held accountable for the quality of their financial management practices and achieve improved performance in the management of their financial resources. Plano Independent School District has received a Superior rating every year since the implementation of the rating system in the 2001-02 year.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Plano Independent School District for its Comprehensive Annual Financial Report for the fiscal period ended June 30, 2020. The District received this prestigious award for the thirty eighth consecutive year in 2020.


In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements. We are submitting the current report for the year ended June 30, 2021 to GFOA to determine its eligibility for another certificate.

### Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of Financial Services. We would like to express our appreciation to all members of the department who assisted and contributed to its preparation.

We also wish to thank the members of the Board of Trustees for their continued consideration and support, and for planning and conducting the financial operations of the District in a responsible and progressive manner.

  
Sara Bonser  
Superintendent

  
Randy McDowell  
Chief Financial Officer

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Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Plano Independent School District  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morrill*

Executive Director/CEO



# Financial Section

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## Independent Auditor's Report

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

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

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

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

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

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

Weaver and Tidwell, L.L.P.  
2300 North Field Street, Suite 1000 | Dallas, Texas 75201  
Main: 972.490.1970

**Emphasis of Matter**

As discussed in Note 1 to the basic financial statements, during the year ended June 30, 2021, the District implemented Government Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities. Beginning net position in the custodial fiduciary fund has been restated as a result of the implementation of this statement. Our opinions are not modified with respect to this matter.

**Other Matters**

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, General Fund budgetary comparison information, TRS pension and other postemployment benefits schedules, and the notes to the required supplementary information on pages 7 through 21, 78, 79 through 82, and 83 through 85, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund statements and schedules, Texas Education Agency required schedule and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements.

The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is also not a required part of the financial statements.

The combining and individual fund statements and schedules, Texas Education Agency required schedule, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules, Texas Education Agency required schedule, 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.

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

The Board of Trustees of  
Plano Independent School District

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
November 16, 2021

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**Plano Independent School District  
Management's Discussion and Analysis  
For The Year Ended June 30, 2021  
(Unaudited)**

Our discussion and analysis of Plano Independent School District's (the "District") financial performance provides an overview of the District's financial activities for the year ended June 30, 2021. It should be read in conjunction with the District's financial statements.

**Financial Highlights**

The District's total assets as presented on the government-wide Statement of Net Position exceeded total liabilities by \$460.6 million. The net assets of the District increased by \$80.3 million during the year ended June 30, 2021.

The District's governmental funds financial statements reported a combined ending fund balance of \$435.3 million. Of this amount, the General Fund has a total of \$276.4 million, of which \$1.8 million is nonspendable, \$232.7 million is assigned, and \$41.9 million is unassigned and available for spending at the District's discretion. Fund balance of \$144.8 million is restricted for use by the Debt Service Fund and Capital Projects Fund. The Special Revenue Funds have a fund balance of \$14.1 million that is either restricted, committed or nonspendable.

During fiscal year 2021 Series 2012 Unlimited Tax Building Bond was refunded by issuing Series 2020 Unlimited Tax School Refunding Bonds on November 16, 2020. The refunding resulted in total debt service savings of \$22.1 million and a net present value savings of \$17.5 million. Restructuring matched the District's current debt service payments in years 2021 through 2037, and decreased debt estimated payments from 2024 through 2037.

This amount leaves the District with \$49.9 million of authorized, but unissued bonds as of June 30, 2021.

**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 basic financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements** All of the District's services are reported in the government-wide financial statements, including instruction, student support services, student transportation, general administration, school leadership, facilities acquisition and construction and food services. Property taxes, state and federal aid, and investment earnings finance most of the activities. Additionally, all capital and debt financing activities are reported here.

The government-wide financial statements are designed to provide readers a broad overview of the District's finances, in a manner similar to a private-sector business.

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

The statement of activities details 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. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges.

## **Fund Financial Statements**

The District uses fund accounting to monitor specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the District's most significant funds—not the District as a whole.

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

All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the District's activities are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out, and (2) the balances left at year end that are available. However, unlike the government-wide financial statements, governmental fund financial statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explains the relationship (or differences) between them. 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, Debt Service Fund and the Capital Projects Fund, which are considered to be major funds. Data from all other Special Revenue funds is in the Other Funds column and is presented as a non-major governmental fund on the same statements.

**Proprietary funds** are used to account for operations that are financed similar to those found in the private sector. These funds provide both long-term and short-term financial information. The District maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses enterprise funds to account for its concession service, after school care, employee childcare and photography. Internal service funds report activities that provide services for the District's other programs and activities, i.e., health insurance, workers' compensation, property insurance, unemployment benefits and print shop. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities within the government-wide financial statements.



**Fiduciary funds** are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations and/or other funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

**Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. Immediately following the required supplementary information, combining statements are included for the nonmajor special revenue funds, the enterprise funds, the internal service funds and the custodial funds.

The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements. Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain.

**Figure A-1. Major Features of the District's Government-wide and Fund Financial Statements**

<i>Type of Statements</i>	<b>Fund Statements</b>			
	<b>Government-wide</b>	<b>Governmental Funds</b>	<b>Proprietary Funds</b>	<b>Fiduciary Funds</b>
<i>Scope</i>	All activities of the District (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary	Activities the district operates similar to private businesses.	Instances in which the district is the trustee or agent for someone else's resources
<i>Required financial statements</i>	♦ Statement of net assets	♦ Balance sheet	♦ Statement of net assets	♦ Statement of fiduciary net assets
	♦ Statement of activities	♦ Statement of revenues, expenditures & changes in fund balances	♦ Statement of revenues, expenses and changes in fund net assets ♦ Statement of cash flows	♦ Statement of changes in fiduciary net assets
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Agency's funds do not currently contain capital assets, although they can
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

## Financial Analysis of the District as A Whole

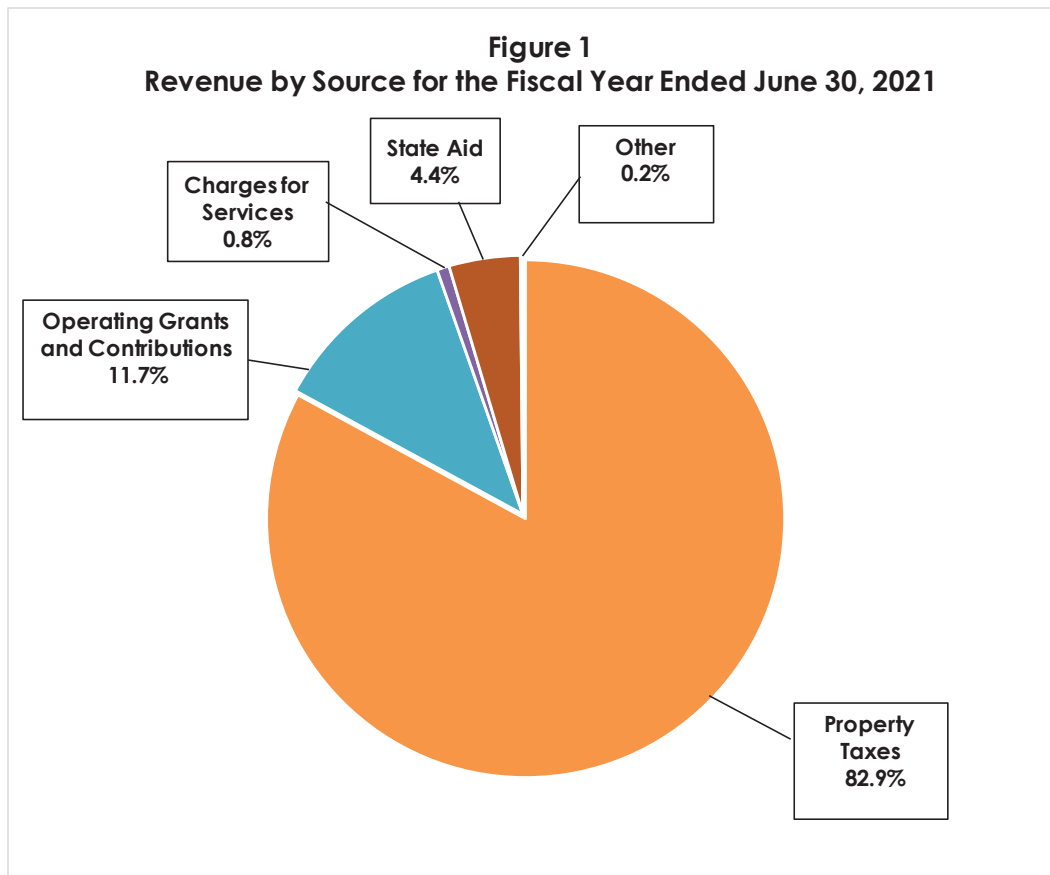
**Net Position.** As noted earlier, Net Position may serve over time as a useful indicator of the District's financial position. The District's Net Position was \$460.6 million at June 30, 2021. The largest portion of Net Position, \$532.0 million, reflects the District's investment in capital assets (e.g., land, buildings, furniture and equipment), less any related debt used to acquire these assets that is still outstanding. The District uses these capital assets to provide services to students, consequently, these assets are not available for future spending. An additional portion of the District's Net Position, \$28.2 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of Unrestricted Net Position may be used to meet the government's ongoing obligations.

### The District's Net Position

	Governmental Activities As of June 30, 2021	Governmental Activities As of June 30, 2020	Business Type Activities As of June 30, 2021	Business Type Activities As of June 30, 2020
Current and other assets	\$ 720,643,690	\$ 742,468,856	\$ 367,337	\$ 438,915
Capital assets	1,096,261,670	1,108,512,003	5,282	6,603
Total assets	1,816,905,360	1,850,980,859	372,619	445,518
Deferred outflows of resources	90,313,963	120,402,470	-	-
Current liabilities	288,001,526	270,698,790	352,678	349,561
Long term liability	996,592,337	1,200,921,125	-	-
Total liabilities	1,284,593,863	1,471,619,915	352,678	349,561
Deferred inflows of resources	161,976,344	119,411,774	-	-
Net position:				
Net investment in capital assets	532,042,161	452,250,423	5,282	6,603
Restricted	28,239,401	29,051,308	-	-
Unrestricted	(99,632,446)	(100,950,091)	14,659	89,354
Total net position	\$ 460,649,116	\$ 380,351,640	\$ 19,941	\$ 95,957

**Changes in net position.** The District's total revenues were \$924.8million. The most significant portion (82.9%) of the District's revenue comes from property taxes. (See Figure 1), operating grants and contributions equaled 11.7%, state aid comprised 4.4% and charges for service equaled 0.8%. All remaining sources combined for the remaining 0.2%. The total cost of all programs and services was \$844.6 million

Figure 1 graphically depicts the sources of revenue for the fiscal year ending June 30, 2021. Property taxes and state aid are two of the District's chief sources of operating revenues. Both of these revenue streams continue to change from year to year due to changes in property values and components in the funding formulas directed by the State of Texas to calculate state aid.



### Government-Wide Activities

The total cost of all government-wide activities for the year ended June 30, 2021 was \$844.6 million. Funding for these government-wide activities (including business-type activities) is by specific program revenue or through general revenues such as property taxes and investment earnings. The following is a summary of the governmental funds activities:

- The cost of all *governmental activities* (excluding business-type activities) for the year was \$839.8 million.
- Some of the *governmental activities* cost was funded by program revenues directly attributable to specific activities. These program revenues amounted to \$111.7 million.
- The remaining cost of *governmental activities* not directly funded by program revenues was \$809.5 million which was funded from property taxes and other local sources.

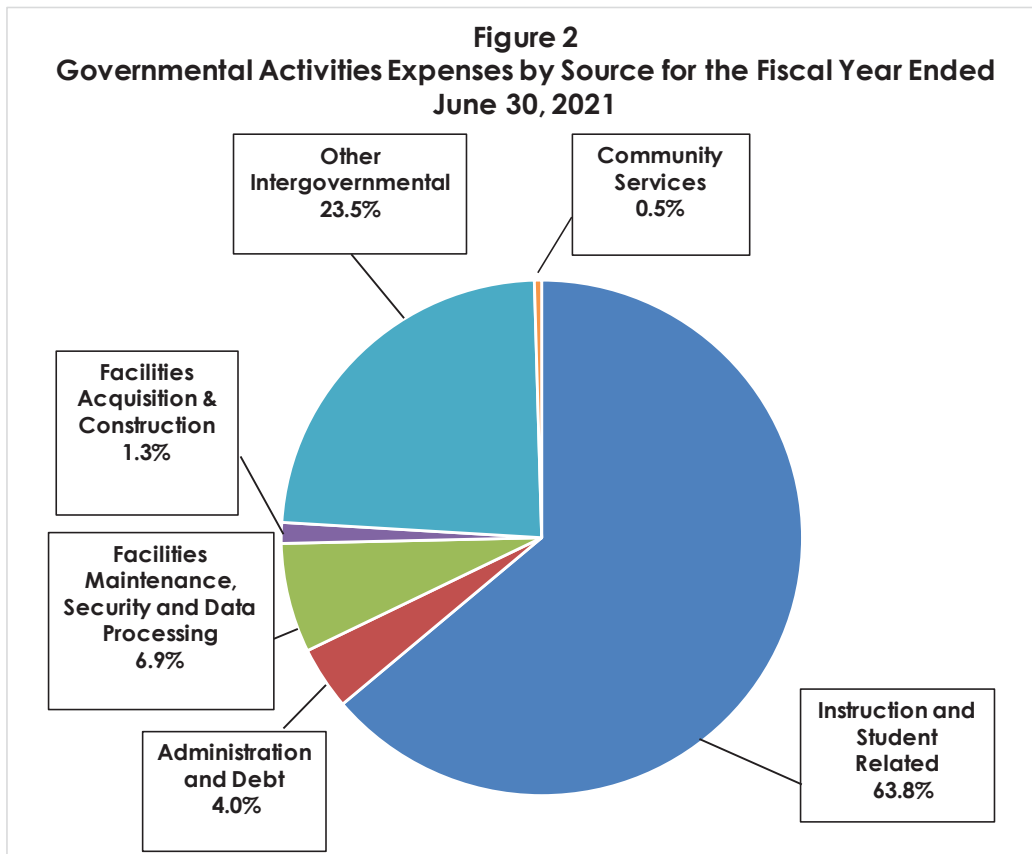
The following table presents the cost of the District's largest governmental functions as well as their related net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by local tax dollars, state revenues and other miscellaneous general revenues.

**Net Cost of Selected District Functions**  
(in millions of dollars)

	Total Cost of Services	Net Cost of Services
Instruction	\$395.2	\$328.5
Contracted instructional services between schools	192.1	192.1
Facilities maintenance & operations	45.3	43.4
School leadership	32.8	28.9
Food services	20.2	2.9
Guidance, counseling and evaluating services	25.8	21.9

**Change in Net Position**

	Governmental Activities FY 6/30/21	Governmental Activities FY 6/30/20	Business-Type Activities FY 6/30/21	Business-Type Activities FY 6/30/20
<b>Revenue</b>				
Program revenues				
Charges for services	\$ 3,571,537	\$ 13,575,863	\$ 3,658,626	\$ 7,383,507
Operating grants and contributions	108,136,982	116,590,537	-	-
General revenues				
Property taxes	766,889,476	751,849,552	-	-
State aid - formula	41,092,008	27,621,178	-	-
Interest income	589,161	9,906,157	68	29,297
Other	885,597	2,444,334	-	-
Total revenues	921,164,761	921,987,621	3,658,694	7,412,804
<b>Expenses</b>				
Instruction and Instructional - related services	417,183,395	444,553,324	-	-
Instructional and school leadership	38,705,593	40,444,910	-	-
Support services - student	80,180,102	95,956,401	-	-
Administrative support services	11,487,690	12,406,886	-	-
Support services - nonstudent based	57,551,181	57,679,791	-	-
Ancillary services - community service	3,797,955	3,943,616	-	-
Debt service	21,779,995	27,405,954	-	-
Other facility costs	11,113,484	10,448,761	-	-
Intergovernmental charges	198,029,326	172,306,114	-	-
Concessions	-	-	149,787	243,401
Employee child care	-	-	1,962,573	1,718,890
After school care	-	-	2,660,918	5,059,964
Total expenses	839,828,721	865,145,757	4,773,278	7,022,255
<b>Excess (Deficiency) before transfers</b>	81,336,040	56,841,864	(1,114,584)	390,549
<b>Transfers in (out)</b>	(1,038,564)	433,607	1,038,564	(433,607)
<b>Change in net position</b>	80,297,476	57,275,471	(76,020)	(43,058)
<b>Beginning net position</b>	380,351,640	323,076,169	95,957	139,015
<b>Ending net position</b>	\$ 460,649,116	\$ 380,351,640	\$ 19,937	\$ 95,957



The increase in the ending net position for Governmental Activities of \$80.3 million is due to a combination of several factors.

Revenue for Governmental Activities decreased by \$822,860 million during fiscal year 2021.

- Property tax increased \$15.0 million due to a 2.91% increase in taxable property values.
- State Aid increased by \$13.5 million due in part to an increase of \$167 per daily attendance funding from the Available School Fund in the second year of the biennium. Also, the District received \$7.7 million in refunded Recapture payments due to property value audits performed for the District.
- Investment earnings decreased \$9.3 million due to the Federal Funds Rate average yield decreasing significantly to .08%.

Expenses are summarized by functional categories that reflect the purpose of the transaction. Various operating expenses are recorded within each functional category. Total expenses reflect an overall reduction of \$25.3 million mainly due to impact of pension and OPEB expenses. All functional categories except Other Facilities Costs and Intergovernmental Charges (Recapture) decreased due to the reduction of expenses with the change in assumptions associated with the net pension liability and Other Post Employment Benefit (OPEB) liability.

- Intergovernmental Charges significantly increased due to increase in Recapture. House Bill (HB) 3, passed in the 86th legislative session, made substantial changes to the District's recapture payment due to tax compression. Under HB 3, districts must reduce local revenue in excess of entitlement. As a result of the increase in property tax revenue, Contracted Instructional Services Between Schools (Recapture) increased by \$25.9 million.

**Business-Type Activities** The net position of the District's business-type activities decreased by \$76,020. This decrease is primarily due to the residual impact of the COVID-19 pandemic.

- Both the Employee Child Care Centers and PASAR After School Care struggled to obtain projected enrollment due to the residual impact of the COVID-19 pandemic. The Employee Child Care Centers and PASAR After School Care enterprise funds had expenditures that exceeded revenues.
  - Employee Child Care Centers had expenditures that exceeded revenues by \$547,859 which resulted in an interfund transfer of \$473,692 from the General Fund.
  - PASAR After School Care had expenditures that exceeded revenues by \$548,909 which resulted in an interfund transfer of \$548,910 from the General Fund.
- Concessions also saw a decrease in net position of \$1,922 with expenditures that exceeded revenues by \$17,884 which resulted in interfund transfer of \$15,962 from the General fund.

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

**Governmental Funds** The District's accounting records for general governmental operations are maintained on a modified accrual basis as prescribed by the *Financial Accountability System Resource Guide*, Texas Education Agency, with the revenues being recorded when available and measurable to finance expenditures of the fiscal period. Expenditures are recorded when services or goods are received and the fund liabilities are incurred. The unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of a fiscal year. The general governmental operations include the following major funds: General, Debt Service and the Capital Projects Fund.

Revenues for general governmental functions totaled \$892.3 million for the year ended June 30, 2021. Property taxes were the largest source of revenue received by the District. Revenue from all sources increased \$21.0 million from prior year.

Local revenue decreased by \$4.1 million.

- House Bill (HB) 3 compressed the District's M&O tax rate from \$1.06835 to \$1.05475. The total property tax rate for the district was \$1.32375 including the I&S rate of \$.269, that remained the same as the prior year. For FY 2021 M&O tax revenue increased \$10.4 million and Debt Service tax revenue increased \$4.6 million for a total net increase in tax revenue of \$15.0 million.
- Investment earnings decreased \$9.3 million due to a significantly low Federal Funds yield of .08% while, other local revenue decreased \$9.8 million.

State revenue increased by \$16.5 million.

- State Aid increased due to an increase of approximately \$167 per average daily attendance funding from the Available School Fund Program in the second year of the biennium with a total increase of \$8.1 million. The Foundation School Fund programs increased \$6.1 million mainly due to refunded Recapture payments from prior years. Additional increases were seen in State revenue in Other Funds due to a slight increase in funding for the Instructional Materials Allotment of \$1.2 million along with a \$1.1 million increase in other state program revenue.

Federal revenues increased by \$8.5 million.

- An increase in overall federal grants spending resulted in the majority of the increase of federal revenues. Prior year federal revenues were down due to the impact of the COVID-19 pandemic shutdown. Also, the addition of CARES ESSER I funding and the Corona Relief Fund increased federal revenues \$3.3 million.

Expenditures for general governmental operations totaled \$928.6 million during fiscal year 2021 for a decrease of \$20.7 million.

- Contracted Instructional Services between Schools (Recapture) increased by \$25.9 million as previously discussed.
- Facilities, Acquisition and Construction expenditures decreased by \$40.7 million due to decreased activity on construction projects
- Debt principal and interest payments increased \$5.3 million due to recent bond issuances in 2017, 2018, 2019 and 2020.
- Food Services expenditures decreased by \$7.8 million due to approximately 50% of students opting for the at home instructional virtual option.

The governmental funds reported a combined fund balance of \$435.3 million. Out of the combined fund balances, \$41.9 million constitutes unassigned fund balance available for the general operations of the District. The remainder of the fund balance is nonspendable, restricted, committed by board action or assigned. Fund balance classifications as of June 30, 2021 consist of:

	<u>As of 6/30/21</u>	<u>As of 6/30/20</u>
<b>Nonspendable</b>		
Inventories	\$ 994,256	\$ 1,558,967
Prepaid items	844,508	236,810
<b>Restricted</b>		
Debt service	33,201,383	36,215,491
Capital projects	111,639,690	156,070,290
Food service	3,561,363	3,179,228
Federal Special Revenue	-	-
State special revenue	1,418,570	607,769
<b>Committed</b>		
Local special revenue	9,050,200	10,308,659
<b>Assigned</b>		
Purchases on order	409,847	223,620
Cash flow requirements	167,000,000	167,000,000
Equipment acquisitions-technology	15,000,000	15,000,000
Capital outlay - buses	12,000,000	12,000,000
Insurance deductible	10,000,000	10,000,000
Compensated absences	3,600,000	3,760,000
Budget deficit	19,700,000	10,400,000
COVID - 19 Academic Recovery	5,000,000	5,000,000
<b>Unassigned</b>	<u>41,908,561</u>	<u>42,108,211</u>
<b>Total Fund Balance</b>	<u>\$ 435,328,378</u>	<u>\$ 473,669,045</u>

The General Fund is the primary operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$41.9 million. Assigned funds total \$232.7 million. Unassigned fund balance available for the general operations of the District represents 6.2% of the total general fund expenditures while total fund balance represents 41.2% of the same.

The Capital Project Fund Fund has a total fund balance of \$111.6 million. This entire amount is restricted for future construction. The fund balance decreased by \$44.4 million as a result of the expenditures from decreased construction project activity.

The Debt Service Fund has a total fund balance of \$33.2 million and decreased by \$3.0 million. As of June 30, 2021, the August 2021 payment is neither expended nor accrued.

The Special Revenue Funds have a total fund balance of \$14.1 million. Nonspendable fund balance of \$67,091 is invested in inventory. Fund balance is restricted for food service in the amount of \$3.6 million, for state special revenue in the amount of \$1.4 million with the remaining balance of \$9.0 million committed for local special revenue funds. Approximately 64.2% of the total fund balance is from activity in several local special revenue funds. Of the remaining balance, 25.3% is restricted for use by food service with 10.1% restricted for state grants.

**Proprietary Funds** — The District maintains both enterprise funds and internal service funds. Information is presented separately in the proprietary fund statement of net position and in the proprietary fund statement of revenues, expenses and changes in fund Net Position for the Enterprise Funds and the Internal Service Funds.

Net position in the Enterprise Funds as of June 30, 2021 was \$19,937. Net position for the 2021 year decreased by \$76,020. The decrease is primarily due to decreases in Net Position for Employee Child Care Centers operation of \$74,167.

Net Position in the Internal Service Funds as of June 30, 2021 was approximately \$1.8 million. The majority of this amount is unrestricted to be used for future expenses in the Print Shop, Health Benefits, Unemployment and Sign Shop internal service funds. Net Position decreased by \$447,573 during fiscal year 2021. This decrease is attributable to the combination of decreases in net position for Health Benefits, Unemployment, Sign Shop, and Print Shop that was offset by an increase in the Workers' Compensation and Insurance Claims internal service fund.

- The Worker's Compensation Fund was funded for the entire year, which resulted in the increase in net position of \$757,475.
- The Unemployment Internal Service Fund had another year of increased Unemployment Claims due to the residual impact of the COVID-19 pandemic. The net position decreased \$432,058 for 2021.
- The Insurance Claims Internal Service Fund received a transfer in of \$1.4 million during the fiscal year 2021 to fund repairs needed from the damage of Winter Storm Uri. The Insurance Claims Internal Service Fund Net Position increased \$16,046 for fiscal year 2021.
- The Health Benefits Internal Service Fund Net Position decreased by \$468,761 due to no transfer in from the General Fund to cover overhead costs.
- The Print Shop Internal Service Fund Net Position decreased \$318,375 due to an increase in operating expenses during fiscal year 2021.



## General Fund Budgetary Highlights

**The 86<sup>th</sup> Legislative Session** The Legislature approved House Bill (HB) 3 that made significant changes to school finance for the 2019-20 school year and subsequent years. Funding formula changes included increasing the basic allotment from \$5,140 to \$6,160, eliminating the cost of education index adjustment, the move to current year values for calculation of the district's property wealth, elimination of the gifted & talented allotment, expansion of the bilingual allotment, and the creation of the college & career military ready allotment, early education allotment, and dyslexia allotment. The Bill also compressed all school districts' maintenance and operations tax rates. In the 2019-20 school year the Tier I rate was compressed from \$1.00 to \$.93, and the Tier II rate was compressed from a maximum rate of \$.17 to \$.13835; effectively, reducing the total maximum M&O rate from \$1.17 to \$1.06835. Further tax rate compression will continue in future years when either a school district or the state average growth rate increases more than 2.5%. The greater of the state average or the district's property growth percentage will be used for tax compression and will compress the district's Tier I rate by the percentage that exceeds 2.5% growth. The tax compression resulting from HB3 increased the State's contribution to district's funding and consequently reduced the district's share. For the 2020-21 school year the Tier I rate was compressed from \$.93 to \$.9164 while the Tier II rate stayed the same at a maximum rate of \$.13835 further reducing the total maximum M&O rate for 2020-21 from \$1.06835 to \$1.05475.

**COVID-19 Impact – ESSER Funds** As school districts continued to navigate the residual effects of the COVID-19 pandemic in the 2020-21 school year, Elementary and Secondary School Emergency Relief (ESSER) grant funding was authorized in three pieces of legislation. As a result, the ESSER programs were administered by TEA as separate grant programs. The CARES ESSER I, CRRSA ESSER II, and ARP ESSER III grant programs run concurrently. During the overlap in periods of availability, school districts may expend funds from any of the grant programs.

Authorized in Title VIII, Division B, of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, signed into law in March 2020. Period of availability is March 13, 2020 (with pre-award), to September 30, 2022 (with carryover). The state of Texas was allocated \$1.29 billion.

CARES ESSER I Grant Program

The District was allocated \$4.03 million dollars. \$1.7 million was expensed in the 2020-21 school year while the remaining will be expensed in the following 2021-22 school year. ESSER I funds fully supplanted state aid for the allocated amount for school districts in school year 2019-20

Authorized in the Coronavirus Response and Relief Supplemental Appropriations (CRRSA), signed into law in December 2020. Period of availability is March 13, 2020 (with pre-award), to September 30, 2023 (with carryover). The state of Texas was allocated \$5.53 billion. ESSER II

CRRSA ESSER II Grant Program

The District was allocated \$19.25 million to be expensed in school years 2021-22 and 2022-23. ESSER II funds supplanted state aid for the portion adjusted for ADA hold-harmless for school districts in school year 2020-21.

Authorized in the American Rescue Plan Act (ARP), signed into law in March 2021. Period of availability is March 13, 2020 (with pre-award), to September 30, 2024 (with carryover). The state of Texas was allocated \$12.42 billion. Additional District requirements under ARP ESSER III included:

ARP ESSER III Grant Program

- Engage in meaningful consultation with all District stakeholders
- Provide a documented plan of expenditures per statutorily allowable activities and provide a plan for the safe return to in-person instruction and continuity of services
  - Both plans must be posted on the District's website with 30 days of receiving ESSER III Notice of Grant Award
- Reserve not less than 20 percent of its total ARP ESSER III allocation to address learning loss through the implementation of evidence-based interventions and ensure that such interventions respond to students' academic, social, and emotional needs and address the disproportionate impact of COVID-19 on underrepresented student subgroups

The District was allocated \$43.23 million to be expensed in school years 2021-22, 2022-23 and 2023-24. ESSER III funds are supplemental for school districts.

**Original Budget Compared to Final Budget**

Differences between the original budget and the final amended budget of the general fund can be briefly summarized as follows:

Total estimated Revenues increased \$10.8 million.

- Net increase in state revenue of \$10.7 million is due to prior year's property value audit and the increase in property tax collections.

Total estimated Appropriations decreased \$94.8 million.

- Overall, the District's spending was impacted due to COVID-19 virtual learning continuance. This contributed to savings in areas such as personnel cost, supplies and materials, fuel, and utilities.
- Instructional appropriations had a net decrease of \$3.4 million due to district structure reorganization, movement of expenditures to IMA, and prior year one-time expenditures for literary program.
- Transportation and Extra-curricular were impacted due to the lack of student travel.
- Contracted instructional services between schools (Recapture) appropriations had a net increase of \$12.2 million due to ADA Hold Harmless calculation and ESSER II reduction directed by the state.

### **Final Amended Budget Compared to Actual**

As of June 30, 2020, actual revenues were higher than final budgetary estimates by \$4 million primarily due to change in Available School Funding (Per Capita) payments:

- State revenues were \$3.7 million higher than final budget.

Actual expenditures were lower than final budgetary estimates by \$16.6 million due to the overall reduction in spending in response to the COVID-19 pandemic virtual learning continuation. The most significant variances are summarized below:

- Contracted services were \$6.6 million lower than final amended budget. This consisted of \$3.2 million reduction in Misc. Contracted Services, \$673k in Special Education residential tuition, \$1.2 million reduction in contracted maintenance and repair and \$887k reduction in utilities.
- Fuel cost were \$821k lower than final amended budget.
- General supplies were \$2.5 million lower than final amended budget. Overall, spending was down with the major contributing factors consisting of a decrease in software cost due to one-time set up fees, evaluation of software needs, and testing materials.
- Other operating cost were \$2.3 million lower than final amended budget. Major contributing factors were student and employee travel, and insurance cost.

### **Capital Assets and Debt Administration**

**Capital Assets** As of June 30, 2021, the District had invested \$1,096,266,952 net of depreciation, in a broad range of capital assets, including land, equipment, buildings, and Construction in Progress. This amount represents a net decrease (including additions, retirements and depreciation) of \$12.3 million over last year.

	<u>As of 6/30/21</u>	<u>As of 6/30/20</u>
Land and improvements	\$ 150,786,031	\$ 149,486,028
Buildings and improvements	1,540,440,682	1,517,627,787
Construction in progress	62,637,596	53,013,922
Furniture, equipment, & vehicles	<u>132,737,753</u>	<u>130,113,958</u>
Totals	1,886,602,062	1,850,241,695
Total accumulated depreciation	<u>(790,335,110)</u>	<u>(741,723,089)</u>
Net capital assets	<u><u>\$ 1,096,266,952</u></u>	<u><u>\$ 1,108,518,606</u></u>

The District had several active construction projects as of June 30, 2021. The district continued construction on the Robinson Fine Arts Center, the refurbishment at Williams High School and HVAC and roof upgrades at Sockwell. Additionally, HVAC projects were started at PESH, PWSH, Shepard , Harrington, and Andrews Elementary schools. Other major projects included upgrades at Clark Stadium locker room, baseball/softball bleacher upgrades at PSHS, PESH, and PWSH, Solomon Center kitchen addition, and Barron Elementary fire system upgrades. Lastly, the district continued to work on minor capital project improvements at several campuses.

Completed projects included the Fine Arts addition at Frankford Middle School, addition at Gulledge Elementary, Hughston Elementary kitchen upgrade, and cafeteria serving line upgrades at Schimelpfenig MS, and Shepard, Thomas, Andrews, and Hickey Elementary schools. Andrews Elementary, Holifield Center and Murphy Distribution Center received roof replacements. Flooring upgrades were completed at PWSH, Harrington, Dooley, and Hunt Elementary schools. Lastly, HVAC upgrades were completed at PSHS, Centennial, and Jackson Elementary. Other minor capital project improvements were completed at several campuses, including upgrading security doors at several elementary schools. More detailed information about the District's capital assets is presented in Note 5 to the financial statements.

### **Debt Administration and Bond Ratings**

Debt-management policies seek to provide the most favorable climate for District debt projects while upholding the highest rating possible for debt instruments.

Management policies include the following points:

- All debt service obligations will be met when due.
- Long-term financing will be restricted to capital projects and capital equipment acquisition.
- Long-term bonds will not be issued to finance current operations.
- The District will cooperate and communicate with bond-rating agencies and work towards obtaining the most favorable municipal bond rating possible.
- Outstanding obligations will be reviewed frequently to ensure the most favorable funding structure for the District.
- All necessary information and material regarding the District's financial status will be provided to the appropriate parties.

As of June 30, 2021, the District had total bonded debt of \$683.3 million. The ratio of net general bonded debt to assessed valuation and the amount of net bonded debt per capita are useful indicators of the District's debt position. Net bonded debt per capita was \$1,782 and the ratio of net bonded debt to assessed value was 1.08 percent.

The District has authorized unissued bonds as of June 30, 2021 in the amount of \$49,875,000. During the year, the District issued \$60,720,000 of Series 2020 Unlimited Tax School Refunding Bonds. The bonds were issued with a \$3.4 million premium. The District continues to be awarded excellent bond ratings. Rating agency reviews were conducted in the fall of 2020 in conjunction with the issuance of the Series 2020 Unlimited Tax School Refunding Bonds issued on November 16, 2020. Moody's Investors Service, Inc. assigned an underlying rating of Aaa while Standard and Poor's Corporation assigned an underlying rating of AA+ with a stable outlook to the district's debt obligations.

Interest earnings on proceeds from debt are subject to arbitrage regulations contained in the Federal Tax Reform Act of 1986. As of June 30, 2021, there was a liability for arbitrage rebate in the amount of \$410,762.

Amounts included for compensated absences include accrued vacation according to the District's leave policy. Employees who terminate their employment may be paid accrued vacation not to exceed 40 days carryover plus the current-year vacation allocation. More detailed information about the District's general long-term debt is presented in Note 7 to the financial statements.

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

The local economy continues to be favorable. Certified taxable property values reported in the summer of 2021 grew by \$1.5 billion (2.51%) from 2020 and now totals \$61.9 billion. Of this growth, \$637.9 million was for new construction. The balance reflects increases in value of existing property. Plano created a central business district in North Texas with the 255-acre Legacy West development. Several large companies have corporate headquarters in Plano. Those companies include Rent-A-Center, Cinemark Holdings, Toyota, Liberty Mutual Insurance, JPMorgan Chase & Co, FedEx, Pizza Hut, and Boeing Global Service to name some. Plano is home to numerous manufacturers, small businesses and start-ups from a vast variety of industries including, telecommunications, software/information technology, digital media, financial services, health and medical, electronics, and energy.

In the South central section of the district, the \$1.5 billion, 186-acre CityLine mixed-use development is home to State Farm Insurance. The key corporate anchor of the development Raytheon now fully occupies its new regional office within the development. CityLine has 6 million square feet of office space, almost 4,000 apartments, two hotels, and 300,000 square feet of retail space. Also, demolition and construction continued in 2021 on the Collin Creek development, formerly known as Collin Creek Mall. The development will include a hotel, 400 single family homes, 200 multifamily units, and retail spaces designed to sustain the community.

The District adopted its 2021-22 budget on June 22, 2021. The 2021-22 General Fund budget was adopted with revenues and other sources of \$665.0 million, appropriations and other uses of \$684.7 million, thus resulting in a \$19.7 million deficit budget. The 2021-22 school year is the third year of operations under the school funding formulas put into effect by House Bill (HB) 3. The General fund revenue budget decreased \$6.8 million compared to 2020-21 final amended budget. The majority of the decrease is attributed to decrease in state aid from both the Foundation School Fund and Available School Fund. Appropriations and other uses reflect an increase of \$2.2 million when compared to the 2020-21 final amended budget. The change in appropriations is primarily due to Recapture payments to TEA increased from \$179.8 million for FY 2021 to \$187.9 million in FY 2022.

On September 7, 2021 the District adopted a maintenance and operations tax rate of \$1.05175 per \$100 of taxable assessed value and adopted a debt service tax rate of 26.9 cents. Due to the favorable interest rates and increase in property values, the District is able to maintain the same debt service tax rate adopted in 2020-21. The debt service fund has a balanced budget of \$163.0 million in revenue and appropriations for 2021-22.

## **Contacting The District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Director for Financial Services or the Director of Accounting, at 2700 W. 15th Street, Plano, Texas 75075, or call (469) 752-8118 or 8115.

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# **Basic Financial Statements**

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**Plano Independent School District**  
Statement of Net Position  
June 30, 2021

**Exhibit A-1**

Data Control Codes		1	2	3
		Primary Government		
		Governmental Activities	Business Type Activities	Total
<b>ASSETS</b>				
1110	Cash and investments	\$ 689,405,616	\$ 337,386	\$ 689,743,002
1220	Property taxes receivable (delinquent)	11,456,302	-	11,456,302
1230	Allowance for uncollectible taxes	(4,550,929)	-	(4,550,929)
1240	Due from other governments	21,833,114	-	21,833,114
1250	Accrued interest	150,072	5	150,077
1290	Other receivables, net	174,442	29,946	204,388
1300	Inventories	994,256	-	994,256
1410	Deferred expenses	1,180,817	-	1,180,817
	Non-current assets:			
	Capital assets:			
1510	Land	90,486,698	-	90,486,698
1520	Buildings, net	889,310,214	-	889,310,214
1530	Furniture and equipment, net	27,118,460	5,282	27,123,742
1540	Other capital assets, net	26,708,702	-	26,708,702
1580	Construction in progress	62,637,596	-	62,637,596
1000	Total assets	1,816,905,360	372,619	1,817,277,979
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
1701	Deferred charge for refunding	7,410,328	-	7,410,328
1705	Related to the TRS pension	59,719,610	-	59,719,610
1706	Related to the TRS OPEB	23,184,025	-	23,184,025
1700	Total deferred outflows of resources	90,313,963	-	90,313,963
<b>LIABILITIES</b>				
2110	Accounts payable	12,620,082	180,406	12,800,488
2140	Interest payable	11,402,643	-	11,402,643
2150	Payroll deduction and withholdings	3,754,880	-	3,754,880
2160	Accrued wages payable	52,167,196	123,999	52,291,195
2180	Due to other governments	198,069,593	-	198,069,593
2200	Accrued expenses	3,133,899	-	3,133,899
2300	Unearned revenues	6,844,465	48,277	6,892,742
2440	Other Payables	8,768	-	8,768
	Non-current liabilities:			
2501	Due within one year	99,585,102	-	99,585,102
2502	Due in more than one year	587,697,844	-	587,697,844
2540	Net pension liability (District's share)	158,421,891	-	158,421,891
2545	OPEB liability (District's share)	150,887,500	-	150,887,500
2000	Total liabilities	1,284,593,863	352,682	1,284,946,545
<b>DEFERRED INFLOWS OF RESOURCES</b>				
2605	Related to the TRS pension	35,993,684	-	35,993,684
2606	Related to the TRS OPEB	125,982,660	-	125,982,660
2600	Total deferred inflows of resources	161,976,344	-	161,976,344
<b>NET POSITION</b>				
3200	Net investment in capital assets	532,042,161	5,282	532,047,443
	Restricted for:			
3820	Restricted for state programs	1,418,570	-	1,418,570
3840	Restricted for food service	3,628,454	-	3,628,454
3850	Restricted for debt service	23,192,377	-	23,192,377
3900	Unrestricted net position	(99,632,446)	14,655	(99,617,791)
3000	<b>TOTAL NET POSITION</b>	<b>\$ 460,649,116</b>	<b>\$ 19,937</b>	<b>\$ 460,669,053</b>

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

**Plano Independent School District**  
**Statement of Activities**  
**Year Ended June 30, 2021**

Data Control Codes	Expenses	Program Revenues			
		3 Charges of Services	4 Operating Grant and Contributions	5 Capital Grants and Contributions	
<b>Primary Government</b>					
<b>GOVERNMENTAL ACTIVITIES</b>					
11	Instruction	\$ 395,194,095	\$ 1,100,636	\$ 65,633,403	\$ -
12	Instructional resources and media services	9,543,459	-	869,348	-
13	Curriculum and instructional staff development	12,445,841	40,845	4,648,880	-
21	Instructional leadership	5,871,352	-	1,155,045	-
23	School leadership	32,834,241	-	3,975,191	-
31	Guidance, counseling and evaluation services	25,825,608	-	3,903,767	-
32	Social work services	2,748,474	-	418,658	-
33	Health services	6,707,044	-	835,622	-
34	Student (pupil) transportation	14,330,644	-	1,401,967	-
35	Food services	20,229,206	897,432	16,474,970	-
36	Extracurricular activities	10,339,126	754,325	1,247,079	-
41	General administration	11,487,690	2,756	1,168,493	-
51	Facilities maintenance and operations	45,304,594	757,858	1,150,110	-
52	Security and monitoring services	5,224,888	-	302,556	-
53	Data processing services	7,021,699	-	555,971	-
61	Community services	3,797,955	17,685	1,970,325	-
72	Debt service - interest on long term debt	21,368,869	-	1,043,341	-
73	Debt service - bond issuance costs and fees	411,126	-	-	-
81	Other facility costs	11,113,484	-	624,799	-
91	Contracted instructional services between schools	192,058,699	-	-	-
92	Incremental costs associated with Chapter 41	26,438	-	-	-
93	Payment to fiscal agent/member districts of SSA	757,457	-	757,457	-
95	Payments to juvenile justice alternative ed. prg.	2,889	-	-	-
99	Other intergovernmental charges	5,183,843	-	-	-
TG	Total governmental activities	839,828,721	3,571,537	108,136,982	-
<b>BUSINESS-TYPE ACTIVITIES</b>					
01	Employee child care	1,962,573	1,414,714	-	-
02	After school care	2,660,918	2,112,009	-	-
03	Concessions	149,787	131,903	-	-
TB	Total business-type activities	4,773,278	3,658,626	-	-
TP	<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 844,601,999</b>	<b>\$ 7,230,163</b>	<b>\$ 108,136,982</b>	<b>\$ -</b>
General revenues:					
Taxes:					
MT	Property taxes, levied for general purposes				
DT	Property taxes, levied for debt service				
GC	Grants and contributions not restricted				
IE	Investment earnings				
MI	Miscellaneous local and intermediate revenue				
FR	Transfers in (out)				
TR	Total general revenues and transfers				
CN	Change in net position				
NB	Net position - beginning				
NE	<b>NET POSITION - ENDING</b>				

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

Net (Expense) Revenue and Changes in Net Assets		
6	7	8
Primary Government		
Governmental Activities	Business Type Activities	Total
\$ (328,460,056)	\$ -	\$ (328,460,056)
(8,674,111)	-	(8,674,111)
(7,756,116)	-	(7,756,116)
(4,716,307)	-	(4,716,307)
(28,859,050)	-	(28,859,050)
(21,921,841)	-	(21,921,841)
(2,329,816)	-	(2,329,816)
(5,871,422)	-	(5,871,422)
(12,928,677)	-	(12,928,677)
(2,856,804)	-	(2,856,804)
(8,337,722)	-	(8,337,722)
(10,316,441)	-	(10,316,441)
(43,396,626)	-	(43,396,626)
(4,922,332)	-	(4,922,332)
(6,465,728)	-	(6,465,728)
(1,809,945)	-	(1,809,945)
(20,325,528)	-	(20,325,528)
(411,126)	-	(411,126)
(10,488,685)	-	(10,488,685)
(192,058,699)	-	(192,058,699)
(26,438)	-	(26,438)
-	-	-
(2,889)	-	(2,889)
(5,183,843)	-	(5,183,843)
(728,120,202)	-	(728,120,202)
-	(547,859)	(547,859)
-	(548,909)	(548,909)
-	(17,884)	(17,884)
-	(1,114,652)	(1,114,652)
<u>\$ (728,120,202)</u>	<u>\$ (1,114,652)</u>	<u>\$ (729,234,854)</u>
611,147,307	-	611,147,307
155,742,169	-	155,742,169
41,092,008	-	41,092,008
589,161	68	589,229
885,597	-	885,597
(1,038,564)	1,038,564	-
<u>808,417,678</u>	<u>1,038,632</u>	<u>809,456,310</u>
80,297,476	(76,020)	80,221,456
380,351,640	95,957	380,447,597
<u>\$ 460,649,116</u>	<u>\$ 19,937</u>	<u>\$ 460,669,053</u>

**Plano Independent School District**  
 Balance Sheet  
 Governmental Funds  
 June 30, 2021

<b>Data Control Codes</b>	<b>10 General Fund</b>	<b>50 Debt Service Fund</b>	<b>60 Capital Project</b>
<b>ASSETS</b>			
1110 Cash and investments	\$ 516,039,030	\$ 33,260,393	\$ 118,522,594
1220 Property taxes - delinquent	9,131,937	2,324,365	-
1230 Allowance for uncollectible taxes (credit)	(3,620,201)	(930,728)	-
1240 Due from other governments	9,597,921	-	-
1250 Accrued interest	132,375	8,343	7,126
1260 Due from other funds	3,881,607	-	-
1290 Other receivables	146,732	-	-
1300 Inventories	927,165	-	-
1410 Prepaid expenditures	844,508	-	-
1000 Total assets	<u>\$ 537,081,074</u>	<u>\$ 34,662,373</u>	<u>\$ 118,529,720</u>
<b>LIABILITIES</b>			
2110 Accounts payable	\$ 4,290,032	\$ 11,638	\$ 6,888,070
2150 Payroll deductions and withholdings payable	3,754,880	-	-
2160 Accrued wages payable	49,110,784	-	1,960
2170 Due to other funds	-	-	-
2180 Due to other governments	198,012,409	55,715	-
2300 Unearned revenues	6,375	-	-
2440 Other Payables	990	-	-
2000 Total liabilities	255,175,470	67,353	6,890,030
<b>DEFERRED INFLOWS OF RESOURCES</b>			
2601 Unavailable revenue - property taxes	5,515,523	1,393,637	-
2600 Total deferred inflows of resources	5,515,523	1,393,637	-
<b>FUND BALANCES</b>			
Nonspendable			
3410 Investments in inventory	927,165	-	-
3430 Prepaid expenditures	844,508	-	-
Restricted			
3480 Debt service	-	33,201,383	-
3470 Capital projects	-	-	111,639,690
3450 Food service	-	-	-
3450 State special revenue	-	-	-
Committed			
3545 Local special revenue	-	-	-
Assigned			
3590 Purchases on order	409,847	-	-
3590 Cash flow requirements	167,000,000	-	-
3590 Equipment acquisitions-technology	15,000,000	-	-
3590 Capital outlay - buses	12,000,000	-	-
3590 Insurance deductible	10,000,000	-	-
3590 Compensated absences	3,600,000	-	-
3590 2021-2022 budget deficit	19,700,000	-	-
3590 COVID - 19 Academic Recovery	5,000,000	-	-
3600 Unassigned	41,908,561	-	-
Total fund balances	<u>276,390,081</u>	<u>33,201,383</u>	<u>111,639,690</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<u>\$ 537,081,074</u>	<u>\$ 34,662,373</u>	<u>\$ 118,529,720</u>

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

Other Funds	Total Governmental Funds
\$ 16,930,407	\$ 684,752,424
-	11,456,302
-	(4,550,929)
12,235,193	21,833,114
1,088	148,932
-	3,881,607
25,590	172,322
67,091	994,256
-	844,508
<u>\$ 29,259,369</u>	<u>\$ 719,532,536</u>
\$ 1,393,593	\$ 12,583,333
-	3,754,880
3,040,486	52,153,230
3,881,607	3,881,607
1,469	198,069,593
6,837,212	6,843,587
7,778	8,768
<u>15,162,145</u>	<u>277,294,998</u>
-	6,909,160
-	6,909,160
67,091	994,256
-	844,508
-	33,201,383
-	111,639,690
3,561,363	3,561,363
1,418,570	1,418,570
9,050,200	9,050,200
-	409,847
-	167,000,000
-	15,000,000
-	12,000,000
-	10,000,000
-	3,600,000
-	19,700,000
-	5,000,000
-	41,908,561
<u>14,097,224</u>	<u>435,328,378</u>
<u>\$ 29,259,369</u>	<u>\$ 719,532,536</u>

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**P L A N O**  
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**Plano Independent School District**

**Exhibit C-2**

Reconciliation of the Governmental Funds Balance Sheet to the  
Statement of Net Position  
June 30, 2021

<b>TOTAL FUND BALANCES - GOVERNMENTAL FUNDS</b>	\$ 435,328,378
Capital assets used in governmental activities (excluding internal service) are not financial resources and therefore are not reported in governmental funds. The cost of the capital assets is \$1,886,555,998, and the accumulated depreciation associated with the capital assets is \$790,299,257.	1,096,256,741
Uncollected property taxes are reported as deferred inflow of resources in the governmental funds balance sheet but are recognized as a revenue in the statement of activities.	6,909,160
The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, to appropriate functions in other funds. The assets and liabilities of the internal service funds (including net capital assets of \$4,929) are included in governmental activities in the statement of net assets. The net effect of this consolidation is to increase net position.	1,812,198
Long-term liabilities of \$687,282,946 are not due and payable in the current period and therefore are not reported as liabilities in the funds. A deferred charge on an advanced refunding of bonds payable of \$7,410,328 is reflected as a deferred outflow of resources on the Statement of Net Position.	(679,872,618)
Interest payable is not due and payable in the current period and therefore is not reported as a liability in the governmental funds.	(11,402,643)
Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability in the amount of \$158,421,891, a deferred inflow of resources related to TRS in the amount of \$35,993,684 and a deferred outflow of resources related to TRS in the amount of \$59,719,610. This resulted in a decrease in net position.	(134,695,965)
Included in the items related to debt is the recognition of the District's proportionate share of the TRS OPEB liability in the amount of \$150,887,500, a deferred inflow of resources related to TRS in the amount of \$125,982,660, and a deferred outflow of resources related to TRS in the amount of \$23,184,025. This resulted in a decrease in net position.	(253,686,135)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u>\$ 460,649,116</u>

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

**Plano Independent School District**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Funds  
Year Ended June 30, 2021

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Project
<b>REVENUES</b>			
5700 Total local and intermediate sources	\$ 616,322,350	\$ 156,207,461	\$ 192,530
5800 State program revenues	59,569,632	1,043,341	-
5900 Federal program revenues	7,986,164	-	-
5020 Total revenues	683,878,146	157,250,802	192,530
<b>EXPENDITURES</b>			
Current:			
0011 Instruction	310,804,872	-	-
0012 Instructional resources and media services	6,961,311	-	-
0013 Curriculum and instructional staff development	8,020,587	-	-
0021 Instructional leadership	4,912,814	-	-
0023 School leadership	28,664,847	-	-
0031 Guidance, counseling and evaluation services	22,317,164	-	-
0032 Social work services	2,462,537	-	-
0033 Health services	5,986,578	-	-
0034 Student (pupil) transportation	13,176,405	-	-
0035 Food services	10,914	-	-
0036 Extracurricular activities	5,909,609	-	-
0041 General administration	10,540,411	-	-
0051 Facilities maintenance and operations	40,852,161	-	-
0052 Security and monitoring services	4,916,172	-	-
0053 Data processing services	6,457,832	-	-
0061 Community services	2,065,374	-	-
Debt service:			
0071 Debt service - principal on long term debt	-	125,600,000	-
0072 Debt service - interest on long term debt	-	34,621,832	-
0073 Debt service - bond issuance cost and fees	-	411,126	-
Capital outlay:			
0081 Facilities acquisition and construction	-	-	44,623,130
Intergovernmental:			
0091 Contracted instructional services between schools	192,058,699	-	-
0092 Incremental costs associated with Chapter 41	26,438	-	-
0093 Payments to fiscal agent/member districts of SSA	-	-	-
0095 Payments to juvenile justice alternative ed. prg.	2,889	-	-
0099 Other intergovernmental charges	5,183,843	-	-
6030 Total expenditures	671,331,457	160,632,958	44,623,130
1100 Excess (deficiency) of revenues over (under) expenditures	12,546,689	(3,382,156)	(44,430,600)
<b>OTHER FINANCING SOURCES (USES)</b>			
7911 Refunding bonds issued	-	62,720,000	-
7915 Transfers in	-	-	-
7916 Premium or discount on issuance of bonds	-	3,422,922	-
8911 Transfers out (use)	(2,820,206)	-	-
8949 Payment to bond escrow agent	-	(65,774,874)	-
7080 Total other financing sources (uses)	(2,820,206)	368,048	-
1200 Net change in fund balances	9,726,483	(3,014,108)	(44,430,600)
0100 Fund balance - July 1 (beginning)	266,663,598	36,215,491	156,070,290
3000 <b>FUND BALANCE - JUNE 30 (ENDING)</b>	<b>\$ 276,390,081</b>	<b>\$ 33,201,383</b>	<b>\$ 111,639,690</b>

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



Other Funds	Total Governmental Funds
\$ 4,061,199	\$ 776,783,540
10,701,346	71,314,319
36,237,683	44,223,847
<hr/> 51,000,228	<hr/> 892,321,706
25,211,947	336,016,819
52,077	7,013,388
3,544,762	11,565,349
516,207	5,429,021
466,651	29,131,498
1,367,654	23,684,818
89,329	2,551,866
105,714	6,092,292
6,671	13,183,076
16,478,479	16,489,393
1,126,304	7,035,913
54,942	10,595,353
181,957	41,034,118
169,497	5,085,669
203,558	6,661,390
1,027,372	3,092,746
-	125,600,000
-	34,621,832
-	411,126
614,981	45,238,111
-	192,058,699
-	26,438
757,457	757,457
-	2,889
-	5,183,843
<hr/> 51,975,559	<hr/> 928,563,104
(975,331)	(36,241,398)
-	62,720,000
1,301,889	1,301,889
-	3,422,922
(949,000)	(3,769,206)
-	(65,774,874)
<hr/> 352,889	<hr/> (2,099,269)
(622,442)	(38,340,667)
14,719,666	473,669,045
<hr/> \$ 14,097,224	<hr/> \$ 435,328,378

# Plano Independent School District

Exhibit C-4

## Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities Year Ended June 30, 2021

**TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS** \$ (38,340,667)

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation of \$50,566,047 exceeded capital outlays and donated assets of \$38,317,357 in the current period (Certain expenditures are reported in the Facilities Acquisition and Construction category which are under the capitalization threshold of \$5,000 and therefore are not considered capital outlay.) (12,248,690)

Repayment of principal and other long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not expensed in the current period. This amount represents the following: current year

Principal payment	\$ 125,600,000	
Advanced Bond Refunding	64,585,000	
Deferred Refunding Amount	(1,369,236)	
Amortization of premium	16,267,135	
Amortization of loss on bond refunding	(2,467,306)	
Reduction of Arbitrage	540,514	203,156,107

Some property taxes will not be collected for several months after the fiscal year ends, therefore they are not considered available revenues and are deferred in the governmental funds. Unearned tax revenues, net of bad debt, increased (decreased) by this amount. (2,353,552)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the statement of activities, interest expense is recognized as the interest accrued, regardless of when it is due. 2,012,247

In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, expenditures for these items are measured by the amount of financial resources used. This year, compensated absences used exceeded the amounts earned. 163,856

The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, to appropriate functions in other funds. The net income of internal service funds is reported with governmental activities. The net effect of this consolidation is to decrease net position. (447,573)

Proceeds of bonds (including premium) issued during the year are recognized as Other Financing Sources in the governmental funds but increase non-current liabilities in the Statement of Net Position. (66,142,922)

The net change in net pension liability, deferred outflows and deferred inflows is reported in the statement of activities but does not require the use of current financials resources and, therefore is not reported as expenditures in the governmental funds. The net change consists of a decrease in the deferred outflow of resources related to TRS of \$22,181,705, an increase in the deferred inflow of resources related to TRS of \$5,714,731, and an decrease in the net pension liability of \$15,849,118. (12,047,318)

The net change in OPEB liability, deferred outflows and deferred inflows is reported in the statement of activities but does not require the use of current financials resources and, therefore is not reported as expenditures in the governmental funds. The net change consists of an decrease in the deferred outflow of resources related to TRS-OPEB of \$4,070,260, an increase in the deferred inflow of resources related to TRS-OPEB of \$36,849,839, and a decrease in the OPEB liability of \$47,466,087. 6,545,988

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 80,297,476

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

**Plano Independent School District**  
Statement of Net Position  
Proprietary Funds  
June 30, 2021

**Exhibit D-1**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Total Enterprise Funds</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>		
Current assets		
Cash and investments	\$ 337,386	\$ 4,653,192
Accrued interest	5	1,140
Other receivables	29,946	2,120
Prepaid expenses	-	336,309
Total current assets	367,337	4,992,761
Noncurrent assets		
Capital assets		
Furniture and equipment	14,690	31,374
Depreciation on furniture and equipment	(9,408)	(26,445)
Total noncurrent assets	5,282	4,929
<b>TOTAL ASSETS</b>	<b>372,619</b>	<b>4,997,690</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	180,406	36,749
Accrued wages payable	123,999	13,966
Accrued expenses	-	3,133,899
Unearned revenues	48,277	878
<b>TOTAL LIABILITIES</b>	<b>352,682</b>	<b>3,185,492</b>
<b>NET POSITION</b>		
Investments in capital assets	5,282	4,929
Unrestricted net position	14,655	1,807,269
<b>TOTAL NET POSITION</b>	<b>\$ 19,937</b>	<b>\$ 1,812,198</b>

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

**Plano Independent School District****Exhibit D-2**

Statement of Revenues, Expenses, and Changes in Fund Net Position  
 Proprietary Funds  
 Year Ended June 30, 2021

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Total Enterprise Funds</b>	<b>Total Internal Service Funds</b>
<b>OPERATING REVENUES</b>		
Local and intermediate sources	\$ 3,658,626	\$ 38,719,299
Total operating revenues	3,658,626	38,719,299
<b>OPERATING EXPENSES</b>		
Payroll costs	4,156,578	1,249,917
Professional and contracted services	124,492	3,367,092
Supplies and materials	113,567	362,625
Depreciation	1,321	1,643
Other operating costs	377,320	36,285,622
Total operating expenses	4,773,278	41,266,899
Operating income (loss)	(1,114,652)	(2,547,600)
<b>NON OPERATING REVENUES (EXPENSES)</b>		
Earnings from temporary deposits and investments	68	13,773
Insurance recovery	-	657,501
Total non operating revenue	68	671,274
Income (loss) before transfers	(1,114,584)	(1,876,326)
Transfers in	1,038,564	1,428,753
Change in net position	(76,020)	(447,573)
Net position - July 1 (beginning)	95,957	2,259,771
<b>TOTAL NET POSITION - JUNE 30 (ENDING)</b>	<b>\$ 19,937</b>	<b>\$ 1,812,198</b>

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

**Plano Independent School District**  
Statement of Cash Flows  
Proprietary Funds  
Year Ended June 30, 2021

**Exhibit D-3**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Total Enterprise Funds</b>	<b>Total Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from user charges	\$ 3,683,581	\$ 38,609,167
Cash payments to employees for services	(4,139,513)	(1,241,223)
Cash payments for insurance claims	-	(384,217)
Cash payments for suppliers	(290,009)	(3,680,898)
Cash payments for other operating expenses	(377,320)	(35,872,054)
	<u>(1,123,261)</u>	<u>(2,569,225)</u>
Net cash provided by (used for) operating activities	(1,123,261)	(2,569,225)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Transfers in	1,038,564	1,428,753
Insurance proceeds	-	657,501
	<u>1,038,564</u>	<u>2,086,254</u>
Net cash provided by (used for) non-capital financing activities	1,038,564	2,086,254
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sales and maturities of securities	15,249	294,042
Purchase of investment securities	-	-
Interest and dividends on investments	262	16,379
	<u>15,511</u>	<u>310,421</u>
Net cash provided by (used for) investing activities	15,511	310,421
Net increase (decrease) in cash and cash equivalents	(69,186)	(172,550)
Cash and cash equivalents at beginning of year	378,283	4,236,704
Cash and cash equivalents at end of year	309,097	4,064,154
Temporary investment not in cash equivalents	28,289	589,038
<b>CASH ON BALANCE SHEET</b>	<u>\$ 337,386</u>	<u>\$ 4,653,192</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ (1,114,652)	\$ (2,547,600)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	-	1,643
Effect of increases and decreases in current assets and liabilities:		
Decrease (increase) in receivables	(13,051)	(84)
Decrease (increase) in prepaid expenses	1,321	(20,649)
Increase (decrease) in accounts payable	(51,950)	13,853
Increase (decrease) in accrued wages payable	17,065	8,694
Increase (decrease) in unearned revenues	38,006	-
Increase (decrease) in accrued expenses	-	(25,082)
	<u>(1,123,261)</u>	<u>(2,569,225)</u>
Net cash provided by (used for) operating activities	\$ (1,123,261)	\$ (2,569,225)

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

**Plano Independent School District**  
Statement of Fiduciary Net Position  
Custodial Fund  
June 30, 2021

**Exhibit E-1**

	<b>Custodial Fund</b>
<b>ASSETS</b>	
Cash and investments	370,569
Accrued interest	44
Other receivables	8,206
	<hr/>
<b>TOTAL ASSETS</b>	<b>\$ 378,819</b>
	<hr/> <hr/>
<b>LIABILITIES</b>	
Accounts payable	\$ 791
Deferred revenue	6,742
	<hr/>
<b>TOTAL LIABILITIES</b>	<b>7,533</b>
	<hr/>
<b>NET POSITION</b>	
Restricted for other purposes	\$ 371,286
	<hr/>
<b>TOTAL NET POSITION</b>	<b>\$ 371,286</b>
	<hr/> <hr/>

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

**Plano Independent School District**  
Statement of Changes in Fiduciary Net Position  
Custodial Fund  
June 30, 2021

**Exhibit E-2**

	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Earnings from investments	\$ 627
Miscellaneous revenue from student groups	260,202
<b>TOTAL ADDITIONS</b>	<u>260,829</u>
<b>DEDUCTIONS</b>	
Contracted services	374
Supplies and materials	25,540
Student travel	5,149
Dues and fees	202,583
Other miscellaneous operating expenses	4,153
<b>TOTAL DEDUCTIONS</b>	<u>237,799</u>
Change in net position	23,030
<b>NET POSITION</b>	
Net position, beginning	-
Cumulative effect of implementation of GASB 84	348,256
Net position, beginning, restated	<u>348,256</u>
Net position, ending	<u><u>\$ 371,286</u></u>

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

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Teamwork for Excellence



**P L A N O**  
Independent School District

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# Plano Independent School District

## Notes to the Basic Financial Statements

### Note 1. Summary of Significant Accounting Policies

#### Reporting Entity

The Plano Independent School District (District) is an independent school district governed by the Board of Trustees (Board), composed of seven Board Members, all of whom are elected officials. The Board is the basic level of government which has responsibility and control over all activities related to the public school education in the city of Plano and portions of the cities of Richardson, Dallas, Murphy, Parker, Carrollton and Allen which lie within the District's boundaries. The Board receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the Board is not included in any other governmental "reporting entity," as defined in pronouncements by the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34*.

#### Government-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Transactions among governmental funds and between governmental funds and proprietary funds appear as due to/due from other funds on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other financing sources and uses on the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position. Interfund services provided and used are not eliminated in the consolidation of funds for the Statement of Activities. All interfund transactions that do not represent services provided and used between governmental funds and between governmental funds and internal service funds are eliminated on the government-wide statements. Interfund activities between governmental funds and enterprise funds remain on the government-wide statements and appear on the government-wide Statement of Net Position as internal balances and on the Statement of Activities as interfund transfers. Interfund activities between governmental funds and fiduciary funds remain as receivables and payables on the government-wide Statement of Net Position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Program revenues included in the Statement of Activities reduce the cost of the function to be financed from General Revenues. Taxes and other items not properly identified as program revenues are reported instead as general revenues.

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense to each function.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. In accordance with the provisions of GASB Statement No. 34, the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

# Plano Independent School District

## Notes to the Basic Financial Statements

### Measurement Focus, Basis of Accounting and Financial Statement Presentation

#### Government-wide Financial Statements

The government-wide financial statements, as well as the custodial and proprietary fund statements, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met. All interfund transactions between governmental funds are eliminated on the government-wide statements.

#### Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within 60 days of the fiscal year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded when payments are due. Proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred.

All other revenue items are considered measurable and available only when cash is received by the District.

#### **Funds**

The District reports its financial activities through the use of "fund accounting." The activities of the District are organized on the basis of funds. The operations of each fund are accounted for within a separate set of self-balancing accounts to reflect results of activities. Fund accounting segregates funds according to their intended purpose and is used to assist management in demonstrating compliance with finance-related legal and contractual provisions.

As required by the Texas Education Agency, the following fund types are included in the financial statements:

#### Governmental Funds

Governmental Funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities are accounted for through the Governmental Fund Types.

The following are the District's major governmental funds:

**General Fund.** The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenses and the capital improvement costs that are not paid through other funds are paid from the General Fund.

**Debt Service Fund.** The Debt Service Fund is used to account for the accumulation of resources for, and the retirement of, long-term debt and related costs.

**Capital Projects Fund.** The Capital Projects Fund is used to account for financial resources to be used for the acquisition, renovation or construction of capital facilities. Proceeds are received through long-term debt financing and other authorized sources.

## Plano Independent School District

### Notes to the Basic Financial Statements

Other governmental funds include:

**Special Revenue Funds.** The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than private-purpose trust funds or capital projects) such as federal, state or locally financed programs. Funds are legally restricted or committed to expenditures for specified purposes.

#### Proprietary Funds

Proprietary Funds are used to account for operations that are financed in a manner similar to those found in the private sector, where the determination of net income is appropriate for sound financial administration.

**Enterprise Funds.** The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a private enterprise where the District's intent is to provide services financed primarily through user charges. The District accounts for Employee Child Care, After School Care, Concessions and Photography as enterprise funds.

**Internal Service Funds.** The Internal Service Funds are used to account for the financing of services provided by one department to other departments of the District on a cost reimbursement basis. The print shop, health benefits, workers' compensation self-funded, unemployment benefits self-funded, sign shop and insurance claims self-funded programs of the District are accounted for in these funds. Accrued liabilities include provisions for claims reported and claims incurred but not reported. The provision for reported claims is determined by estimating the amount which will ultimately be paid to each claimant. The provision for claims incurred but not yet reported is estimated based on District experience since the inception of the programs and data provided by actuarial consultants.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations and/or other funds.

#### Custodial Funds

Custodial funds accounts for the resources held for the others in a custodial capacity. The fund is used to account for the assets held by the District as an agent for student and other organizations. These funds were previously reported in an agency fund. This change resulted in reporting more detail of additions to and deductions from custodial funds that was reported for agency funds.

### **Assets, Liabilities and Net Position or Equity**

**Cash and Cash Equivalents.** The District's cash and cash equivalents are considered to be cash on hand, demand deposits, money market bank sweep accounts, money markets, and short-term investments with original maturities of three months or less from the date of acquisition.

## Plano Independent School District

### Notes to the Basic Financial Statements

**Investments.** Investments with maturities exceeding twelve months at the date of purchase are stated at fair value, which is the amount at which the investment can be exchanged in a current transaction between willing parties. Investments with maturities of twelve months or less at the date of purchase are held at amortized cost and net asset value (NAV). Management of the District believes that in the areas of investment practice, management reports and the establishment of appropriate policies, the District adhered to the requirements of the State of Texas Public Funds Investment Act. Additionally, management of the District believes that investment practices of the District were in accordance with local policies.

**Receivables and Payables.** Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as "internal balances."

All trade and property tax receivables are shown net of allowance for uncollectible. The property tax receivable allowance is 39.7% of outstanding property taxes at June 30, 2021.

**Inventories and Prepaid Items.** Inventories of supplies on the balance sheet are stated at weighted average cost. Inventory items are recorded as expenditures when they are consumed. Supplies are used for almost all functions of activity.

Prepaid balances are for payments made by the District for which benefits extend beyond June 30, 2021. The cost of governmental fund type prepaid balances are recorded as an expenditure when consumed rather than when purchased.

**Grant Fund Accounting.** The Special Revenue Funds include programs that are financed on a project grant basis. These projects have grant periods that range from less than twelve months to in excess of two years. Grants are recorded as revenues when earned. Cost reimbursement grants are considered to be earned to the extent of expenditures made under the provisions of the grants. Funds received, but not earned, are recorded as unearned revenue until earned.

Indirect costs earned from grant programs are recorded as revenues of the General Fund. These indirect costs are determined by applying approved indirect cost rates to actual expenditures of the programs.

**Encumbrances.** Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in the accounting system in order to reserve the portion of the applicable appropriation, is employed in the governmental fund financial statements. Encumbrances, which have not been liquidated, are reported as assignments of fund balance since they do not constitute expenditures or liabilities. District policy requires that such amounts be re-appropriated in the following fiscal year.

**Capital Assets.** Capital assets, which include land, land improvements, building, building improvements and equipment, are reported in the applicable governmental activities column in the government-wide financial statements and the proprietary fund financial statements. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. The capitalization threshold is a unit cost of \$5,000. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

**Plano Independent School District**  
Notes to the Basic Financial Statements

Buildings and building improvements of the District are depreciated using the straight-line method beginning in the year after they are placed in service. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Classification	Useful Life
Buildings and building improvements	50 years
Land improvements	20 years
Furniture/equipment & vehicles	
Vehicles and buses	10 years
Furniture	20 years
Equipment	
Computers	5 years
Kitchen equipment	10 years
Custodial equipment	15 years
Telephone equipment	10 years
Instruction and misc. equipment	10 years

**Deferred Outflows/Inflows of Resources.** Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditures) until then.

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

Deferred outflows/inflows of resources are amortized as follows:

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

**Compensated Absences.** Employees of the District are granted vacation and sick leave annually. Teachers do not receive paid vacations but are paid only for the number of days they are required to work each year. Full-time employees in positions that require 12 months of service are eligible for two weeks of vacation on July 1 following the first full year of employment. Full-time employees who have not been employed one full year as of July 1 are eligible to take accrued days after July 1 of that year but shall not be eligible for the full two weeks until July 1 of the following year. Full-time employees who have completed five years of service in the District are granted three weeks of vacation per year. Employees in positions that require 12 months of service may extend accrued vacation time to September 30 each year. Vacation days not used by September 30 may be carried over, with a maximum accrual of 40 days. As of June 30, 2021, the District recorded \$3,602,657 in the government-wide financial statements for accrued vacation liabilities. Employees are allowed to accrue five days of state personal leave and seven days of local sick leave each year without limit.

## Plano Independent School District

### Notes to the Basic Financial Statements

State personal leave and local sick leave do not vest under the District's policy and accordingly, employees can only utilize state personal and sick leave when sick, or state personal leave for personal reasons when approved by their supervisor. Since the employees' accumulating rights to receive compensation for future absences are contingent upon the absences being caused by future illnesses and such amounts cannot be reasonably estimated, a liability for unused sick leave is not recorded in the financial statements.

**Long-term Liabilities.** In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported inclusive of applicable bond premium or discount. Bond issuance costs are expensed when incurred. Losses on refunding are capitalized and amortized over the shorter of the life of the new issuance or the life on existing debt using the effective interest method and are reported as deferred outflows of resources in the government-wide Statement of Net Position. Premiums and discounts are amortized over the life of the related debt using the effective interest method.

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

### Fund Balances and Net Position

#### Government-wide Financial Statements

Net position on the Statement of Net Position includes the following:

**Net Investment in Capital Assets.** The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt net of premiums and discounts, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

**Restricted for Debt Service.** The component of net position that reports the difference between assets and liabilities with constraints placed on their use by law.

**Restricted for Food Service.** The component of net position that reports the difference between assets and liabilities with constraints placed on their use by the U.S. Department of Agriculture.

**Restricted for State Programs.** The component of net position that reports the difference between assets and liabilities with constraints placed on their use by the State of Texas.

**Unrestricted.** The difference between the assets and liabilities that is not reported in Net Position Invested in Capital Assets, Net of Related Debt and restricted net position.

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

Governmental fund balances are classified as Nonspendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of constraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

## Plano Independent School District

### Notes to the Basic Financial Statements

The District classifies governmental fund balances as follows:

**Nonspendable.** Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid items and long term receivables.

**Restricted.** Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts restricted due to constitutional provisions or enabling legislation. This classification includes the child nutrition program, retirement of long term debt, construction programs and other federal and state grants.

**Committed.** Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the District through formal action of the highest level of decision making authority. Committed fund balance is reported pursuant to resolution passed by the District's Board of Trustees. This classification includes campus activity funds, local special revenue funds and potential litigation, claims and judgments.

**Assigned.** Includes fund balance amounts that are self-imposed by the District to be used for a particular purpose. As defined by the Fiscal Management Goals and Objectives Policy, fund balance can be assigned by the District's Board, the Superintendent, or the Associate Superintendent of Business Services. This classification includes insurance deductibles, encumbrances, program start-up costs, liabilities associated with compensated absences, projected budget deficit for subsequent years and other legal uses.

**Unassigned.** Includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When both restricted and unrestricted fund balances are available for use, it is the District's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts and the unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

**Minimum Fund Balance Policy.** It is the policy of the Board to maintain a fund balance in the general operating fund that is 20 percent of general operating expenditures, excluding any nonspendable fund balance; and fund balance in the interest and sinking fund that is 20 percent of the current annual debt services requirement.

**Management's Use of Estimates.** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

The amount of state foundation revenue a school district earns for a year can and does vary until the time when final values for each of the factors in the formula become available. Availability can be as late as midway into the next fiscal year. It is possible that the foundation revenue estimate as of June 30, 2021 will change.

## Plano Independent School District

### Notes to the Basic Financial Statements

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

**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. The General Fund and the National Breakfast and Lunch Program Fund have been used to liquidate other postemployment benefits liabilities.

### Note 2. Cash and Investments

Statutes of the State of Texas and policies mandated by the District's Board of Trustees authorize the District to invest in obligations of the U.S. Government or its agencies, repurchase agreements, certificates of deposit, commercial paper, public fund investment pools, mutual funds and money market accounts. All cash balances and investments are held separately in each of its funds.

As of June 30, 2021, the carrying amount of the District's cash deposits were \$291,287 and the bank balance was \$8,137.

Depository information, required to be reported to the Texas Education Agency, is as follows:

- a) Name of depository bank: Wells Fargo, N.A.
- b) Amount of bond or security pledged as of the date of the highest combined balance on deposit was \$6,530,854.
- c) Highest cash, savings and time deposits combined account balances amount was \$3,856,822 and occurred on January 15, 2021.
- d) Total amount of Federal Deposit Insurance Corporation (FDIC) coverage at the time of highest combined balance was \$250,000.

The District also holds bank deposits as part of the District's investment portfolio. As of June 30, 2021, the carrying amount and bank balance of these deposits were \$11,119,893. The District's cash deposits at June 30, 2021 were entirely covered by FDIC insurance or by pledged collateral held by the District's bank in the District's name.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.



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The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The District has recurring fair value measurements as presented in the table below. The District's investment balances and weighted average maturity of such investments are as follows:

	Fair Value Measurements Using				Percent of Total Investments	Weighted Average Maturity (Years)
	June 30, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
Cash and cash equivalents						
Bank deposits	\$ 11,382,055	\$ -	\$ -	\$ -		
Total cash and cash equivalents	11,382,055	-	-	-		
Investments measured at amortized cost:						
Investment pools:						
Texpool	22,530,311	-	-	-	3.32%	0.0030
Investments measured at Net asset value (NAV), fair value:						
Investment pools:						
Lone Star	47,144,008	-	-	-	6.95%	0.0030
TexasCLASS	297,995,632	-	-	-	43.92%	0.0030
TexStar	151,419,475	-	-	-	22.32%	0.0030
TexasDAILY	15,001,146	-	-	-	2.21%	0.0030
Investments by fair value level:						
U.S. government agency securities:						
Federal Home Loan Bank	10,167,810	-	10,167,810	-	1.50%	0.5240
Federal Farm Credit Bank	14,991,846	-	14,991,846	-	2.21%	0.5240
Municipal obligations:						
Texas A&M University	10,000,148	-	10,000,148	-	1.47%	0.5290
Certificates of deposit	30,021,057	-	30,021,057	-	4.43%	
Commercial paper	79,156,571	-	79,156,571	-	11.67%	0.2857
Total investments	678,428,004	-	144,337,432	-		
<b>Total cash and investments</b>	<b>\$ 689,810,059</b>	<b>\$ -</b>	<b>\$ 144,337,432</b>	<b>\$ -</b>		
Portfolio Weighted Average Maturity						0.0537

The *Texpool* investment pool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, the investment pool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool.

## **Plano Independent School District**

### Notes to the Basic Financial Statements

The investment pool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less and weighted average lives of 120 days or less, investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. Texpool has a redemption notice period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity. Texpool is subject to regulatory oversight by the State Treasurer, although it is not registered with the Securities and Exchange Commission.

The *TexasCLASS*, *Lone Star* and *TexStar* investment pools are external investment pools measured at net asset value. *TexasCLASS*, *Lone Star* and *TexStar*'s strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The District has no unfunded commitments related to the investment pools. *TexasCLASS*, *Lone Star* and *TexStar* have a redemption notice period of one day and may redeem daily. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity. *TexasCLASS*, *LoneStar* and *TexStar* are subject to regulatory oversight by the State Treasurer, although the pools are not registered with the Securities and Exchange Commission.

*U.S. Government Agency Securities* and *Municipal Bonds* classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

*U.S. Treasury Bonds* and *Commercial Paper* classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

#### **Interest Rate Risk**

In accordance with the District's investment policy, investments are made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. The District's policy states that no individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

#### **Credit Risk**

The District's policy relating to the credit risk of investments reflects adherence to the Public Funds Investment Act, which limits investments in commercial paper to not less than A-1 or P-1 or equivalent rating by at least two nationally recognized credit rating agencies. The District's investments in public funds investment pools and money market mutual funds include those with *TexPool*, *TexStar*, *TexasCLASS* and *LoneStar*. *TexPool*, *TexStar*, *TexasCLASS* and *LoneStar* are public funds investment pools operating in full compliance with the Public Funds Investment Act. *Texpool*, *TexStar*, *TexasCLASS* and *LoneStar* are rated as AAAM by Standard & Poor's. The District's investments in U.S. agencies were rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service. Municipal obligations were not rated.

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

The investment policy of the District places no limitations on the amount that can be invested in any one issuer; however, the investment portfolio is diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer.

**Plano Independent School District**  
Notes to the Basic Financial Statements

Twelve percent of the District's investment portfolio is held in commercial paper. Commercial paper is concentrated in the following instruments:

Commercial Paper Investment Description	Percentage of Investments	S & P Rating	Moody Rating	Fitch Rating
JP Morgan	1.41%	A-1	P-1	F1+
Toyota Motor Corp.	4.61%	A-1+	P-1	F1
Royal Bank of Canada	2.17%	A-1+	P-2	F1+
Baylor Scott & White	1.45%	A-1+	P-1	N/A
University of Texas	1.81%	A-1+	P-1	F1+

**Custodial Credit Risk – Deposits**

In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. Under the Dodd Frank Act, deposits held in noninterest-bearing transaction accounts are now aggregated with any interest-bearing deposits the owner may hold in the same ownership category, and the combined total is insured up to \$250,000.

**Custodial Credit Risk – Investments**

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments held by third parties were fully collateralized and held in the District's name.

**Note 3. Property Taxes and State Aid Revenue**

**Property Taxes**

The appraisal of property within the District is the responsibility of the Collin County Appraisal District (Appraisal District). The District's property taxes are levied annually in October on the basis of the Appraisal District's assessed values of property as of January 1 of that calendar year and are due and payable when assessed. Such taxes are applicable to the fiscal year in which they are levied and become delinquent with an enforceable lien on property after January 31 of the subsequent calendar year.

Delinquent taxes receivable and the related allowance for uncollectible taxes are shown on the government-wide Statement of Net Position and the fund financial Balance Sheet.

The District is permitted to levy taxes up to \$1.07 per \$100 of assessed valuation for general governmental maintenance and operations. The tax rate for the payment of principal and interest on general obligation long-term debt is determined by the debt service requirements of the outstanding bonds as approved by the voters prior to issuance. For the current fiscal year, the Board of Trustees set a tax rate of \$1.3238 per \$100 of assessed valuation. The maintenance and debt service portions of such rate are \$1.0548 and \$0.269, respectively. The 2021 assessed valuation was \$60,154,332,387 resulting in a tax levy of \$ 768,299,819 for the current fiscal year. The 2021 tax levy reflects an adjustment of \$27,849,942 frozen homestead exemptions for taxpayers 65 years and older as mandated by state property tax laws.

**Plano Independent School District**  
Notes to the Basic Financial Statements

Delinquent taxes receivable and the related allowance for uncollectible taxes in the governmental fund financial statements as of June 30, 2021 are as follows:

	Delinquent Taxes Receivable, Gross	Allowance for Uncollectible Taxes	Delinquent Taxes Receivable, net
General fund	\$ 9,131,937	\$ 3,620,201	\$ 5,511,736
Debt service fund	2,324,365	930,728	1,393,637
<b>Total</b>	<b>\$ 11,456,302</b>	<b>\$ 4,550,929</b>	<b>\$ 6,905,373</b>

**State Aid Revenue**

The Texas Education Agency, through its application of state law, allocates state revenues to school districts by formula allocation. The District receives two allocations, a per capita allocation and a foundation program allocation. The District also recognizes revenues for the state's share of the contributions to the Teacher Retirement System of Texas. See Note 10 for additional information on the employee's retirement plan. Other state revenues are received through other state miscellaneous programs on an allocated basis.

**State Program Revenues**

The components of state program revenues as shown in the governmental fund financial statements are as follows:

Revenues	Amounts
Per capita revenues	\$ 24,023,147
Foundation fund revenues	9,843,193
Instructional materials allotment	3,514,292
State aid for homestead exemption	1,043,341
TRS on behalf	26,195,562
Other state revenues	6,694,784
<b>Total state program revenues</b>	<b>\$ 71,314,319</b>

**Note 4. Receivables**

Receivables due from other governments, as of June 30, 2021 for the District's individual major funds and non-major, internal service and fiduciary funds in the aggregate are as follows:

	General Fund	Non-Major Other Funds	Total
Due from the State of Texas	\$ 9,597,921	\$ 11,885,099	\$ 21,483,020
Due from the federal government	-	327,874	327,874
Due from other local governments	-	22,220	22,220
<b>Total receivables</b>	<b>\$ 9,597,921</b>	<b>\$ 12,235,193</b>	<b>\$ 21,833,114</b>

**Plano Independent School District**  
Notes to the Basic Financial Statements

**Note 5. Capital Assets**

A summary of capital asset activity during the year ended June 30, 2021 follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 90,487,078	\$ -	\$ 380	\$ 90,486,698
Construction in progress	53,013,922	33,736,952	24,113,278	62,637,596
Total capital assets not being depreciated	<u>143,501,000</u>	<u>33,736,952</u>	<u>24,113,658</u>	<u>153,124,294</u>
Capital assets being depreciated:				
Land improvements	58,998,950	1,300,383	-	60,299,333
Buildings and improvements	1,517,627,787	22,812,895	-	1,540,440,682
Furniture, equipment and vehicles	130,067,894	4,577,821	1,954,026	132,691,689
Total capital assets being depreciated	<u>1,706,694,631</u>	<u>28,691,099</u>	<u>1,954,026</u>	<u>1,733,431,704</u>
Total capital assets	<u>1,850,195,631</u>	<u>62,428,051</u>	<u>26,067,684</u>	<u>1,886,555,998</u>
Less accumulated depreciation for:				
Land improvements	30,448,958	3,141,673	-	33,590,631
Buildings and improvements	609,119,445	42,011,023	-	651,130,468
Furniture, equipment and vehicles	102,121,797	5,413,351	1,956,990	105,578,158
Total accumulated depreciation	<u>741,690,200</u>	<u>50,566,047</u>	<u>1,956,990</u>	<u>790,299,257</u>
Governmental funds capital assets, net	<u>1,108,505,431</u>	<u>11,862,004</u>	<u>24,110,694</u>	<u>1,096,256,741</u>
Internal service funds:				
Furniture, equipment and vehicles	31,374	-	-	31,374
Less accumulated depreciation	24,802	1,643	-	26,445
Internal service funds capital assets, net	<u>6,572</u>	<u>(1,643)</u>	<u>-</u>	<u>4,929</u>
Governmental activities capital assets, net	<u>\$ 1,108,512,003</u>	<u>\$ 11,860,361</u>	<u>\$ 24,110,694</u>	<u>\$ 1,096,261,670</u>
Business activities:				
Furniture, equipment and vehicles	\$ 14,690	\$ -	\$ -	\$ 14,690
Less accumulated depreciation	8,087	1,321	-	9,408
Business activities capital assets, net	<u>\$ 6,603</u>	<u>\$ (1,321)</u>	<u>\$ -</u>	<u>\$ 5,282</u>
<b>Total capital assets, net</b>	<u>\$ 1,108,518,606</u>	<u>\$ 11,859,040</u>	<u>\$ 24,110,694</u>	<u>\$ 1,096,266,952</u>

**Plano Independent School District**  
Notes to the Basic Financial Statements

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Instruction	\$ 34,073,076
Instructional resources and media services	2,385,738
Curriculum development and instructional staff development	210,725
Instructional leadership	26,165
School leadership	1,395,692
Guidance, counseling, and evaluation services	367,575
Health services	137,903
Student transportation	1,835,885
Food services	3,082,802
Co-curricular/extracurricular activities	2,995,020
General administration	223,013
Plant maintenance and operations	2,072,940
Security and monitoring services	767,001
Data processing services	797,329
Community services	182,899
Facilities acquisition and construction	13,927
	\$ 50,567,690
	\$ 50,567,690
Business-type activities:	
Community services	\$ 1,321
	\$ 1,321
	\$ 1,321

**Construction Commitments**

The District had several active construction projects as of June 30, 2021. Projects included additions to buildings and renovation of existing facilities. Fiscal year 2021 expenses and estimated future expenditures for capital projects are funded from operating capital project funds, unexpended bond proceeds and additional general obligation bonds. The following summarizes the various types of projects:

**Building Purchases/New Construction.** During fiscal year 2021 no new buildings were purchased. In 2017 the district purchased property for a new Fine Arts facility and construction continued for this project during 2021. The building was named Robbie and Lynore Robinson Fine Arts Center.

**Building Renovation/Upgrades.** The district continued work on the refurbishment at Williams High School, HVAC and roof upgrades to Sockwell Center. Additionally, HVAC projects were started at Plano East Senior High School, Plano West Senior High School, Shepard Elementary, Harrington Elementary, and Andrews Elementary Schools. Other major projects included upgrades to Clark Stadium locker room; baseball/softball bleacher upgrades at Plano Senior High School, Plano East Senior High School, and Plano West Senior High School; Soloman Center Kitchen addition and Barron Elementary fire system upgrades. Lastly, the District continued work on minor capital project improvements at several campuses.

**Plano Independent School District**  
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**Completed Projects.** During fiscal year 2021 the district completed the Fine Arts addition at Frankford Middle School, addition at Gulledge Elementary, Hughston Elementary kitchen upgrade and cafeteria serving line upgrades at Schimelpfenig Middle School, and Shepard Elementary, Thomas Elementary, Andrews Elementary and Hickey Elementary schools. Andrews Elementary, Holifield Center and Murphy Distribution Center received roof replacements. Flooring upgrades were completed at Plano West Senior High School, Harrington Elementary, Dooley Elementary, and Hunt Elementary schools. Lastly, HVAC upgrades were completed at Plano Senior High School, Centennial Elementary, and Jackson Elementary. Other minor capital projects improvements were completed at several campuses, including upgrading security doors at several elementary schools.

Current projects include the following:

Project	Estimated Total Cost	Expenditures Incurred to June 30, 2021	Estimated Future Expenditures
Building improvement projects:			
Williams High School HVAC Project	\$ 1,806,866	\$ 1,740,946	\$ 65,920
Williams High School Refurbishment	14,388,973	2,209,315	12,179,658
Plano East Senior High School HVAC	129,812	44,785	85,027
Jasper Building Upgrades-Ice Plant	220,000	9,506	210,494
Plano West Senior High School HVAC	148,891	5,753	143,138
Shepard Elementary HVAC Upgrades	453,764	49,397	404,367
Harrington Elementary HVAC/Building Upgrades	33,470	20,650	12,820
Stinson Elementary PA System Upgrades	238,477	9,521	228,956
Andrews Elementary HVAC	104,428	6,094	98,334
Barron Elementary Fire System Upgrades	126,496	88,517	37,979
Solomon Adult Transition Center Kitchen Upgrades	1,912,459	179,414	1,733,045
Sockwell Center HVAC and Roof Upgrades	753,708	607,142	146,566
Robinson Fine Arts Center	58,481,358	56,829,250	1,652,108
Clark Stadium Locker Room Upgrades	726,075	274,354	451,721
Land improvement projects:			
Weatherford Elementary Irrigation Upgrades	34,059	7,110	26,949
Robinson Fine Arts Center	47,790	42,983	4,807
Clark Stadium Fencing Upgrades	555,993	512,859	43,134
	\$ 80,162,619	\$ 62,637,596	\$ 17,525,023

**Plano Independent School District**  
Notes to the Basic Financial Statements

**Note 6. Interfund Receivables, Payables and Transfers**

The composition of interfund balances in the fund financial statements as of June 30, 2021, is as follows:

	Receivable	Payable
General fund	\$ 3,881,607	\$ -
Other governmental funds	-	3,881,607
<b>Totals</b>	<b>\$ 3,881,607</b>	<b>\$ 3,881,607</b>

The primary interfund transactions at year-end included amounts due to the General Fund from Other Governmental Funds for expenditures made by the funds prior to receiving reimbursement from the federal or state sources.

The following is a summary of the District's transfers for the year ended June 30, 2021:

Transfers Out	Transfers In				Total
	General Fund	Other Governmental Funds	Enterprise Funds	Internal Service Funds	
General fund	\$ -	\$ 352,889	\$ 1,038,564	\$ 1,428,753	\$ 2,820,206
Other Governmental fund	-	949,000	-	-	949,000
	<u>\$ -</u>	<u>\$ 1,301,889</u>	<u>\$ 1,038,564</u>	<u>\$ 1,428,753</u>	<u>\$ 3,769,206</u>

The transfers made during the period consisted of the following:

From	To	Amount	Description
General fund	Other governmental funds	\$ 352,889	To finance costs in excess of federal allotments for Headstart; to finance costs in excess of donations, grants and user charges in the Special Events Fund.
Other governmental funds	Other governmental funds	949,000	To finance costs of the National Breakfast and Lunch Program (NSLP) from the Summer Feeding Program
General fund	Internal service fund	1,428,753	To finance claims in excess of user fees in the Unemployment and Insurance Claims Funds.
General Fund	Enterprise Fund	1,038,564	To finance cost in excess of user fees to the Employee Child Care.
<b>Total transfers</b>		<u>\$ 3,769,206</u>	



**Plano Independent School District**  
Notes to the Basic Financial Statements

**Note 7. Long-Term Debt**

The following is a summary of the District's long-term debt for the year ended June 30, 2021:

	Obligations Outstanding July 1, 2020	New Obligations Incurred	Obligations Retired or Refunded and Accretion	Obligations Outstanding June 30, 2021	Obligations Due Within One Year
General obligation bonds payable	\$ 753,090,000	\$ 62,720,000	\$ (190,185,000)	\$ 625,625,000	\$ 99,310,000
Loss (gain) on advanced refunding	(11,246,870)	1,369,236	2,467,306	(7,410,328)	-
Premium on bond issuance	70,488,740	3,422,922	(16,267,135)	57,644,527	-
Compensated absences	3,766,513	123,758	(287,614)	3,602,657	275,102
Arbitrage liability	951,276	-	(540,514)	410,762	-
<b>Total</b>	<b>\$ 817,049,659</b>	<b>\$ 67,635,916</b>	<b>\$ (204,812,957)</b>	<b>\$ 679,872,618</b>	<b>\$ 99,585,102</b>

**Debt Payable-Governmental Activities**

Bonds payable at June 30, 2021, are composed of the following individual issues:

Description	Interest Rate Payable	Amounts Original Issue	Bonds Outstanding at July 1, 2020	Issued (Retired)	Bonds Outstanding at June 30, 2021
School Building Unlimited Tax Bonds Series 2009B	4.04% to 6.27%	87,390,000	79,765,000	(2,525,000)	77,240,000
School Building Unlimited Tax Bonds Series 2009C	1.00%	31,900,000	11,400,000	(2,280,000)	9,120,000
School Building Unlimited Tax Bonds Series 2012	2.50% to 5.00%	92,840,000	67,415,000	(67,415,000)	-
Unlimited Tax Refunding Bonds Series 2012	4.00% to 5.00%	46,115,000	31,310,000	(2,860,000)	28,450,000
Unlimited Tax Refunding Bonds Series 2012A	2.00% to 4.00%	27,805,000	10,750,000	(1,015,000)	9,735,000
School Building Unlimited Tax Bonds Series 2013	3.38% to 5.50%	53,740,000	36,520,000	(1,485,000)	35,035,000
School Building Refunding Bonds Series 2015	2.00% to 5.00%	43,250,000	34,130,000	(2,345,000)	31,785,000

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Notes to the Basic Financial Statements

Description	Interest Rate Payable	Amounts Original Issue	Bonds Outstanding at July 1, 2020	Issued (Retired)	Bonds Outstanding at June 30, 2021
School Building Refunding Bonds Series 2016A	2.00% to 5.00%	199,950,000	171,450,000	(12,630,000)	158,820,000
School Building Refunding Bonds Series 2016B	2.00% to 5.00%	103,410,000	29,475,000	(27,540,000)	1,935,000
School Building Unlimited Tax Bonds Series 2016	3.00% to 5.00%	257,210,000	207,600,000	(21,940,000)	185,660,000
School Building Unlimited Tax Bonds Series 2017	3.00% to 5.00%	108,020,000	59,095,000	(20,405,000)	38,690,000
School Building Unlimited Tax Bonds Series 2018	5.00%	13,655,000	4,815,000	(4,265,000)	550,000
Unlimited Tax Refunding Bonds Series 2019	4.00% to 5.00%	10,325,000	9,365,000	(7,620,000)	1,745,000
Unlimited Tax Refunding Bonds Series 2020	5.00%	62,720,000	-	46,860,000	46,860,000
<b>Totals</b>			<u>\$ 753,090,000</u>	<u>\$ (127,465,000)</u>	<u>\$ 625,625,000</u>

The following table summarizes the annual debt service requirements of the outstanding debt issues at June 30, 2021, to maturity:

	Bond Principal	Bond Interest	Totals
2022	\$ 99,310,000	\$ 30,008,174	\$ 129,318,174
2023	74,880,000	25,154,315	100,034,315
2024	55,785,000	21,509,501	77,294,501
2025	54,230,000	18,814,204	73,044,204
2026	41,695,000	16,170,596	57,865,596
2027-2031	194,095,000	48,881,196	242,976,196
2032-2036	99,630,000	13,358,049	112,988,049
2037-2041	6,000,000	307,550	6,307,550
	<u>\$ 625,625,000</u>	<u>\$ 174,203,585</u>	<u>\$ 799,828,585</u>

## Plano Independent School District

### Notes to the Basic Financial Statements

During the year, the District issued "Plano Independent School District Unlimited Tax Refunding Bonds, Series 2020," totaling \$62,720,000 to refund \$64,585,000 of outstanding Series 2012 Unlimited Tax School Building Bonds. These bonds incur an average cost over the life of the bonds at a rate of 2.50-5.00% and mature annually with semi-annual interest payments. The proceeds were used to purchase state and local government series securities and these securities were placed in an irrevocable escrow account until the refunded bonds are redeemed. The District, in effect, decreased its aggregate debt service payments by \$22,138,659 through 2037 and resulted in a net present value economic gain of \$17,515,458. The new bonds will fully mature in 2023.

As of June 30, 2021, the District had zero defeased bonds outstanding. Original losses on refunding were \$17.3 million of which \$7.4 million is unamortized and reported in the Statement of Net Position as a deferred outflow of resources. Unamortized bond premiums of \$57.6 million are reported in the Statement of Net Position as an increase in the long-term debt.

As of June 30, 2021, \$49,875,000 of bonds from the May 2016 election were authorized by bond election and not issued.

#### Other Long-term Debt

**Arbitrage.** The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury of investment income received at yields that exceed the issuer's tax-exempt borrowing rates. The U.S. Treasury requires payment for each issue every five years. Arbitrage liability for tax-exempt debt subject to the Tax Reform Act issued through June 30, 2021, amounted to \$410,762.

The estimated liability is updated annually for any tax-exempt issuances or changes in yields until such time payment of the calculated liability is due.

**Compensated Absences.** Certain employees are entitled to receive accrued vacation pay in a lump-sum cash payment upon termination of employment with the District. The net decrease of \$163,856 over the prior fiscal year represents the recorded decrease in the liability due to employees' using accumulated vacation pay and not allowing days to accumulate. The general fund and special revenue funds are used to liquidate compensated absences.

**Plano Independent School District**  
Notes to the Basic Financial Statements

**Note 8. Encumbrances**

At June 30, 2021, the District had encumbrances which are classified as restricted, committed or assigned in accordance with purpose constraints. Encumbrances reported in the Governmental Funds were as follows:

Function	General Fund	Capital Projects	Food Service	Federal Special Revenue	State Special Revenue	Local Special Revenue	Total
Instruction	\$ 8,521	\$ -	\$ -	\$ -	\$ -	\$ 73	\$ 8,594
Instructional resources	-	-	-	-	-	-	-
Curriculum and instructional staff development	2,405	-	-	701	-	100	3,206
Technology	2,431	-	-	-	-	-	2,431
Instructional leadership	-	-	-	-	-	180	180
School leadership	-	-	-	-	-	120	120
Guidance, counseling and evaluation services	150	-	-	-	-	-	150
Student transportation	75	-	-	-	-	-	75
Food services	-	-	486	-	-	-	486
Co-curricular/ extracurricular activities	25,926	-	-	-	-	14,182	40,108
General administration	9,830	-	-	-	-	-	9,830
Plant maintenance and operations	352,630	-	-	-	-	450	353,080
Security and Data processing services	7,878	-	-	-	-	-	7,878
Facilities acquisition and construction	-	10,682,660	-	-	-	-	10,682,660
<b>Total encumbrances by fund type</b>	<b>\$ 409,846</b>	<b>\$ 10,682,660</b>	<b>\$ 486</b>	<b>\$ 701</b>	<b>\$ -</b>	<b>\$ 15,105</b>	<b>\$ 11,108,798</b>

**Note 9. Risk Management**

The District is exposed to various risks related to the theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District's risk management program encompasses various means of protecting the District against losses through policies with commercial insurance carriers or through self-insurance. Settled claims have not exceeded insurance coverage in any of the previous five fiscal years.

**Workers' Compensation**

The District maintains a self-insurance program for workers' compensation. Contributions are paid from all governmental and proprietary funds to the Workers' Compensation Internal Service Fund from which all claims and administrative expenses are paid. The District maintains a catastrophic loss insurance policy for catastrophic losses exceeding \$400,000 per occurrence up to statutory limit of liability.

An accrual for incurred but not reported claims in the amount of \$2,288,000 has been recorded in the fund as of June 30, 2021. Claims payable, including an estimate of claims incurred but not reported, was actuarially determined based on the District's historical claims experience and an estimate of the remaining liability on known claims.

**Plano Independent School District**  
Notes to the Basic Financial Statements

Workers' Compensation Fund changes in claims payable for the years ended 2021 and 2020:

	June 30, 2021	June 30, 2020
Account balance, beginning of fiscal year	\$ 2,374,000	\$ 2,300,000
Incurred claims and claim adjustment expenses	3,609,954	1,835,733
Claim payments during the year	(3,695,954)	(1,761,733)
<b>Account balance, end of fiscal year</b>	<b>\$ 2,288,000</b>	<b>\$ 2,374,000</b>

**Health Benefits**

The District employees are eligible to purchase health insurance through TRS-Active Care which is the statewide health plan for public education employees established by the 77th Texas Legislature and is a fully insured plan administered by Blue Cross and Blue Shield of Texas.

During the year ended June 30, 2021, the District funded benefit credits of \$300 per month per participating employee to the health insurance internal service fund.

The District contribution, along with the employee contribution made through payroll deduction was used to pay the premiums for the insurance plans chosen by the employee. The District also offers a flexible spending option that is administered by Flexible Benefit Administrators.

**Property, Casualty, General Liability and Professional Liability**

The District purchases commercial policies which include general liability, property and auto insurance. However, the District has established a self-funded internal service fund to pay the cost of deductibles associated with these insurance policies. There have been no significant reductions in insurance coverage from coverage in the prior year for any category of risk.

The deductible for property insurance is \$250,000 with no deductible on auto insurance. In addition, the District purchases professional legal liability insurance and must pay the first \$100,000 on each liability claim. The amount of claims settlements did not exceed the insurance coverage in each of the past three years.

An accrual for incurred but not reported claims in the amount of \$50,000 has been recorded as of June 30, 2021. Property and Liability changes in claims payable for the years ended June 30, 2021 and 2020:

	June 30, 2021	June 30, 2020
Account balance, beginning of fiscal year	\$ 15,034	\$ 53,176
Incurred claims and claim adjustment expenses	35,128	202,665
Claim payments during the year	(162)	(240,807)
<b>Account balance, end of fiscal year</b>	<b>\$ 50,000</b>	<b>\$ 15,034</b>

**Unemployment**

The District utilizes a separate internal service fund to account for unemployment benefits. TASB Risk Management Fund bills the District quarterly for the unemployment benefits paid out by the Texas Workforce Commission.

The District maintains the self-insurance program for unemployment benefits which is funded by premiums charged to the general and special revenue funds. An accrual for incurred but not reported claims in the amount of \$700,000 has been recorded as of June 30, 2021.

**Plano Independent School District**  
Notes to the Basic Financial Statements

Changes in unemployment claims payable for the years ended June 30, 2021 and 2020:

	June 30, 2021	June 30, 2020
Account balance, beginning of fiscal year	\$ 650,000	\$ 288,834
Incurred claims and claim adjustment expenses	50,000	388,029
Claim payments during the year	-	(26,863)
<b>Account balance, end of fiscal year</b>	<b>\$ 700,000</b>	<b>\$ 650,000</b>

The liabilities for each type of claims payable described above are expected to be liquidated within the next twelve months, and are, therefore, recorded as current liabilities.

**Medicare Part D**

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the years ended June 30, 2021 and 2020, these on-behalf payments were \$1,670,676 and \$1,606,912, respectively, and were recorded as equal revenues and expenditures in the General Fund.

**Note 10. Employees' Retirement Plan and Retiree Health Plan**

**Plan Description**

The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. 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 TRS's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at [http://www.trs.texas.gov/Pages/about\\_archive\\_cafra.aspx](http://www.trs.texas.gov/Pages/about_archive_cafra.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 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years.

**Plano Independent School District**  
Notes to the Basic Financial Statements

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.

In May 2019, the 86<sup>th</sup> Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increase from the state, participating employers and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13<sup>th</sup> check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in either the matching amount of their monthly annuity or \$2,000, whichever was less.

**Contributions**

Employee contribution rates are set in state statute, Texas Government Code 825.402. Contribution requirements are established or amended pursuant to Article XVI, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. 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.

	Contribution Rates	
	2021	2020
Member	7.7%	7.7%
Non-employer Contributing Entity (State)	7.5%	7.5%
Employers	7.5%	7.5%
2021 Employer Contributions		\$ 13,649,025
2021 Member Contributions		28,704,762
2021 NECE On-behalf Contributions		20,105,489

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

## **Plano Independent School District**

### Notes to the Basic Financial Statements

As the non-employer contributing entity, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during the fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

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

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

- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment-after-retirement surcharge.
- Public education employer contribution - all public schools, charter schools and regional education service centers must contribute 1.5% of the member's salary beginning in September 1, 2019, gradually increasing to 2.0% on September 1, 2024.



**Plano Independent School District**  
Notes to the Basic Financial Statements

**Actuarial Assumptions**

The total pension liability in the August 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	August 31, 2019 rolled forward to August 31, 2020
Actuarial method	Normal
Asset valuation method	Individual Entry Age Normal Fair Value
Single discount rate	7.25%
Long-term expected investment rate of return	7.25%
Municipal Bond Rate as of August 2020	2.33%. Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."
Last year ending August 31 in Projection Period (100 years)	2119
Inflation	2.30%
Salary increases including inflation	3.05% to 9.05% including inflation
Payroll growth rate	2.50%
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 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**

The single discount rate used to measure the total pension liability was 7.25%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine the 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.

**Plano Independent School District**  
Notes to the Basic Financial Statements

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 arithmetic real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2020 are summarized below:

Asset Class	Target Allocation*	Long-Term Expected Geometric Real Rate of Return**	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
U.S.	18.00%	3.90%	0.99%
Non-U.S. Developed	13.00%	5.10%	0.92%
Emerging Markets	9.00%	5.60%	0.83%
Directional Hedge Funds	0.00%	0.00%	0.00%
Private Equity	14.00%	6.70%	1.41%
Stable Value			
Government Bonds	16.00%	-0.70%	-0.05%
Absolute Return	-	1.80%	-
Stable Value Hedge Funds	5.00%	1.90%	0.11%
Real Return			
Global Inflation Linked Bonds	0.00%	0.00%	0.00%
Real Estate	15.00%	4.60%	1.02%
Energy, Natural Resources and Infrastructure	6.00%	6.00%	0.42%
Commodities	-	0.80%	-
Risk Party			
Risk Party	8.00%	3.00%	0.30%
Asset Allocation Leverage			
Cash	2.00%	-1.50%	-0.03%
Asset Allocation Leverage	-6.00%	-1.30%	0.08%
Inflation Expectation			2.00%
Volatility drag***			-0.67%
<b>Total</b>	<b>100.00%</b>		<b>7.33%</b>

\* Target allocations are based on the FY 2020 policy model.

\*\* Capital market assumptions come from Aon Hewitt (as of 8/31/2020).

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

**Plano Independent School District**  
Notes to the Basic Financial Statements

**Discount Rate Sensitivity Analysis**

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.25%) in measuring the Net Pension Liability:

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
<b>Proportionate share of the net pension liability:</b>	\$ 244,283,720	\$ 158,421,891	\$ 88,661,035

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

At June 30, 2021, the District reported a liability of \$158,421,891 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	\$ 158,421,891
State's proportionate share that is associated with the District	260,980,020
<b>Total</b>	<b>\$ 419,401,911</b>

The net pension liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2019 rolled forward to August 31, 2020. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2019 thru August 31, 2020.

At August 31, 2020 the District's proportion of the collective net pension liability was 0.2957952%, which was a decrease of (0.03945030%) from its proportion measured as of August 31, 2019.

**Changes since the Prior Actuarial Valuation**

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

**Plano Independent School District**  
Notes to the Basic Financial Statements

At June 30, 2021, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experiences	\$ 289,266	\$ 4,421,134
Changes in actuarial assumptions	36,759,515	15,629,889
Differences between projected and actual investment earnings	3,207,115	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	9,067,217	15,942,661
Contributions paid to TRS subsequent to the measurement date	10,396,497	-
<b>Total</b>	<b>\$ 59,719,610</b>	<b>\$ 35,993,684</b>

\$10,396,597 reported as deferred outflows of resources resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Pension Expense (Income)
Year ended June 30:	
2022	\$ 5,750,511
2023	6,607,256
2024	6,167,705
2025	28,055
2026	(4,375,828)
Thereafter	(848,270)
<b>Total</b>	<b>\$ 13,329,429</b>

**Note 11. Defined Other Post-Employment Benefit Plan**

**Plan Description**

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

**OPEB Plan Fiduciary Net Position**

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

**Plano Independent School District**  
Notes to the Basic Financial Statements

**Benefits Provided**

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

Eligible 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 Medical Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post employments benefit changes; including automatic COLAs.

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

TRS-Care Monthly Premium Rates  
Effective January 1, 2020-December 31, 2020

	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree or surviving spouse	\$ 135	\$ 200
Retiree and spouse	529	689
Retiree or surviving spouse and childrer	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 percent of the employee's salary. Section 1575.203 establishes the active employee's rate which is .75 percent of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

	<u>2020</u>	<u>2021</u>
Active employee	0.65%	0.65%
Non-employer contribution entity (state)	1.25%	1.25%
Employers (District)	0.75%	0.75%
Federal/private funding	1.25%	1.25%

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

**Plano Independent School District**  
Notes to the Basic Financial Statements

The contribution amounts for the District's fiscal year 2021 are as follows:

District contributions	\$	3,016,875
Member contributions		2,423,129
NECE on-behalf contributions (state)		4,053,901

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 \$230.8 million in fiscal year 2020.

**Actuarial Assumptions**

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

The following assumptions and other inputs used for members of TRS-CARE are identical to the assumptions used in the August 31, 2019 TRS pension actuarial valuation that was rolled forward to August 31, 2020.

Rates of mortality	General inflation
Rates of retirement	Wage inflation
Rates of termination	Expected payroll growth
Rates of disability incidence	
Additional Actuarial Methods and Assumptions:	
Valuation date	August 31, 2019, rolled forward to August 31, 2020
Actuarial cost method	Individual entry age normal
Inflation	2.30%
Single discount rate	2.33%. Sourced from fixed Income municipal bonds with 20 years to maturity that include only federal tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of August 31, 2020.
Aging factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Payroll growth rate	2.50%
Projected salary increases	3.50% to 9.50% including inflation
Election rates	Normal retirement 65% participation prior to age 65, 40% participation after age 65 and 25% of pre-65 retirees are assumed to discontinue coverage at age 65
Ad hoc post-employment benefit changes	None

**Plano Independent School District**  
Notes to the Basic Financial Statements

**Discount Rate**

A single discount rate of 2.33% was used to measure the total OPEB liability. There was a decrease of .30 percent in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to *not be able* to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

	1% Decrease (1.33%)	Current Discount Rate (2.33%)	1% Increase (3.33%)
District’s proportionate share of the net OPEB liability	\$ 181,064,655	\$ 150,887,500	\$ 127,051,879

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District’s proportionate share of the net OPEB liability	\$ 123,255,756	\$ 150,887,500	\$ 187,689,078

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

At June 30, 2021, the District reported a liability of \$150,887,500 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 net OPEB liability	\$ 150,887,500
State’s proportionate share of the net OPEB liability associated with the District	202,756,631
<b>Total</b>	<b>\$ 353,644,131</b>

The Net OPEB Liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer’s proportion of the Net OPEB Liability was based on the employer’s contributions to OPEB relative to the contributions of all employers to the plan for the period September 1, 2019 thru August 31, 2020.

At August 31, 2020 the employer’s proportion of the collective Net OPEB Liability was 0.3969207462% which was a decrease of 0.02251% from the same proportion measured as of August 31, 2019.

## **Plano Independent School District**

### Notes to the Basic Financial Statements

#### **Change of Assumptions Since the Prior Measurement Date**

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

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

#### **Change 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, 2020, the District recognized OPEB expense of \$4,936,168 and revenue of \$1,407,865 for support provided by the State.

#### **Note 12. Recapture Payment**

Intergovernmental Charges include an amount of \$192,058,669 representing recapture payments made in accordance with the state school finance law.

House Bill (HB) 3, passed during the 86<sup>th</sup> Texas legislative session, made substantial changes to the District's recapture payment. Under HB 3, districts must reduce local revenue in excess of entitlement. Texas Education Code, Chapter 49. The Chapter 49 provision recaptures local tax dollars from property-rich districts and redistributes the funds to property-poor districts.

In fiscal year 2021, 31.3 percent of all local revenue collected from property taxes will be subject to recapture. The District's recapture payment for 2020-2021 of \$192 million increased \$25.9 million due to an increase in property values and reduction in student enrollment and corresponding attendance.

#### **Note 13. Commitments and Contingencies**

The District received financial resources from numerous federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements, subject to audit by the grantor agencies and the Texas Education Agency. Any disallowed claims resulting from such audits could become a liability of the General Fund. However, in the opinion of management, any such disallowed claims, if any, will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 2021.



**Plano Independent School District**  
Notes to the Basic Financial Statements

The District is the defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the administration, the outcome of these lawsuits will not have a material adverse effect on the accompanying combined financial statements. A provision for losses has been recorded in the self-funded internal service fund to pay the cost of deductibles associated with the District's professional legal liability insurance.

The District is party to several operating leases for the rental of copier machines and portable buildings. These leases are for various terms with expiration dates through 2025. Payments under the leases for the year ended June 30, 2021 totaled \$905,937. Future obligations under the leases are as follows:

2022	\$ 821,113
2023	637,779
2024	86,252
2025	83,462
	<u>\$ 1,628,606</u>

**Note 14. Shared Service Arrangements**

The District is the fiscal agent for a Shared Service Arrangement (SSA) which provides deaf education services to member districts whose students are enrolled in the Regional Day School Program for the Deaf (RDSPD). In addition to the District, other member districts include Allen ISD, Anna ISD, Blue Ridge ISD, Celina ISD, Community ISD, Coppell ISD, Farmersville ISD, Frisco ISD, Imagine International, Lovejoy ISD, McKinney ISD, Melissa ISD, Princeton ISD, Prosper ISD, Richardson ISD and Wylie ISD.

The District, acting as the fiscal agent, receives monies from the granting agencies and administers the program. The fiscal agent is responsible for employment of personnel, budgeting, accounting, reporting and ensuring funds are used in accordance with the grant provisions. The District reports the activities of the SSA in the appropriate special revenue funds provided in the TEA Financial Accounting Resource Guide, Version 17.0.

According to the SSA agreement, costs incurred by the RDSPD over and above the amount of state and federal funds received shall be divided among the member districts using a weighted formula based on student services, time and distance to a school.

**Plano Independent School District**  
Notes to the Basic Financial Statements

Expenditures billed to the SSA members as of June 30, 2021 are summarized below:

Allen ISD	\$	81,177
Anna ISD		47,177
Blue Ridge ISD		-
Celina ISD		-
Community ISD		47,557
Coppell ISD		-
Farmersville ISD		39,038
Frisco ISD		424,728
Imagine International		-
Lovejoy ISD		6,848
McKinney ISD		157,824
Melissa ISD		35,798
Plano ISD		757,457
Princeton ISD		85,548
Prosper ISD		155,255
Richardson ISD		469,547
Wylie ISD		<u>100,005</u>
<b>Total</b>	<b>\$</b>	<b><u>2,407,959</u></b>

**Note 15. Evaluation of Subsequent Events**

The District's management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended June 30, 2021 through November 16, 2021, the date the financial statements were issued. Management is not aware of any subsequent events, other than those described above, that would require recognition or disclosure in the accompanying financial statements.

**Note 16. New Accounting Pronouncements**

**GASB Pronouncements implemented by the District**

**GASB Statement No. 84, *Fiduciary Activities*.** This Statement was issued in January 2017 and provides guidance to enhance the consistency and comparability of fiduciary activity reporting by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. The cumulative effect of implementation of GASB Statement No. 84 is \$348,256. This amount was recognized in the Statement of Changes in Fiduciary Net Position for the Custodial Fund.

**GASB Statement No. 98, *The Annual Comprehensive Financial Report*.** This Statement was issued in October 2021 and establishes the term *annual comprehensive financial report* and its acronym ACFR. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments. The implementation of this standard changed the report name to the *Annual Comprehensive Financial Report*.

## Plano Independent School District

### Notes to the Basic Financial Statements

#### **GASB Pronouncements to be implemented by the District**

**GASB Statement No. 87: Leases. Statement 87** was issued in June 2017. This Statement establishes standards of accounting and financial reporting for lease by lessees and lessors. This standard is effective for the District in fiscal year 2022. The District has not yet determined the impact of this statement.

**GASB Statement No. 89: Accounting for Interest Cost Incurred before the End of a Construction Period. Statement 89** was issued in June 2018. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. This Standard becomes effective for the District in fiscal year 2022. The District has not yet determined the impact of this statement.

**GASB Statement No. 91: Conduit Debt Obligations. Statement 91** was issued in May 2019. This Statement establishes a single method of reporting conduit debt obligations by issuers to eliminate diversity in practice. This Standard becomes effective for the District in fiscal year in fiscal year 2021. The District has not yet determined the impact of this statement.

**GASB Statement No. 92: Omnibus 2020. Statement 92** was issued in January 2020. This Statement establishes accounting and financial reporting requirements for specific issues related to leases, intraentity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. This Standard becomes effective for the District in fiscal year in fiscal year 2022. The District has not yet determined the impact of this statement.

**GASB Statement No. 93: Replacement of Interbank Offered Rates. Statement 93** was issued in March 2020. This Statement establishes accounting and financial reporting requirements related to the replacement of IBORs in hedging derivative instruments and leases. This Standard becomes effective for the District in fiscal year in fiscal year 2022. The District has not yet determined the impact of this statement.

**GASB Statement No. 94: Public-Private and Public-Public Partnerships and Availability Payment Arrangements. Statement 94** was issued in March 2020. This Statement establishes standards of accounting and financial reporting for PPPs and APAs for governments. This Standard becomes effective for the District in fiscal year in fiscal year 2023. The District has not yet determined the impact of this statement.

**GASB Statement No. 96: Subscription-Based Information Technology Arrangements. Statement 96** was issued in May 2020. This Statement establishes standards of accounting and financial reporting for Subscription-based information technology arrangements by a government end user (a government). This Standard becomes effective for the District in fiscal year in fiscal year 2023. The District has not yet determined the impact of this statement.

**GASB Statement No. 97: Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32." Statement 97** was issued in June 2020. This Statement modifies the applicability of certain component unit criteria as they relate to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. This Standard becomes effective for the District in fiscal year in fiscal year 2022. The District has not yet determined the impact of this statement.

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## **Required Supplementary Information**

**Plano Independent School District**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget And Actual – General Fund  
 Year Ended June 30, 2021

**Exhibit G-1**

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
		Original	Final		
<b>REVENUES</b>					
5700	Total local and intermediate sources	\$ 616,987,977	\$ 616,637,220	\$ 616,322,350	\$ (314,870)
5800	State program revenues	44,892,279	55,590,517	59,569,632	3,979,115
5900	Federal program revenues	7,211,166	7,645,666	7,986,164	340,498
5020	Total revenues	669,091,422	679,873,403	683,878,146	4,004,743
<b>EXPENDITURES</b>					
Current:					
0011	Instruction	319,405,897	316,045,502	310,804,872	5,240,630
0012	Instructional resources and media services	7,218,728	7,233,830	6,961,311	272,519
0013	Curriculum and instructional staff development	9,131,842	8,889,592	8,020,587	869,005
0021	Instructional leadership	5,015,819	5,181,422	4,912,814	268,608
0023	School leadership	28,952,778	29,278,453	28,664,847	613,606
0031	Guidance, counseling and evaluation services	22,882,929	22,956,130	22,317,164	638,966
0032	Social work services	2,449,569	2,593,999	2,462,537	131,462
0033	Health services	6,179,494	6,219,788	5,986,578	233,210
0034	Student (pupil) transportation	15,694,088	13,736,669	13,176,405	560,264
0035	Food services	120,400	15,000	10,914	4,086
0036	Extracurricular activities	7,501,508	6,401,806	5,909,609	492,197
0041	General administration	12,040,797	11,067,656	10,540,411	527,245
0051	Facilities maintenance and operations	44,481,879	42,557,508	40,852,161	1,705,347
0052	Security and monitoring services	5,073,687	5,341,370	4,916,172	425,198
0053	Data processing services	7,681,231	6,888,231	6,457,832	430,399
0061	Community services	1,664,420	2,192,860	2,065,374	127,486
Intergovernmental:					
0091	Contracted instructional services between schools	179,809,069	192,009,069	192,058,699	(49,630)
0092	Incremental costs associated with Chapter 41	35,000	35,000	26,438	8,562
0093	Payments to fiscal agent/member district of SSA	55,000	55,000	-	55,000
0095	Payments to juvenile justice alternative ed. prg.	75,000	25,000	2,889	22,111
0099	Other intergovernmental charges	5,469,242	5,183,843	5,183,843	-
6030	Total expenditures	680,938,377	683,907,728	671,331,457	12,576,271
1100	Excess (deficiency) of revenues over (under) expenditures	(11,846,955)	(4,034,325)	12,546,689	16,581,014
<b>OTHER FINANCING SOURCES (USES)</b>					
7915	Transfers in	2,275,000	-	-	-
8911	Transfers out (use)	(856,353)	(1,131,000)	(2,820,206)	(1,689,206)
7080	Total other financing sources (uses)	1,418,647	(1,131,000)	(2,820,206)	(1,689,206)
1200	Net change in fund balances	(10,428,308)	(5,165,325)	9,726,483	14,891,808
0100	Fund balance - July 1 (beginning)	266,663,598	266,663,598	266,663,598	-
3000	<b>FUND BALANCE - JUNE 30 (ENDING)</b>	<b>\$ 256,235,290</b>	<b>\$ 261,498,273</b>	<b>\$ 276,390,081</b>	<b>\$ 14,891,808</b>

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

# Plano Independent School District

# Exhibit G-2

## Schedule of the District's Proportionate Share of the Net Pension Liability Teacher Retirement System Last Seven Fiscal Years

Year	District's Proportion of Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State's Proportionate Share of the Net Pension Liability Associated with the District	Total	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2021	0.2957952%	\$ 158,421,891	\$ 260,980,020	\$ 419,401,911	\$ 374,857,643	42.26%	75.54%
2020	0.3352453%	\$ 174,271,009	\$ 252,952,531	\$ 427,223,540	\$ 369,522,881	47.16%	75.24%
2019	0.3402698%	\$ 187,292,777	\$ 277,739,751	\$ 465,032,528	\$ 362,360,271	51.69%	73.74%
2018	0.2561200%	\$ 104,113,028	\$ 169,779,642	\$ 273,892,670	\$ 352,238,059	29.56%	82.17%
2017	0.3105818%	\$ 117,364,255	\$ 209,131,676	\$ 326,495,931	\$ 341,031,000	34.41%	78.00%
2016	0.3282305%	\$ 116,025,113	\$ 198,641,457	\$ 314,666,570	\$ 329,056,036	35.26%	78.43%
2015	0.2089994%	\$ 55,826,630	\$ 173,123,406	\$ 228,950,036	\$ 316,362,498	17.65%	83.25%

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

**Plano Independent School District**  
 Schedule of the District Contributions  
 Teacher Retirement System  
 Last Seven Fiscal Years

**Exhibit G-3**

<b>Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2021	\$ 12,653,695	\$ (12,653,695)	\$ -	\$ 372,789,113	3.39%
2020	\$ 8,030,901	\$ (8,030,901)	\$ -	\$ 376,190,182	2.13%
2019	\$ 7,737,725	\$ (7,737,725)	\$ -	\$ 368,266,313	2.10%
2018	\$ 7,234,141	\$ (7,234,141)	\$ -	\$ 360,911,191	2.00%
2017	\$ 6,762,839	\$ (6,762,839)	\$ -	\$ 350,278,666	1.93%
2016	\$ 5,992,793	\$ (5,992,793)	\$ -	\$ 339,263,215	1.77%
2015	\$ 5,822,171	\$ (5,822,171)	\$ -	\$ 327,053,718	1.78%

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



## Plano Independent School District

Exhibit G-4

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

Year	District's Proportion of Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	State's Proportionate Share of the Net OPEB Liability Associated with the District	Total	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2021	0.3969207%	\$ 150,887,500	\$ -	\$ 150,887,500	\$ 374,857,643	40.25%	4.99%
2020	0.4194300%	\$ 263,567,548	\$ -	\$ 263,567,548	\$ 369,522,881	71.33%	2.66%
2019	0.4254291%	\$ 212,420,665	\$ -	\$ 212,420,665	\$ 362,360,271	58.62%	1.57%
2018	0.4171418%	\$ 181,399,331	\$ -	\$ 181,399,331	\$ 352,238,059	51.50%	0.91%

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

**Plano Independent School District****Exhibit G-5**

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

<b>Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2021	\$ 3,016,875	\$ (3,016,875)	\$ -	\$ 372,789,113	0.81%
2020	\$ 2,976,792	\$ (2,976,792)	\$ -	\$ 376,190,182	0.79%
2019	\$ 2,934,853	\$ (2,934,853)	\$ -	\$ 368,266,313	0.80%
2018	\$ 2,522,542	\$ (2,522,542)	\$ -	\$ 360,911,191	0.70%

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

## **Plano Independent School District**

Notes to the Required Supplementary Information  
Year Ended June 30, 2021

### **Note 1. Budgets**

The District is required by state law to adopt an annual budget for the General Fund, presented on the modified accrual basis of accounting, which is consistent with GAAP. Annual budgets are also adopted for the Child Nutrition Program and the Debt Service Fund.

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

- A. Prior to June 30 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
- B. A meeting of the Board of Trustees is then called for the purpose of adopting the proposed budget after giving at least ten days and up to 30 days public notice of the meeting.
- C. Prior to July 1, the budget is legally enacted through passage of a resolution by the Board of Trustees.
- D. Budget data is filed with the Texas Education Agency as a part of the District's annual fall submission to the TEA Public Education Information Management System (PEIMS).

Once a budget is approved, it can be amended at the function and fund level only by approval of a majority of the members of the Board of Trustees. The function level is the legal level of budgetary control and the object level is the administrative level of control. Amendments are presented to the Board at its regular meetings. Each amendment crossing the function level must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board and are not made after fiscal year-end, as dictated by law.

Each budget is controlled by the budget director at the revenue and expenditure function/object level. Board approval is not required for amendments by department heads that move monies within a function. Budgeted amounts are as amended by the Board of Trustees. All budget appropriations lapse at year-end.

### **Note 2. Significant Items**

#### **Budget Amendments**

During the year, numerous budget amendments are approved by the Board in order to redistribute the budget to align specific amounts to meet projected actual expenditures.

The Board also approves appropriations of fund balance to meet budgetary needs that may arise after the original budget is approved.

**Plano Independent School District**

Notes to the Required Supplementary Information  
Year Ended June 30, 2021

Significant changes between the original and final budgets in the General Fund include the following:

Type of Revenue/Expenditure	Original Budget	Final Budget	Budget Amendments
State program revenues	\$ 44,892,279	\$ 55,590,517	\$ 10,698,238
Contracted instructional services between schools	179,809,069	192,009,069	12,200,000

The Budgetary Comparison Schedule for the General Fund indicated one area with an excess of expenditures over appropriations for the year ended June 30, 2021. Contracted instructional services between schools exceeded budget by \$49,630. Total expenditures did not exceed the budget.

The significant change between the original and final budget for state program revenue budget was due to prior year's property value audit.

Chapter 49 increase is due to ADA Hold Harmless calculation and ESSER II reduction directed by the state. This calculation applies to attendance-based counts only and not to enrollment-based FSP allotments. This reduction in state funding creates a calculated change in entitlement resulting in an increase in the Chapter 49 cost. These reductions were not finalized until the end of June, after final amendment went to the Board of Trustees, therefore creating a small variance with final budget.

**Note 3. Net Pension Liability and Net OPEB Liability**

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

**Changes in actuarial assumptions and inputs**

Measurement Date August 31,	Net Pension Liability		Net OPEB Liability
	Discount Rate	Long-term Expected Rate of Return	Discount Rate
2020	7.250%	7.250%	2.330%
2019	7.250%	7.250%	2.630%
2018	6.907%	7.250%	2.690%
2017	8.000%	8.000%	3.420%
2016	8.000%	8.000%	
2015	8.000%	8.000%	
2014	8.000%	8.000%	

## **Plano Independent School District**

Notes to the Required Supplementary Information  
Year Ended June 30, 2021

### **Changes in demographic and economic assumptions**

For Measurement Date August 31, 2018 – Net Pension Liability and Net OPEB Liability:

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

### **Changes in benefit terms**

For Measurement Date August 31, 2018 – Net OPEB Liability:

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

### **Other changes**

For Measurement Date August 31, 2019 – Net Pension Liability:

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

For Measurement Date August 31, 2019 – Net OPEB Liability:

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

For Measurement Date August 31, 2018 – Net OPEB Liability:

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

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# **Combining and Individual Fund Statements and Schedules**

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**Plano Independent School District**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual – Debt Service Fund  
 Year Ended June 30, 2021

**Exhibit H-1**

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
<b>REVENUES</b>					
5700	Total local and intermediate sources	\$ 152,813,575	\$ 154,813,575	\$ 156,207,461	\$ 1,393,886
5800	Total state revenues	1,030,000	1,043,341	1,043,341	-
5020	Total revenues	153,843,575	155,856,916	157,250,802	1,393,886
<b>EXPENDITURES</b>					
Debt service:					
0071	Debt service - principal on long term debt	113,458,575	125,600,000	125,600,000	-
0072	Debt service - interest on long term debt	40,350,000	34,621,832	34,621,832	-
0073	Debt service - bond issuance cost and fees	35,000	403,048	411,126	(8,078)
6030	Total expenditures	153,843,575	160,624,880	160,632,958	(8,078)
1100	Deficiency of revenues under expenditures	-	(4,767,964)	(3,382,156)	1,385,808
<b>OTHER FINANCING SOURCES (USES)</b>					
7911	Refunding Bonds Issued	-	-	62,720,000	62,720,000
7916	Premium or Discount on Issuance of Bonds	-	-	3,422,922	3,422,922
8949	Payment to Bond Escrow Agent	-	-	(65,774,874)	(65,774,874)
7080	Total other financing sources (uses)	-	-	368,048	368,048
1200	Net change in fund balances	-	(4,767,964)	(3,014,108)	1,753,856
0100	Fund balance - July 1 (beginning)	36,215,491	36,215,491	36,215,491	-
3000	<b>FUND BALANCE - JUNE 30 (ENDING)</b>	<b>\$ 36,215,491</b>	<b>\$ 31,447,527</b>	<b>\$ 33,201,383</b>	<b>\$ 1,753,856</b>

**Plano Independent School District**

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2021

<u>Data Control Codes</u>	<b>240 National Breakfast and Lunch Program</b>	<b>289 Other Federal Special Revenue Funds</b>	<b>379 Other Federal SSA Special Revenue Funds</b>	
<b>ASSETS</b>				
1110	Cash and investments	\$ 3,892,635	\$ 1,112,101	\$ -
1240	Due from other governments	885,957	5,124,760	58,807
1250	Accrued interest	734	-	-
1260	Due from other funds	-	-	-
1290	Other receivables	20,406	-	-
1300	Inventories	67,091	-	-
1000	<b>TOTAL ASSETS</b>	<u>\$ 4,866,823</u>	<u>\$ 6,236,861</u>	<u>\$ 58,807</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
2110	Accounts payable	\$ 375,218	\$ 306,235	\$ -
2160	Accrued wages payable	248,158	1,982,262	21,896
2170	Due to other funds	79	3,822,410	36,911
2180	Due to other governments	-	-	-
2300	Unearned revenues	614,365	125,954	-
2440	Other Payables	549	-	-
2000	Total liabilities	1,238,369	6,236,861	58,807
Fund balances:				
Non spendable				
3410	Investments in inventory	67,091	-	-
Restricted				
3450	Food services	3,561,363	-	-
3450	State special revenue	-	-	-
Committed				
3545	Local special revenue	-	-	-
3000	Total fund balances	<u>3,628,454</u>	<u>-</u>	<u>-</u>
4000	<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 4,866,823</u>	<u>\$ 6,236,861</u>	<u>\$ 58,807</u>

<b>410 Instructional Materials Allotment</b>	<b>429 Other State Special Revenue Funds</b>	<b>459 Other SSA Special Revenue Funds</b>	<b>499 Other Local Special Revenue Funds</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 1,173,629	\$ 587,294	\$ 355,363	\$ 9,809,385	\$ 16,930,407
5,383,722	34,730	747,217	-	12,235,193
-	-	-	354	1,088
-	-	-	-	-
-	-	-	5,184	25,590
-	-	-	-	67,091
<u>\$ 6,557,351</u>	<u>\$ 622,024</u>	<u>\$ 1,102,580</u>	<u>\$ 9,814,923</u>	<u>\$ 29,259,369</u>
\$ 104	\$ 69	\$ 390	\$ 711,577	\$ 1,393,593
-	114,202	655,849	18,119	3,040,486
-	-	-	22,207	3,881,607
-	-	-	1,469	1,469
5,383,722	262,708	446,341	4,122	6,837,212
-	-	-	7,229	7,778
<u>5,383,826</u>	<u>376,979</u>	<u>1,102,580</u>	<u>764,723</u>	<u>15,162,145</u>
-	-	-	-	67,091
-	-	-	-	3,561,363
1,173,525	245,045	-	-	1,418,570
-	-	-	9,050,200	9,050,200
<u>1,173,525</u>	<u>245,045</u>	<u>-</u>	<u>9,050,200</u>	<u>14,097,224</u>
<u>\$ 6,557,351</u>	<u>\$ 622,024</u>	<u>\$ 1,102,580</u>	<u>\$ 9,814,923</u>	<u>\$ 29,259,369</u>

# Plano Independent School District

Combining Statement of Revenues, Expenditures And Changes In  
Fund Balances – Nonmajor Governmental Funds  
Year Ended June 30, 2021

<u>Data Control Codes</u>	<b>240 National Breakfast and Lunch Program</b>	<b>289 Other Federal Special Revenue Funds</b>	<b>379 Other Federal SSA Special Revenue Funds</b>	
<b>REVENUES</b>				
5700	Total local and intermediate sources	\$ 388,392	\$ 505,075	\$ -
5800	State program revenues	1,480,367	-	-
5900	Federal program revenues	1,413,530	34,626,672	197,481
5020	Total revenues	3,282,289	35,131,747	197,481
<b>EXPENDITURES</b>				
Current:				
0011	Instruction	-	16,350,059	189,303
0012	Instructional resources and media services	-	18,350	-
0013	Curriculum and instructional staff development	-	3,330,029	-
0021	Instructional leadership	-	378,813	-
0023	School leadership	-	92,351	-
0031	Guidance, counseling and evaluation services	-	509,816	-
0032	Social work services	-	89,329	-
0033	Health services	-	99,861	-
0034	Student (pupil) transportation	-	6,671	-
0035	Food services	4,406,073	12,071,586	-
0036	Extracurricular activities	-	17,016	-
0041	General administration	-	37,533	-
0051	Facilities maintenance and operations	-	573	-
0052	Security and monitoring services	-	430	-
0053	Data processing services	-	-	-
0061	Community services	-	750,851	8,178
0081	Facilities acquisition and construction	-	-	-
Intergovernmental:				
0093	Payments to fiscal agent/member districts of SSA	-	757,457	-
6030	Total expenditures	4,406,073	34,510,725	197,481
1100	Excess (deficiency) of revenues over (under) expenditures	(1,123,784)	621,022	-
<b>OTHER FINANCING SOURCES</b>				
7915	Transfers in	949,000	327,978	-
8911	Transfers Out	-	(949,000)	-
7080	Total other financing sources	949,000	(621,022)	-
1200	Net change in fund balance	(174,784)	-	-
0100	Fund balance - July 1 (beginning)	3,803,238	-	-
3000	<b>FUND BALANCE - JUNE 30 (ENDING)</b>	<b>\$ 3,628,454</b>	<b>\$ -</b>	<b>\$ -</b>

410 Instructional Materials Allotment	429 Other State Special Revenue Funds	459 Other SSA Special Revenue Funds	499 Other Local Special Revenue Funds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 90	\$ 3,167,642	\$ 4,061,199
3,514,292	1,070,018	4,636,669	-	10,701,346
-	-	-	-	36,237,683
3,514,292	1,070,018	4,636,759	3,167,642	51,000,228
2,716,846	165,930	4,223,151	1,566,658	25,211,947
-	203	-	33,524	52,077
-	39,409	5,479	169,845	3,544,762
-	3,639	133,026	729	516,207
-	-	-	374,300	466,651
-	94,955	-	762,883	1,367,654
-	-	-	-	89,329
-	1,889	48	3,916	105,714
-	-	-	-	6,671
-	-	-	820	16,478,479
-	-	30,128	1,079,160	1,126,304
-	-	-	17,409	54,942
-	114,663	-	66,721	181,957
-	-	-	169,067	169,497
-	-	-	203,558	203,558
-	20,994	244,927	2,422	1,027,372
-	614,981	-	-	614,981
-	-	-	-	757,457
2,716,846	1,056,663	4,636,759	4,451,012	51,975,559
797,446	13,355	-	(1,283,370)	(975,331)
-	-	-	24,911	1,301,889
-	-	-	-	(949,000)
-	-	-	24,911	352,889
797,446	13,355	-	(1,258,459)	(622,442)
376,079	231,690	-	10,308,659	14,719,666
\$ 1,173,525	\$ 245,045	\$ -	\$ 9,050,200	\$ 14,097,224

**Plano Independent School District**

**Exhibit H-4**

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual – National Breakfast and Lunch Program  
Year Ended June 30, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
<b>REVENUES</b>					
5700	Total local and intermediate sources	\$ 12,713,365	\$ 713,365	\$ 388,392	\$ (324,973)
5800	State program revenues	635,000	560,000	1,480,367	920,367
5900	Federal program revenues	12,255,581	11,577,581	1,413,530	(10,164,051)
5020	Total revenues	25,603,946	12,850,946	3,282,289	(9,568,657)
<b>EXPENDITURES</b>					
0035	Food services	26,360,575	15,160,575	4,406,073	10,754,502
0051	Facilities maintenance and operations	10,000	10,000	-	10,000
6030	Total expenditures	26,370,575	15,170,575	4,406,073	10,764,502
1100	Excess (deficiency) of revenues over expenditures	(766,629)	(2,319,629)	(1,123,784)	1,195,845
0100	Fund balance - July 1 (beginning)	3,803,238	3,803,238	3,803,238	-
3000	<b>FUND BALANCE - JUNE 30 (ENDING)</b>	<u>\$ 3,036,609</u>	<u>\$ 1,483,609</u>	<u>\$ 3,628,454</u>	<u>\$ 2,144,845</u>

**Plano Independent School District**  
Combining Statement of Net Position  
Nonmajor Enterprise Funds  
June 30, 2021

**Exhibit H-5**

	<u>Employee Child Care</u>	<u>After School Care</u>	<u>Concessions</u>	<u>Photography</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 112,210	\$ 200,767	\$ 4,477	\$ 19,932	\$ 337,386
Accrued interest	-	-	-	5	5
Other receivables	-	29,946	-	-	29,946
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total current assets	112,210	230,713	4,477	19,937	367,337
Noncurrent assets:					
Capital assets:					
Furniture and equipment	9,245	-	5,445	-	14,690
Depreciation on furniture and equipment	(3,963)	-	(5,445)	-	(9,408)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total noncurrent assets	5,282	-	-	-	5,282
Total assets	117,492	230,713	4,477	19,937	372,619
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	5,012	174,906	488	-	180,406
Accrued wages payable	100,015	19,995	3,989	-	123,999
Unearned revenues	12,465	35,812	-	-	48,277
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	117,492	230,713	4,477	-	352,682
<b>NET POSITION</b>					
Investments in capital assets	5,282	-	-	-	5,282
Unrestricted net position	(5,282)	-	-	19,937	14,655
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL NET POSITION</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,937</u>	<u>\$ 19,937</u>

**Plano Independent School District**

**Exhibit H-6**

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position  
 Nonmajor Enterprise Funds  
 Year Ended June 30, 2021

	<b>Employee Child Care</b>	<b>After School Care</b>	<b>Concessions</b>	<b>Photography</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>OPERATING REVENUES</b>					
Local and intermediate sources	\$ 1,414,714	\$ 2,112,009	\$ 131,903	\$ -	\$ 3,658,626
Total operating revenues	1,414,714	2,112,009	131,903	-	3,658,626
<b>OPERATING EXPENSES</b>					
Payroll costs	1,666,987	2,406,428	83,163	-	4,156,578
Professional and contracted services	99,137	25,355	-	-	124,492
Supplies and materials	41,123	14,644	57,800	-	113,567
Other operating costs	155,326	214,491	8,824	-	378,641
Total operating expenses	1,962,573	2,660,918	149,787	-	4,773,278
Operating income (loss)	(547,859)	(548,909)	(17,884)	-	(1,114,652)
<b>NON OPERATING REVENUES (EXPENSES)</b>					
Earnings from temporary deposits and investments	-	-	-	68	68
Total non operating revenues (expenses)	-	-	-	68	68
Income (loss) before transfers	(547,859)	(548,909)	(17,884)	68	(1,114,584)
Transfers in	473,692	548,910	15,962	-	1,038,564
Change in net position	(74,167)	1	(1,922)	68	(76,020)
Total net position - July 1 (beginning)	74,167	(1)	1,922	19,869	95,957
<b>TOTAL NET POSITION - JUNE 30 (ENDING)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,937</b>	<b>\$ 19,937</b>



**Plano Independent School District**  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
Year Ended June 30, 2021

**Exhibit H-7**

	<b>Employee Child Care</b>	<b>After School Care</b>	<b>Concessions</b>	<b>Photography</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
Cash received from user charges	\$ 1,427,179	\$ 2,124,499	\$ 131,903	\$ -	\$ 3,683,581
Cash payments to employees for services	(1,660,346)	(2,396,099)	(83,068)	-	(4,139,513)
Cash payments for suppliers	(138,853)	(93,491)	(57,665)	-	(290,009)
Cash payments for other operating expenses	(154,005)	(214,491)	(8,824)	-	(377,320)
Net cash provided by (used for) operating activities	(526,025)	(579,582)	(17,654)	-	(1,123,261)
<b>CASH FLOW FROM NON-CAPITAL FINANCING ACTIVITIES</b>					
Transfers in	473,692	548,910	15,962	-	1,038,564
Net cash provided by (used for) non-capital financing activities	473,692	548,910	15,962	-	1,038,564
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sales and maturities of investments	-	13,741	723	785	15,249
Interest and dividends on investments	-	179	5	78	262
Net cash provided by (used for) investing activities	-	13,920	728	863	15,511
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>					
	(52,333)	(16,752)	(964)	863	(69,186)
Cash and cash equivalents at beginning of the year	164,543	195,534	2,616	15,590	378,283
Cash and cash equivalents at the end of the year	112,210	178,782	1,652	16,453	309,097
Temporary investment not in cash equivalents	-	21,985	2,825	3,479	28,289
Cash on statement of net position	\$ 112,210	\$ 200,767	\$ 4,477	\$ 19,932	\$ 337,386
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ (547,859)	\$ (548,909)	\$ (17,884)	\$ -	\$ (1,114,652)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
Effect of increases and decreases in current Assets and liabilities					
Decrease (increase) in receivables	-	(13,051)	-	-	(13,051)
Decrease (increase) in prepaid expenses	1,321	-	-	-	1,321
Increase (decrease) in accounts payable	1,407	(53,492)	135	-	(51,950)
Increase (decrease) in accrued wages payable	6,641	10,329	95	-	17,065
Increase (decrease) in unearned revenues	12,465	25,541	-	-	38,006
Net cash provided by (used for) operating activities	\$ (526,025)	\$ (579,582)	\$ (17,654)	\$ -	\$ (1,123,261)

**Plano Independent School District**  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2021

	<b>752</b>	<b>753</b>
	<b>Print Shop</b>	<b>Health Benefits</b>
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 181,044	\$ 310,099
Accrued interest	45	78
Other receivables	108	1,134
Prepaid expenses	-	336,309
Total current assets	181,197	647,620
Noncurrent assets:		
Capital assets:		
Furniture and equipment	14,944	-
Depreciation on furniture and equipment	(14,944)	-
Total noncurrent assets	-	-
Total assets	181,197	647,620
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	520	244
Accrued wages payable	11,206	2,760
Accrued expenses	-	95,899
Unearned revenue	-	-
Total liabilities	11,726	98,903
<b>NET POSITION</b>		
Investments in capital assets	-	-
Unrestricted net position	169,471	548,717
<b>TOTAL NET POSITION</b>	<b>\$ 169,471</b>	<b>\$ 548,717</b>

<b>772 Workers' Compensation Self-Funded</b>	<b>773 Unemployment Self-Funded</b>	<b>775 Sign Shop</b>	<b>786 Insurance Claims Self-Funded</b>	<b>Total Internal Service Funds</b>
\$ 3,494,927	\$ 311,731	\$ 253,322	\$ 102,069	\$ 4,653,192
876	78	63	-	1,140
-	-	-	878	2,120
-	-	-	-	336,309
3,495,803	311,809	253,385	102,947	4,992,761
-	-	16,430	-	31,374
-	-	(11,501)	-	(26,445)
-	-	4,929	-	4,929
3,495,803	311,809	258,314	102,947	4,997,690
12,041	-	-	23,944	36,749
-	-	-	-	13,966
2,288,000	700,000	-	50,000	3,133,899
-	-	-	878	878
2,300,041	700,000	-	74,822	3,185,492
-	-	4,929	-	4,929
1,195,762	(388,191)	253,385	28,125	1,807,269
<u>\$ 1,195,762</u>	<u>\$ (388,191)</u>	<u>\$ 258,314</u>	<u>\$ 28,125</u>	<u>\$ 1,812,198</u>

**Plano Independent School District**

Combining Statement of Revenues, Expenses And Changes In Fund Net Position

Internal Service Funds

Year Ended June 30, 2021

	<b>752</b>	<b>753</b>
	<b>Print Shop</b>	<b>Health Benefits</b>
<b>OPERATING REVENUES</b>		
Local and intermediate services	\$ 498,701	\$ 35,460,238
Total operating revenues	<u>498,701</u>	<u>35,460,238</u>
<b>OPERATING EXPENSES</b>		
Payroll costs	354,910	430,904
Professional and contracted services	353,935	140,457
Supplies and materials	109,502	9,481
Depreciation	-	-
Other operating costs	-	35,348,157
Total operating expenses	<u>818,347</u>	<u>35,928,999</u>
Operating income (loss)	<u>(319,646)</u>	<u>(468,761)</u>
<b>NON OPERATING REVENUES (EXPENSES)</b>		
Earnings from temporary deposits and investments	1,271	-
Insurance recovery	-	-
Total non operating revenues (expenses)	<u>1,271</u>	<u>-</u>
Income (loss) before transfers	(318,375)	(468,761)
Transfers in	-	-
Total transfers	-	-
Change in net position	(318,375)	(468,761)
Total net position - July 1 (beginning)	<u>487,846</u>	<u>1,017,478</u>
<b>TOTAL NET POSITION - JUNE 30 (ENDING)</b>	<u>\$ 169,471</u>	<u>\$ 548,717</u>

<b>772 Workers' Compensation Self-Funded</b>	<b>773 Unemployment Self-Funded</b>	<b>775 Sign Shop</b>	<b>786 Insurance Claims Self-Funded</b>	<b>Total Internal Service Funds</b>
\$ 2,758,529	\$ -	\$ 1,303	\$ 528	\$ 38,719,299
<u>2,758,529</u>	<u>-</u>	<u>1,303</u>	<u>528</u>	<u>38,719,299</u>
463,947	-	156	-	1,249,917
1,046,645	-	-	1,826,055	3,367,092
31,710	-	2,243	209,689	362,625
-	-	1,643	-	1,643
<u>468,213</u>	<u>434,217</u>	<u>-</u>	<u>35,035</u>	<u>36,285,622</u>
<u>2,010,515</u>	<u>434,217</u>	<u>4,042</u>	<u>2,070,779</u>	<u>41,266,899</u>
<u>748,014</u>	<u>(434,217)</u>	<u>(2,739)</u>	<u>(2,070,251)</u>	<u>(2,547,600)</u>
9,461	2,159	839	43	13,773
<u>-</u>	<u>-</u>	<u>-</u>	<u>657,501</u>	<u>657,501</u>
<u>9,461</u>	<u>2,159</u>	<u>839</u>	<u>657,544</u>	<u>671,274</u>
757,475	(432,058)	(1,900)	(1,412,707)	(1,876,326)
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,428,753</u>	<u>1,428,753</u>
-	-	-	1,428,753	1,428,753
757,475	(432,058)	(1,900)	16,046	(447,573)
<u>438,287</u>	<u>43,867</u>	<u>260,214</u>	<u>12,079</u>	<u>2,259,771</u>
<u>\$ 1,195,762</u>	<u>\$ (388,191)</u>	<u>\$ 258,314</u>	<u>\$ 28,125</u>	<u>\$ 1,812,198</u>

**Plano Independent School District**  
Combining Statement of Cash Flows  
Internal Service Funds  
Year Ended June 30, 2021

	752	753
	Print Shop	Health Benefits Self-Funded
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Cash received from user charges	\$ 498,593	\$ 35,436,214
Cash payments to employees for services	(348,976)	(428,144)
Cash payments for insurance claims	-	-
Cash payments for suppliers	(463,077)	(170,289)
Cash payments for other operating expenses	-	(35,368,806)
	<u>(313,460)</u>	<u>(531,025)</u>
Net cash provided by (used for) operating activities		
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Transfers in	-	-
Insurance proceeds	-	-
	<u>-</u>	<u>-</u>
Net cash provided by (used for) non-capital financing activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale and maturities of securities	55,972	96,083
Interest and dividends on investments	1,594	550
	<u>57,566</u>	<u>96,633</u>
Net cash provided by (used for) investing activities		
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS:</b>	(255,894)	(434,392)
Cash and cash equivalents at beginning of the year	397,340	649,164
Cash and cash equivalents at the end of the year	141,446	214,772
Temporary investment not in cash equivalents	39,598	95,327
<b>CASH ON STATEMENT OF NET POSITION</b>	<u>\$ 181,044</u>	<u>\$ 310,099</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ (319,646)	\$ (468,761)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
Depreciation	-	-
Effect of increases and decreases in current assets and liabilities		
Decrease (increase) in receivables	(108)	24
Decrease (increase) in prepaid expenses	-	(20,649)
Increase (decrease) in accounts payable	360	(20,351)
Increase (decrease) in accrued wages payable	5,934	2,760
Increase (decrease) in accrued expenses	-	(24,048)
	<u>(313,460)</u>	<u>(531,025)</u>
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	<u>\$ (313,460)</u>	<u>\$ (531,025)</u>

772	773	775	786	
Workers' Compensation Self - Funded	Unemployment Self-Funded	Sign Shop	Insurance Claims Self-Funded	Total Internal Service Funds
\$ 2,672,529	\$ -	\$ 1,303	\$ 528	\$ 38,609,167
(463,947)	-	(156)	-	(1,241,223)
-	(384,217)	-	-	(384,217)
(1,066,314)	-	(2,243)	(1,978,975)	(3,680,898)
(468,213)	-	-	(35,035)	(35,872,054)
<u>674,055</u>	<u>(384,217)</u>	<u>(1,096)</u>	<u>(2,013,482)</u>	<u>(2,569,225)</u>
-	-	-	1,428,753	1,428,753
-	-	-	657,501	657,501
-	-	-	2,086,254	2,086,254
54,955	73,366	11,715	1,951	294,042
10,684	2,543	965	43	16,379
<u>65,639</u>	<u>75,909</u>	<u>12,680</u>	<u>1,994</u>	<u>310,421</u>
739,694	(308,308)	11,584	74,766	(172,550)
<u>2,408,159</u>	<u>558,079</u>	<u>202,846</u>	<u>21,116</u>	<u>4,236,704</u>
3,147,853	249,771	214,430	95,882	4,064,154
<u>347,074</u>	<u>61,960</u>	<u>38,892</u>	<u>6,187</u>	<u>589,038</u>
<u>\$ 3,494,927</u>	<u>\$ 311,731</u>	<u>\$ 253,322</u>	<u>\$ 102,069</u>	<u>\$ 4,653,192</u>
\$ 748,014	\$ (434,217)	\$ (2,739)	\$ (2,070,251)	\$ (2,547,600)
-	-	1,643	-	1,643
-	-	-	-	(84)
-	-	-	-	(20,649)
12,041	-	-	21,803	13,853
-	-	-	-	8,694
(86,000)	50,000	-	34,966	(25,082)
<u>\$ 674,055</u>	<u>\$ (384,217)</u>	<u>\$ (1,096)</u>	<u>\$ (2,013,482)</u>	<u>\$ (2,569,225)</u>

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Teamwork for Excellence



**P L A N O**  
Independent School District

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**Required  
Texas Education Agency  
Report Section**

**Plano Independent School District**  
 Schedule of Delinquent Taxes Receivable  
 Year Ended June 30, 2021

Last 10 Years Ended June 30	Tax Rates		Assessed/Appraised Value for School Tax Purposes	Beginning Balance July 1, 2020
	Maintenance	Debt Service		
2012 and prior years	1.0400	0.3334	\$ 34,342,959,439	\$ 1,189,596
2013	1.0400	0.3334	34,842,341,548	360,014
2014	1.1700	0.2830	36,441,999,880	378,240
2015	1.1700	0.2780	38,873,800,924	457,545
2016	1.1700	0.2690	41,496,244,736	444,827
2017	1.1700	0.2690	45,916,580,666	609,808
2018	1.1700	0.2690	51,009,463,132	758,745
2019	1.1700	0.2690	55,276,539,669	1,141,975
2020	1.0684	0.2690	58,604,964,303	8,096,482
2021	1.0548	0.2690	60,154,332,387	-
<b>TOTALS</b>				<b>\$ 13,437,232</b>

Exhibit J-1

Current Year's Total Levy	Maintenance Collections	Debt Service Collections	Entire Year's Adjustments	Ending Balance June 30, 2021
\$ -	\$ 41,146	\$ 10,509	\$ (201,048)	\$ 936,893
-	10,804	3,463	-	345,747
-	12,353	2,988	(141)	362,758
-	31,388	7,458	23,116	441,815
-	39,022	8,972	37,424	434,257
-	100,936	23,207	67,682	553,347
-	84,079	19,331	102,341	757,676
-	(387,481)	(89,087)	(689,203)	929,340
-	1,485,426	374,015	(4,903,680)	1,333,361
768,299,819	608,806,704	155,268,071	1,135,600	5,360,644
\$ 768,299,819	\$ 610,224,377	\$ 155,628,927	\$ (4,427,909)	\$ 11,455,838
	Ending balance 6/30/2021			\$ 11,455,838
	Add - county education district taxes receivable			464
	Total delinquent taxes receivable 6/30/2021			11,456,302
	Less reserve for uncollectible taxes:			
	General fund			(3,620,201)
	Debt service fund			(930,728)
	<b>NET DELINQUENT BALANCE 6/30/2021</b>			<b>\$ 6,905,373</b>

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Teamwork for Excellence



**P L A N O**  
Independent School District

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## Statistical Section

(Unaudited)

This section of the Plano Independent School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes, and required supplementary information says about the District's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well - being have changed	111
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, property taxes.	119
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the ability to issue additional debt in the future.	123
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	126
<b>Operational Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and activities it performs.	129

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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Teamwork for Excellence



**P L A N O**  
Independent School District

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**Plano Independent School District**

Net Position By Component  
Last Ten Fiscal Years  
(Unaudited)  
(Accrual Basis of Accounting)  
(Amounts Expressed in Thousands)

**Exhibit S-1**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 74,007	\$ 97,719	\$ 120,499	\$ 159,052	\$ 216,679	\$ 257,190	\$ 302,392	\$ 374,870	\$ 452,250	\$ 532,042
Restricted	27,478	26,912	29,242	31,230	31,349	35,304	33,742	40,258	29,051	28,239
Unrestricted	180,777	169,663	180,980	131,642	136,396	160,169	(80,584)	(92,052)	(100,950)	(99,632)
<b>Total Governmental Net Assets</b>	<u>\$ 282,262</u>	<u>\$ 294,294</u>	<u>\$ 330,721</u>	<u>\$ 321,924</u>	<u>\$ 384,424</u>	<u>\$ 452,663</u>	<u>\$ 255,550</u>	<u>\$ 323,076</u>	<u>\$ 380,351</u>	<u>\$ 460,649</u>
<b>Business Type Activities</b>										
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	46	98	129	257	195	247	171	131	89	15
<b>Total Business Type Activities</b>	<u>\$ 46</u>	<u>\$ 98</u>	<u>\$ 129</u>	<u>\$ 257</u>	<u>\$ 195</u>	<u>\$ 247</u>	<u>\$ 180</u>	<u>\$ 139</u>	<u>\$ 96</u>	<u>\$ 20</u>
<b>Total Primary Government</b>										
Net investment in capital assets	\$ 74,007	\$ 97,719	\$ 120,499	\$ 159,052	\$ 216,679	\$ 257,190	\$ 302,401	\$ 374,878	\$ 452,257	\$ 532,047
Restricted	27,478	26,912	29,242	31,230	31,349	35,304	33,742	40,258	29,051	28,239
Unrestricted	180,823	169,761	181,109	131,899	136,591	160,416	(80,413)	(91,921)	(100,861)	(99,617)
<b>Total Primary Government</b>	<u>\$ 282,308</u>	<u>\$ 294,392</u>	<u>\$ 330,850</u>	<u>\$ 322,181</u>	<u>\$ 384,619</u>	<u>\$ 452,910</u>	<u>\$ 255,730</u>	<u>\$ 323,215</u>	<u>\$ 380,447</u>	<u>\$ 460,669</u>

**Plano Independent School District**  
Change in Net Position  
Last Ten Fiscal Years  
(Unaudited)  
(Accrual Basis of Accounting)  
(Amounts Expressed in Thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020
<b>Expenses</b>										
Governmental activities:										
Instruction	\$ 306,009	\$ 308,433	\$ 316,344	\$ 333,944	\$ 356,164	\$ 350,044	\$ 257,538	\$ 404,319	\$ 421,601	\$ 395,194
Instructional Resources & Media Services	8,278	8,761	8,882	9,195	9,436	9,436	6,368	8,414	10,571	9,543
Curriculum & Instructional Staff Development	8,165	8,252	7,440	8,412	8,558	9,826	7,803	13,039	12,382	12,446
Instructional Leadership	3,652	3,652	3,383	3,652	3,990	3,934	2,858	4,479	6,176	5,871
School Leadership	23,056	23,870	24,812	26,673	28,508	28,586	20,758	32,716	34,269	32,834
Guidance, Counseling & Evaluation Services	17,093	18,353	18,481	19,459	21,460	21,670	15,505	25,736	26,789	25,826
Social Work Services	819	868	914	1,008	1,103	1,650	1,248	2,522	2,923	2,748
Health Services	5,024	5,145	5,306	5,791	6,059	5,991	4,253	6,750	7,330	6,707
Student (Pupil) Transportation	11,881	9,373	14,222	13,327	14,050	11,882	11,970	18,467	18,964	14,331
Food Services	23,671	23,900	24,492	26,341	26,748	27,428	20,423	28,979	27,051	20,229
Co-curricular/Extracurricular Activities	8,795	14,104	13,817	14,470	13,891	15,092	13,628	16,450	12,899	10,339
General Administration	8,862	9,864	9,803	10,179	10,822	10,727	8,893	11,721	12,407	11,488
Plant Maintenance & Operations	42,655	43,143	39,577	40,207	46,844	55,405	51,573	54,453	44,141	45,305
Security & Monitoring Services	3,462	3,505	3,390	3,475	3,795	3,722	3,618	4,490	5,223	5,225
Data Processing Services	6,496	5,318	5,332	5,825	5,652	4,175	6,461	7,990	8,316	7,022
Community Services	2,336	2,097	1,826	2,330	2,544	2,607	1,395	3,146	3,944	3,798
Debt Service - Interest on Long Term Debt	43,019	41,082	38,771	42,035	30,990	29,550	31,147	27,791	27,246	21,369
Debt Service - Bond Issuance Cost and Fees	35	33	308	192	3,893	553	327	109	160	411
Facilities Acquisition & Construction	15,960	18,431	13,684	13,728	16,046	18,346	27,889	23,914	10,449	11,113
Contracted Instructional Services Between Schools	39,584	24,960	36,016	46,604	60,149	104,686	157,110	211,183	166,112	192,059
Incremental Costs Associated with Chapter 41	600	600	600	600	400	584	1,249	28	-	26
Payments to Fiscal Agent/Member Districts of SSA	634	755	999	1,000	993	1,060	1,119	734	947	757
Payments to Juvenile Justice Alternative Ed. Prg.	90	212	118	49	88	28	70	60	33	3
Payments to Tax Increment Fund	2,594	2,978	1,875	3,378	597	-	-	-	-	-
Other Intergovernmental Charges	2,247	2,388	2,632	2,823	3,301	3,558	3,332	4,903	5,213	5,184
<b>Total governmental activities expenses</b>	<b>585,017</b>	<b>580,077</b>	<b>593,024</b>	<b>634,863</b>	<b>676,277</b>	<b>720,540</b>	<b>656,535</b>	<b>912,393</b>	<b>865,146</b>	<b>839,828</b>
Business-type activities:										
Employee Child Care	752	1,194	1,219	1,226	1,375	1,381	1,504	1,829	1,719	1,963
After School Care	4,804	4,814	4,966	5,644	5,779	5,945	5,958	5,568	5,060	2,661
Concessions	223	231	211	325	297	270	249	219	243	150
Photography	55	44	42	34	31	-	-	-	-	-
<b>Total business-type activities expenses</b>	<b>5,834</b>	<b>6,283</b>	<b>6,438</b>	<b>7,229</b>	<b>7,482</b>	<b>7,596</b>	<b>7,711</b>	<b>7,616</b>	<b>7,022</b>	<b>4,774</b>
<b>Total primary government expenses</b>	<b>\$ 590,851</b>	<b>\$ 586,360</b>	<b>\$ 599,462</b>	<b>\$ 642,092</b>	<b>\$ 683,759</b>	<b>\$ 728,136</b>	<b>\$ 664,246</b>	<b>\$ 920,009</b>	<b>\$ 872,168</b>	<b>\$ 844,602</b>





**Plano Independent School District**  
Change in Net Position-- Continued  
Last Ten Fiscal Years  
(Unaudited)  
(Accrual Basis of Accounting)  
(Amounts Expressed in Thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Net (Expense) Revenue</b>										
Governmental activities	\$ (492,045)	\$ (497,860)	\$ (504,537)	\$ (530,219)	\$ (574,553)	\$ (629,569)	\$ (647,530)	\$ (783,678)	\$ (734,979)	\$ (728,120)
Business-type activities	2,328	2,345	2,661	2,678	2,134	2,453	2,521	2,296	362	(1,115)
Total primary government net expense	\$ (489,717)	\$ (495,515)	\$ (501,876)	\$ (527,541)	\$ (572,419)	\$ (627,116)	\$ (645,009)	\$ (781,382)	\$ (734,617)	\$ (729,235)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes										
Property taxes levied for general purposes	344,781	351,218	412,190	439,832	475,671	520,714	576,691	622,386	600,670	611,147
Property taxes levied for debt service	112,694	114,865	101,575	106,235	109,451	119,707	132,536	143,025	151,179	155,742
Unrestricted grants and contributions	71,575	38,658	25,148	33,279	32,576	38,987	34,442	53,157	27,621	41,092
Investment earnings	760	868	623	622	1,465	4,377	11,051	16,209	9,906	589
Miscellaneous	6,551	1,987	2,687	2,659	15,683	11,621	9,814	14,037	2,444	886
Gain (loss) on disposition of capital assets	-	-	-	386	-	-	-	-	-	-
Transfers	2,298	2,296	2,632	2,553	2,207	2,423	2,629	2,392	434	(1,039)
Total governmental activities	\$ 538,659	\$ 509,892	\$ 544,855	\$ 585,566	\$ 637,053	\$ 697,809	\$ 767,163	\$ 851,206	\$ 792,254	\$ 808,417
Business-type activities:										
Investment earnings	4	2	2	3	9	22	41	54	29	-
Transfers	(2,298)	(2,296)	(2,632)	(2,552)	(2,206)	(2,423)	(2,629)	(2,392)	(434)	1,039
Total business-type activities	(2,294)	(2,294)	(2,630)	(2,549)	(2,197)	(2,401)	(2,588)	(2,338)	(405)	1,039
Total primary government	\$ 536,365	\$ 507,598	\$ 542,225	\$ 583,017	\$ 634,856	\$ 695,408	\$ 764,575	\$ 848,868	\$ 791,849	\$ 809,456
<b>Change in Net Position</b>										
Governmental activities	\$ 46,615	\$ 12,032	\$ 40,318	\$ 55,347	\$ 62,500	\$ 68,239	\$ 119,633	\$ 67,528	\$ 57,275	\$ 80,297
Business-type activities	33	52	31	129	(63)	52	(67)	(42)	(43)	(76)
Total primary government	\$ 46,648	\$ 12,084	\$ 40,349	\$ 55,476	\$ 62,437	\$ 68,291	\$ 119,566	\$ 67,486	\$ 57,232	\$ 80,221

**Plano Independent School District**  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(Unaudited)  
(Modified Accrual Basis of Accounting)  
(Amounts Expressed in Thousands)

**Exhibit S-3**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Fund</b>										
Nonspendable	\$ 2,703	\$ 2,121	\$ 2,044	\$ 1,296	\$ 1,998	\$ 1,172	\$ 1,094	\$ 915	\$ 1,172	\$ 1,772
Assigned	1,935	19,870	12,884	9,515	17,619	11,332	15,303	5,827	223,384	232,709
Unassigned	160,919	132,178	154,251	167,771	174,700	214,765	226,358	242,718	42,108	41,909
<b>Total general fund</b>	<b>\$165,557</b>	<b>\$154,169</b>	<b>\$169,179</b>	<b>\$178,582</b>	<b>\$194,317</b>	<b>\$227,269</b>	<b>\$242,755</b>	<b>\$249,460</b>	<b>\$266,664</b>	<b>\$276,390</b>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ 290	\$ 211	\$ 185	\$ 270	\$ 313	\$ 255	\$ 238	\$ 261	\$ 624	\$ 67
Restricted										
Debt Service	35,999	35,188	34,925	33,138	30,575	40,104	41,227	38,981	36,215	33,201
Capital Projects	130,444	112,315	64,007	35,596	43,304	288,931	308,165	222,895	156,070	111,640
Food Service	7,185	6,952	6,968	6,970	7,144	6,760	7,494	7,769	3,179	3,561
Federal Special Revenue	-	-	-	-	-	-	-	-	-	-
State Special Revenue	818	770	1,247	2,856	693	2,556	762	7,150	608	1,419
Committed	6,772	8,840	9,189	9,596	10,340	9,613	9,412	8,582	10,309	9,050
<b>Total all other governmental funds</b>	<b>\$181,508</b>	<b>\$164,276</b>	<b>\$116,521</b>	<b>\$88,426</b>	<b>\$92,369</b>	<b>\$348,219</b>	<b>\$367,298</b>	<b>\$285,638</b>	<b>\$207,005</b>	<b>\$158,938</b>
<b>Total governmental funds</b>	<b>\$347,065</b>	<b>\$318,445</b>	<b>\$285,700</b>	<b>\$267,008</b>	<b>\$286,686</b>	<b>\$575,488</b>	<b>\$610,053</b>	<b>\$535,098</b>	<b>\$473,669</b>	<b>\$435,328</b>

**Plano Independent School District**  
 Governmental Funds, Revenues  
 Last Ten Fiscal Years  
 (Unaudited)  
 (Modified Accrual Basis of Accounting)  
 (Amounts Expressed in Thousands)

**Exhibit S-4**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Federal sources:</b>										
Federal grants	\$ 20,571	\$ 23,114	\$ 21,888	\$ 24,065	\$ 22,981	\$ 25,384	\$ 24,506	\$ 28,740	\$ 26,781	\$ 36,238
Food services	8,355	8,963	9,396	9,963	10,313	10,680	11,025	10,854	8,980	7,986
<b>Total federal sources</b>	<b>28,926</b>	<b>32,077</b>	<b>31,284</b>	<b>34,028</b>	<b>33,294</b>	<b>36,064</b>	<b>35,531</b>	<b>39,594</b>	<b>35,761</b>	<b>44,224</b>
<b>State sources:</b>										
State education finance program	87,367	50,928	39,537	47,626	47,641	54,123	51,295	63,992	45,995	59,570
State grants and other	12,190	5,285	11,409	8,325	12,054	10,332	7,000	17,076	8,736	11,745
<b>Total state sources</b>	<b>99,557</b>	<b>56,213</b>	<b>50,946</b>	<b>55,951</b>	<b>59,695</b>	<b>64,455</b>	<b>58,295</b>	<b>81,068</b>	<b>54,731</b>	<b>71,315</b>
<b>Local sources:</b>										
Ad valorem taxes	457,022	466,582	512,921	544,873	589,230	640,635	707,121	769,700	749,610	769,243
Food service sales	12,929	13,012	13,661	13,356	13,332	13,610	13,017	12,431	8,987	388
Interest and other income	767	872	635	631	1,507	4,510	11,236	16,701	10,468	54
Other revenue	30,330	21,529	19,886	20,966	15,241	16,239	15,605	9,376	11,778	7,099
<b>Total local sources</b>	<b>501,048</b>	<b>501,995</b>	<b>547,103</b>	<b>579,826</b>	<b>619,310</b>	<b>674,994</b>	<b>746,979</b>	<b>808,208</b>	<b>780,843</b>	<b>776,784</b>
<b>Total revenues</b>	<b>\$629,531</b>	<b>\$590,285</b>	<b>\$629,333</b>	<b>\$ 669,805</b>	<b>\$ 712,299</b>	<b>\$ 775,513</b>	<b>\$ 840,805</b>	<b>\$ 928,870</b>	<b>\$ 871,335</b>	<b>\$ 892,323</b>

# Plano Independent School District

## Governmental Funds, Expenditures And Debt Service Ratio

Last Ten Fiscal Years

(Unaudited)

(Modified Accrual Basis of Accounting)  
(Amounts Expressed in Thousands)

Exhibit S-5

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenditures:										
Instruction & Instructional-Related Services	\$299,009	\$ 297,559	\$ 305,883	\$316,046	\$ 329,496	\$ 334,252	\$ 346,277	\$ 354,784	\$ 355,574	\$ 354,595
Instructional & School Leadership	25,802	26,397	27,200	28,503	29,873	30,819	31,921	32,153	33,633	34,560
Support Services - Student	61,800	68,701	71,203	74,047	75,726	79,188	80,626	84,054	80,656	69,039
Administrative Support Services	8,625	9,408	9,641	9,761	10,157	10,374	10,718	11,241	10,684	10,595
Support Services - Nonstudent	49,626	50,233	47,394	47,884	54,896	63,971	63,734	65,474	52,782	52,781
Ancillary Services	2,227	1,965	1,682	2,069	2,109	2,391	2,510	2,385	2,417	3,093
Debt Service - Principal on long-term debt	67,180	70,215	56,610	65,715	73,210	76,765	87,755	102,320	114,955	125,600
Debt Service - Interest on long-term debt	47,692	45,878	43,632	41,817	38,150	36,918	45,347	44,727	40,217	34,622
Debt Service - Bond Issuance Costs and Fees	413	317	308	635	3,893	553	327	109	160	411
Facilities Acquisition & Construction	59,496	78,151	57,645	50,347	26,999	55,146	105,761	115,331	85,929	45,238
Intergovernmental Charges <sup>1</sup>	45,749	31,894	42,240	54,453	65,528	109,916	162,881	216,908	172,306	198,029
<b>Total Expenditures</b>	<b>\$667,619</b>	<b>680,718</b>	<b>663,438</b>	<b>691,277</b>	<b>710,037</b>	<b>800,293</b>	<b>937,857</b>	<b>1,029,486</b>	<b>949,313</b>	<b>928,563</b>

Capital Expenditures

	\$ 47,012	\$ 66,635	\$ 46,794	\$ 42,925	\$ 15,018	\$ 44,498	\$ 83,463	\$ 96,481	\$ 77,963	\$ 38,317
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Debt service as a percentage of noncapital expenditures

	18.5%	18.9%	16.3%	16.6%	16.0%	15.0%	15.6%	15.8%	17.8%	18.0%
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<sup>1</sup> Intergovernmental charges include: Contracted Instructional Services Between Schools, Payments to Fiscal Agent/Member Districts of SSA, and Payments to Juvenile Justice Alternative Education Program.

**Plano Independent School District**

Governmental Funds, Other Financing Sources and Uses and Net Change in Fund Balance

Last Ten Fiscal Years

(Unaudited)

(Modified Accrual Basis of Accounting)

(Amounts Expressed in Thousands)

**Exhibit S-6**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Excess of revenues over (under) expenditures	\$ (38,088)	\$ (90,433)	\$ (34,105)	\$ (21,472)	\$ 2,262	\$ (24,780)	\$ (97,052)	\$ (100,614)	\$ (77,977)	\$ (36,241)
Other financing sources (uses)										
Transfers In	4,087	3,085	11,838	24,940	37,232	4,773	3,334	3,429	1,508	1,302
Transfers Out	(2,589)	(1,588)	(9,706)	(22,957)	(35,625)	(3,150)	(1,405)	(1,167)	(1,225)	(3,769)
Bonds issued	92,840	53,740	-	-	-	257,210	108,020	-	13,045	-
Refunding bonds issued	46,115	27,805	74,750	43,250	303,360	-	-	13,655	10,325	62,720
Premiums on bonds issued	14,023	8,903	5,673	6,409	55,749	43,322	12,334	484	630	3,423
Payment to bond refunding agent	(54,638)	(30,132)	(81,699)	(49,496)	(358,425)	-	-	-	(10,840)	(65,775)
Insurance Proceeds	-	-	505	233	15,106	11,427	9,334	9,258	3,104	-
Sale of capital assets	-	-	-	400	19	-	-	-	-	-
Capital leases	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	99,838	61,813	1,361	2,779	17,416	313,582	131,617	25,659	16,547	(2,099)
Net change in fund balances	\$ 61,750	\$ (28,620)	\$ (32,744)	\$ (18,693)	\$ 19,678	\$ 288,802	\$ 34,565	\$ (74,955)	\$ (61,430)	\$ (38,340)

**Plano Independent School District**

Assessed Value and Actual Value of Taxable Property  
 Last Ten Fiscal Years  
 (Unaudited)  
 (Modified Accrual Basis of Accounting)  
 (Amounts Expressed in Thousands)

**Exhibit S-7**

Fiscal Year	Actual Value			Less: Exemptions	Total Assessed Value	Total District Rate <sup>1</sup>
	Residential Property	Industrial Property	Rural Property			
2012	21,035,458	12,695,096	615,652	3,674,008	34,342,959	1.3734
2013	20,862,110	13,649,389	610,530	4,064,146	34,842,342	1.3734
2014	21,371,538	14,582,130	656,452	4,258,460	36,442,000	1.4530
2015	22,967,911	15,757,170	574,224	4,856,217	38,873,801	1.4480
2016	25,110,122	18,790,166	564,137	7,549,695	41,496,245	1.4390
2017	28,178,305	20,594,652	607,644	8,408,591	45,916,581	1.4390
2018	30,487,769	23,655,232	633,748	8,768,355	51,009,463	1.4390
2019	32,496,969	25,662,662	633,598	8,550,851	55,276,541	1.3373
2020	33,751,666	27,109,116	644,714	8,603,528	58,604,964	1.3374
2021	33,974,656	28,126,534	666,825	8,477,140	60,154,332	1.3238

Source: Collin County Tax Assessor Collector - Tax Roll Summary

<sup>1</sup> Per \$100 of assessed value.

**Plano Independent School District**  
 Direct and Overlapping Property Tax Rates  
 Last Ten Fiscal Years  
 (Unaudited)  
 (Modified Accrual Basis of Accounting)  
 (Amounts Expressed in Thousands)

**Exhibit S-8**

Fiscal Year	District Direct Rates		Overlapping Rates <sup>1</sup>												
	Maintenance	Debt	Collin Co.												
			City of Plano	Collin County	Community College (CCCC)	City of Allen	City of Carrollton	City of Dallas	City of Garland	City of Lucas	City of Murphy	City of Parker	City of Richardson	City of Wylie	
Total															
2012	1.0400	0.3334	1.3734	0.4886	0.2400	0.0863	0.5530	0.6179	0.7970	0.7046	0.3742	0.5650	0.3771	0.6352	0.8989
2013	1.0400	0.3334	1.3734	0.4886	0.2400	0.0863	0.5520	0.6179	0.7970	0.7046	0.3742	0.5700	0.3771	0.6352	0.8889
2014	1.1700	0.2830	1.4530	0.4886	0.2375	0.0836	0.5500	0.6179	0.7970	0.7046	0.3207	0.5700	0.3509	0.6352	0.8839
2015	1.1700	0.2830	1.4530	0.4886	0.2350	0.0819	0.5400	0.6153	0.7970	0.7046	0.3206	0.5500	0.3509	0.6351	0.8789
2016	1.1700	0.2690	1.4480	0.4886	0.2250	0.0819	0.5300	0.6128	0.7970	0.7046	0.3206	0.5300	0.3509	0.6351	0.8689
2017	1.1700	0.2690	1.4400	0.4786	0.2083	0.0812	0.5200	0.6037	0.7825	0.7046	0.3179	0.5100	0.3509	0.6251	0.8489
2018	1.1700	0.2690	1.4400	0.4686	0.1922	0.0798	0.5100	0.5997	0.7804	0.7046	0.3179	0.5000	0.3660	0.6251	0.7810
2019	1.1700	0.2690	1.4400	0.4603	0.1808	0.0812	0.4890	0.5950	0.7767	0.7046	0.3032	0.4900	0.3660	0.6251	0.7258
2020	1.0684	0.2690	1.3374	0.4482	0.1750	0.0812	0.4890	0.5900	0.7766	0.7696	0.3032	0.4950	0.3660	0.6252	0.6885
2021	1.0548	0.2690	1.3238	0.4482	0.1725	0.0812	0.4850	0.5875	0.7763	0.7696	0.2998	0.4950	0.3660	0.6252	0.6720

<sup>1</sup> Includes levies for operating and debt service



**Plano Independent School District**  
Principal Property Taxpayers  
Current Year And Nine Years Ago  
(Unaudited)

**Exhibit S-9**

<u>Taxpayer</u>	<u>2021</u>			<u>2012</u>		
	<u>Taxable Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Value</u>	<u>Taxable Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Value</u>
Corporate Properties Trust I SPE#1 LLC	\$ 707,032,327	1	1.18 %			%
Texas Instruments, Inc	414,401,044	2	0.69			
Legacy West Investors LP	372,527,440	3	0.62			
Toyota Motor North America, Inc.	366,546,583	4	0.61			
Health Care Service Corporation	333,160,554	5	0.55	251,131,329	1	0.74
Oncor Electric Delivery Company	296,093,700	6	0.49	231,302,372	2	0.69
CXA-16 Corporation	288,500,988	7	0.48			
Bank of America, NA	287,718,410	8	0.48	139,999,813	5	0.41
Texas Instruments, Inc	235,321,892	9	0.39			
QORVO Texas LLC	178,972,094	10	0.30			
JC Penny Co. Inc				180,724,236	3	0.54
Willow Bend Shopping Center LP				101,200,000	10	0.30
IBM Credit LLC				101,326,314	9	0.30
Cisco Systems Sales & Services				101,370,051	8	0.30
Legacy Campus LP				148,990,000	4	0.44
EMC Corp				121,436,588	6	0.36
HSP of Texas Inc.				107,370,665	7	0.32
Total	<u>\$ 3,480,275,032</u>		<u>5.79 %</u>	<u>\$ 1,484,851,368</u>		<u>4.40 %</u>
Total Taxable Value	\$60,154,332,387			\$33,763,129,943		

Source: Collin County Tax Assessor Collector

**Plano Independent School District**  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
(Unaudited)

**Exhibit S-10**

Fiscal Year	Original Amount Levied	Supplements and Corrections	Total Adjusted Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2012	459,298,341	(2,141,722)	457,156,619	453,398,398	98.72	2,821,328	456,219,726	99.80
2013	466,912,198	(1,189,045)	465,723,153	461,906,257	98.93	3,471,149	465,377,406	99.93
2014	515,059,308	(427,234)	514,632,074	509,947,307	99.01	4,322,009	514,269,316	99.93
2015	546,185,299	(1,517,151)	544,668,148	540,145,891	98.89	4,080,442	544,226,333	99.92
2016	581,815,938	(678,834)	581,137,104	576,953,689	99.16	3,749,158	580,702,847	99.93
2017	639,881,781	(1,402,621)	638,479,160	634,181,327	99.11	3,744,486	637,925,813	99.91
2018	707,443,306	1,605,781	709,049,087	704,057,256	99.52	4,234,155	708,291,411	99.89
2019	763,333,684	2,701,109	766,034,793	760,523,128	99.63	4,582,325	765,105,453	99.88
2020	754,903,434	925,125	755,828,559	747,732,077	99.05	6,763,121	754,495,198	99.82
2021	786,299,819	1,135,600	787,435,419	764,074,775	97.17	18,000,000	782,074,775	99.32

**Plano Independent School District**

Outstanding Debt By Type

Last Ten Fiscal Years

(Unaudited)

(Dollars in thousands, except per capita)

**Exhibit S-11**

Fiscal Year	Governmental Activities			Total Primary Government	Resources Restricted for Debt Service	Net Bonded Debt Outstanding	Gross Bonded Debt as % of Personal Income <sup>1</sup>	Gross Bonded Debt Per Capita	Net Bonded Debt as % of Assessed Value	Net Bonded Debt Per Capita
	Unlimited Tax Bonds <sup>2</sup>	Loans Payable	Capital Leases							
2012	1,039,226	-	-	1,039,226	20,002	1,019,224	10%	3,187	2.92	3,126
2013	1,022,548	-	-	1,022,548	19,753	1,002,795	9%	3,119	2.70	3,059
2014	960,869	-	-	960,869	20,846	940,023	8%	2,897	2.38	2,834
2015	889,854	-	-	889,854	21,133	868,721	8%	2,626	2.06	2,564
2016	824,106	-	-	824,106	23,203	800,903	7%	2,406	2.42	2,338
2017	1,031,577	-	-	1,031,577	25,733	1,005,844	8%	2,968	2.22	2,894
2018	1,046,051	-	-	1,046,051	25,487	1,020,564	8%	3,000	1.77	2,927
2019	940,831	-	-	940,831	38,981	901,850	7%	2,686	1.42	2,575
2020	823,579	-	-	823,579	36,215	787,364	6%	2,274	1.34	2,174
2021	683,270	-	-	683,270	33,201	650,069	6%	1,873	1.08	1,782

Note: <sup>1</sup> Refer to Exhibit S-14 for per capita personal income information.

<sup>2</sup> Unlimited Tax Bond equals GO Bonds Payable plus Premium on Bond Issuance

**Plano Independent School District**

Direct And Overlapping Governmental Activities Debt  
 June 30, 2021  
 (Unaudited)  
 (Dollars in thousands, except per capita)

**Exhibit S-12**

<b>Governmental Unit</b>	<b>Gross Bonded Debt</b>	<b>Estimated Percentage Applicable</b>	<b>Estimated Share of Direct and Overlapping Debt</b>
City of Plano 1	\$ 482,994	80.03 %	\$ 386,540
Collin County Community College 1	596,312	42.25	251,942
Collin County 2	526,975	42.25	222,647
City of Allen 1	103,901	3.56	3,699
City of Carrollton 1	200,505	0.76	1,524
City of Dallas 1	1,866,492	3.84	71,673
City of Garland 1	255,375	0.17	434
City of Lucas 1	17,140	5.69	975
City of Murphy 1	39,235	71.22	27,943
City of Parker 1	2,042	72.20	1,474
City of Richardson 1	248,780	45.17	112,374
City of Wylie 1	57,230	1.89	1,082
Subtotal, overlapping debt			1,082,307
<b>District gross bonded debt</b>			683,270
<b>Total direct and overlapping debt</b>			\$ 1,765,577

Sources: Debt outstanding data provided by each governmental unit. Data of overlapping percentages was provided by the Municipal Advisory Council of Texas.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the district.

<sup>1</sup> Reported as of entity's fiscal year end 2020.

<sup>2</sup> Reported as of entity's fiscal year end 2021.

**Plano Independent School District**

Legal Debt Margin Information

Last Ten Fiscal Years

(Unaudited)

(Dollars in thousands)

**Exhibit S-13**

<b>Fiscal Year</b>	<b>Debt Limit</b>	<b>Total Net Debt Applicable To Limit</b>	<b>Legal Debt Margin</b>	<b>Total Net Debt Applicable to the Limit as a Percentage of Debt Limit</b>
2012	3,434,296	1,003,229	2,431,067	29.21
2013	3,484,234	987,360	2,496,874	28.34
2014	3,644,200	925,944	2,718,256	25.41
2015	3,887,380	856,716	3,030,664	22.04
2016	4,149,625	793,531	3,356,094	19.12
2017	4,591,658	991,473	3,600,185	21.59
2018	5,100,946	1,004,824	4,096,122	19.70
2019	5,879,103	901,850	4,977,253	15.34
2020	6,042,197	787,364	5,228,069	13.03
2021	6,015,433	650,069	5,365,364	10.81

**Legal Debt Margin Calculation for Fiscal Year 2019**

Assessed Value		\$	60,154,332
Debt limit (10% of assessed value)			6,015,433
Total bonded debt	\$	683,270	
Less reserve for retirement of debt		33,201	
Debt applicable to limit			650,069
Legal debt margin		\$	5,365,364

**Plano Independent School District**  
 Demographic And Economic Statistics  
 Last Ten Fiscal Years  
 (Unaudited)

**Exhibit S-14**

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income (in thousands)</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate</b>
2012	326,039	10,403,381	31,908	6.70
2013	327,830	10,934,607	33,355	6.00
2014	331,665	11,384,568	34,326	5.00
2015	338,849	11,625,338	34,308	3.70
2016	342,563	11,806,045	34,464	3.70
2017	347,580	12,185,621	35,058	3.60
2018	348,724	12,835,581	36,807	3.30
2019	350,273	12,835,581	36,645	3.10
2020	362,178	13,640,613	37,663	7.20
2021	364,821	11,337,608	31,077	5.00

**Sources:** Population estimates were provided by the District  
 Personal income figures were obtained from the U.S Census Bureau.  
 Unemployment rates were provided by the Texas Workforce Commission.

**Notes:** Due to the COVID-19 pandemic, the U.S. Census Bureau has not released the 2020 ACS Estimate at the time this report was issued.  
 The updated 2019 ACS 1-year estimate was used.

**Plano Independent School District**

Principal Employers  
Current Year and Nine Years Ago  
(Unaudited)

**Exhibit S-15**

Employer	2021			2012		
	Employees	Rank	Percentage Of Total District Employment	Employees	Rank	Percentage Of Total District Employment
Plano ISD	6,854	1	3.01 %	6,537	1	4.39 %
JP Morgan Chase	4,934	2	2.17			
Capital One Finance	4,537	3	1.99	3,175	4	2.13
Bank of America Home Loans	4,500	4	1.97	5,400	2	3.62
Toyota Motor North America, Inc.	3,815	5	1.67			
NIT Data, Inc.	3,134	6	1.38			
Liberty Mutual Insurance Company	2,854	7	1.25			
Ericsson	2,703	8	1.19	2,650	6	1.78
J.C. Penney Company, Inc.	2,420	9	1.06	3,100	5	2.08
United Services Automobile Association	2,092	10	0.92			
HP Enterprise Services, LLC/EDS				4,800	3	3.22
Frito - Lay Inc.				2,400	7	1.61
Dell				2,200	8	1.48
Dr. Pepper Snapple Group Inc.				1,250	9	0.84
CIGNA Healthcare of Texas				1,065	10	0.71
<b>Total</b>	<b>37,843</b>		<b>16.61 %</b>	<b>32,577</b>		<b>21.86 %</b>

Sources:

Texas Workforce Commission provided total labor force numbers - 2021 (227,897); 2012 (149,054)  
Plano Economic Development Corporation provided 2021 Principal Employers.  
2012 data from PISD 2012 Comprehensive Annual Financial Report

**Plano Independent School District**  
 Full-Time Equivalent District Employees by Type  
 Last Ten Fiscal Years  
 (Unaudited)

**Exhibit S-16**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Percent Change 2012 - 2021
<b>Instruction</b>											
Teachers	3,822	3,813	3,825	3,865	3,895	3,905	3,900	3,907	3,855	3,784	(1) %
Librarians	71	71	71	70	70	70	70	71	71	69	(3)
Educational Aides	580	573	559	568	581	609	628	624	637	630	9
Interpreters	12	13	17	14	14	15	16	16	12	14	17
Other Professionals (Instructional)	159	153	159	171	175	195	195	210	212	210	32
	<u>4,644</u>	<u>4,623</u>	<u>4,631</u>	<u>4,688</u>	<u>4,735</u>	<u>4,794</u>	<u>4,809</u>	<u>4,828</u>	<u>4,787</u>	<u>4,707</u>	
<b>Campus Administration</b>											
Principal	71	72	72	72	72	72	72	72	72	72	1
Assistant Principal	87	88	92	95	102	103	109	112	114	117	34
Instructional Officer	10	10	8	8	8	8	9	12	12	12	20
Athletic Director	3	3	3	3	3	3	3	3	3	3	3
	<u>171</u>	<u>173</u>	<u>175</u>	<u>178</u>	<u>185</u>	<u>186</u>	<u>193</u>	<u>199</u>	<u>201</u>	<u>204</u>	<u>19</u>
<b>Student Services</b>											
Counselor	138	143	146	148	157	161	162	162	162	160	16
Educational Diagnostician	30	30	33	34	35	35	37	38	38	39	28
School Nurse	73	71	71	72	72	72	71	71	70	72	(1)
LSSP/Psychologist	14	13	12	10	13	13	15	16	15	17	26
Social Worker	8	8	9	10	10	11	11	18	19	20	150
	<u>263</u>	<u>265</u>	<u>271</u>	<u>274</u>	<u>287</u>	<u>292</u>	<u>296</u>	<u>304</u>	<u>304</u>	<u>308</u>	<u>17</u>
<b>Support and Administration</b>											
Superintendent, Deputy, Assoc. & Assistant	5	6	6	7	7	8	8	9	9	8	60
Non-Campus Professionals	216	222	224	229	228	239	240	232	237	238	10
Auxiliary Staff	1,239	1,250	1,219	1,276	1,306	1,279	1,282	1,442	1,249	1,241	0
	<u>1,460</u>	<u>1,478</u>	<u>1,449</u>	<u>1,512</u>	<u>1,541</u>	<u>1,526</u>	<u>1,550</u>	<u>1,683</u>	<u>1,495</u>	<u>1,487</u>	<u>2</u>
<b>Total</b>	<u>6,538</u>	<u>6,538</u>	<u>6,526</u>	<u>6,652</u>	<u>6,748</u>	<u>6,798</u>	<u>6,828</u>	<u>7,015</u>	<u>6,787</u>	<u>6,706</u>	<u>3 %</u>

Source: Fall Public Education Information Management System (PEIMS) Submissions with full-time equivalent employees as of the last Friday in October.

Notes: Full-time instructional employees of the district are employed for 189 contract days. Campus administrators and student services employees are primarily employed for 220 days. Central administrative and non-campus professional staff are employed for 246 days. Auxiliary staff are employed on an hourly basis with daily hours worked ranging from 8 hours to 4 hours.



**Plano Independent School District**  
 Operating Statistics  
 Last Ten Fiscal Years  
 (Unaudited)

**Exhibit S-17**

Fiscal Year	Enrollment <sup>1</sup>	Operating Expenditures <sup>2</sup>	Cost Per Pupil		Expenditures Excluding Recapture		Cost Per Pupil	Percentage Change		Teaching Staff	Pupil Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
			Per Pupil	Percentage Change	Excluding Recapture	Percentage Change						
2012	55,659	492,837,819	8,855	(3.81) %	446,573,391	8,143	1.82 %	3,822	14.4	27 %		
2013	55,185	486,157,034	8,810	(0.51) %	480,870,083	8,357	2.63 %	3,813	14.4	28 %		
2014	54,822	505,830,681	9,227	4.74 %	496,747,192	8,570	2.54 %	3,825	14.3	29 %		
2015	54,689	532,762,942	9,742	5.58 %	521,195,909	8,890	2.55 %	3,865	14.1	31 %		
2016	54,573	567,799,620	10,404	6.80 %	571,292,216	9,302	4.64 %	3,895	13.9	31 %		
2017	54,173	631,440,924	11,656	12.03 %	593,984,840	9,724	4.53 %	3,905	13.8	31 %		
2018	53,952	698,670,555	12,950	11.10 %	541,560,467	10,038	3.23 %	3,900	13.6	34 %		
2019	53,057	766,998,752	14,456	11.63 %	555,815,573	10,476	4.36 %	3,907	13.5	33 %		
2020	52,629	748,050,925	14,214	(1.68) %	748,050,925	14,214	35.68 %	3,855	13.7	33 %		
2021	50,158	723,307,016	14,421	1.46 %	723,307,016	14,421	1.46 %	3,784	13.3	36 %		

<sup>1</sup> Enrollment is as of the October reporting date to TEA through the Public Education Information System (PEIMS).

<sup>2</sup> Operating expenditures are total governmental fund expenditures less debt service and capital projects.

**Plano Independent School District**Teacher Base Salaries  
Last Ten Fiscal Years  
(Unaudited)**Exhibit S-18**

<b>Fiscal Year</b>	<b>Minimum Salary</b>	<b>Maximum Salary</b>	<b>District Average Salary</b>	<b>Statewide Average Salary</b>
2012	45,112	71,950	51,579	46,361
2013	46,700	73,137	52,245	48,821
2014	47,000	73,676	52,399	49,692
2015	48,500	74,003	53,800	50,715
2016	50,000	77,000	54,900	51,892
2017	51,000	78,499	56,180	52,525
2018	52,000	79,500	58,075	53,334
2019	53,000	81,502	58,204	54,122
2020	54,000	80,700	57,000	57,091
2021	55,000	81,700	60,268	57,641

## Sources:

Plano ISD 2020-2021 Compensation Plan Book  
TEA PEIMS Standard Reports

**Plano Independent School District**  
 School Building Information  
 Last Ten Fiscal Years  
 (Unaudited)

Schools:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Elementary</b>										
Buildings	44	44	44	44	44	44	44	44	44	44
Square Feet	3,253,327	3,301,493	3,350,490	3,378,450	3,380,050	3,387,145	3,390,582	3,391,262	3,401,326	3,401,326
Enrollment	24,721	24,406	24,107	23,900	23,704	23,346	23,257	22,584	22,189	20,826
<b>Middle School</b>										
Buildings	13	13	13	13	13	13	13	13	13	13
Square Feet	1,980,339	1,980,339	1,980,339	1,980,479	1,980,479	1,980,479	1,981,439	2,020,911	2,027,081	2,027,081
Enrollment	12,706	12,730	12,621	12,447	12,498	12,429	12,328	12,141	12,182	11,860
<b>High School</b>										
Buildings	6	7	6	6	6	6	6	6	6	6
Square Feet	1,458,754	1,458,754	1,565,808	1,572,843	1,572,843	1,572,843	1,607,975	1,607,975	1,607,975	1,607,975
Enrollment	8,433	8,435	8,496	8,540	8,623	8,470	8,305	8,363	8,315	7,949
<b>Senior High School</b>										
Buildings	3	3	4	4	4	4	4	4	4	4
Square Feet	1,369,618	1,458,754	1,458,754	1,576,908	1,576,908	1,576,908	1,609,200	1,609,200	1,610,933	1,610,933
Enrollment	7,806	7,872	7,937	8,183	8,262	8,355	8,365	8,273	8,177	8,175
<b>Early Childhood Schools</b>										
Buildings	3	3	3	3	3	3	3	3	3	3
Square Feet	156,458	156,458	156,458	156,458	156,458	156,458	156,458	156,458	156,458	156,458
Enrollment <sup>1</sup>	1,993	1,742	1,661	1,619	1,486	1,573	1,697	1,696	1,766	1,344
<b>Total Schools</b>										
Buildings	69	70	70	70	70	70	70	70	70	70
Square Feet	8,218,496	8,355,798	8,511,849	8,665,138	8,666,738	8,673,833	8,745,654	8,785,806	8,803,773	8,803,773
Enrollment	55,659	55,185	54,822	54,689	54,573	54,173	53,952	53,057	52,629	50,154

Source: District Records

Notes:

<sup>1</sup> Early Childhood School Enrollment - students are 1/2 day students

**Plano Independent School District**  
 School Building Information  
 Last Ten Fiscal Years -- Continued  
 (Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Other PISD Facilities:</b>										
<b>Other Educational Facilities -</b>										
Buildings	5	5	5	5	5	7	8	8	8	9
Square Feet	149,820	149,820	149,820	149,820	149,820	222,197	254,741	217,009	217,009	299,209
<b>Administrative</b>										
Buildings	6	6	6	6	6	6	6	6	6	6
Square Feet	223,271	204,199	204,199	204,199	204,199	204,199	204,199	212,448	212,448	212,448
<b>Facility Services</b>										
Buildings	4	4	4	4	4	4	4	4	4	4
Square Feet	148,662	148,662	148,662	148,662	148,662	148,662	148,662	148,662	148,662	148,662
<b>Athletics</b>										
Stadiums	6	6	6	6	6	6	6	6	6	6
Running Tracks	10	10	10	10	10	10	10	10	10	10
Tennis Courts	22	21	21	21	21	21	21	21	21	21
Softball Fields	4	4	4	4	4	4	4	4	4	4
Baseball Fields	8	8	8	8	8	8	8	8	8	8
Indoor Athletic Fields	3	3	3	3	3	3	3	3	3	3

Source: District Records

Notes:

<sup>1</sup> Early Childhood School Enrollment - students are 1/2 day students

# **Reports on Internal Control, Compliance, and Federal Awards**

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Teamwork for Excellence



**P L A N O**  
Independent School District

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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**

Board of Trustees  
Plano Independent School District  
Plano, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Plano Independent School District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 16, 2021.

### **Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

Board of Trustees  
Plano Independent School District

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

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

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
November 16, 2021





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

Board of Trustees  
Plano Independent School District  
Plano, Texas

### Report on Compliance for Each Major Federal Program

We have audited Plano Independent School District's (the District) compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. 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.

### Management's Responsibility

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

### Auditor's Responsibility

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

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

### Opinion on Each Major Federal Program

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

**Report on Internal Control over Compliance**

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

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

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

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

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

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
November 16, 2021

**Plano Independent School District**  
 Schedule of Expenditures of Federal Awards  
 Year Ended June 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. DEPARTMENT OF DEFENSE</b>			
<u>Direct funding U.S. Department of Defense</u>			
Junior ROTC Program	12.000		\$ 268,223
Startalk Grant	12.900		<u>14,655</u>
Total direct funding U.S. Department of Defense			<u>282,878</u>
<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>			<u>282,878</u>
<b>U.S. DEPARTMENT OF TREASURY</b>			
<u>Passed Through Texas Division of Emergency Management</u>			
Coronavirus Relief Fund	21.019	2020-CF-21019	12,610
<u>Passed Through the City of Plano, Texas</u>			
Coronavirus Relief Fund	21.019	N/A	<u>500,000</u>
Total Coronavirus Relief Fund			<u>512,610</u>
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<u>512,610</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<u>Passed Through State Department of Education</u>			
ESEA Title I Part A - Improving Basic Programs	84.010A	20-610101043910	926,634
ESEA Title I Part A - Improving Basic Programs	84.010A	21-610101043910	4,753,200
ESEA Title I Part A - School Improvement	84.010A	20-610148711011	<u>979,789</u>
Total ESEA Title I Part A			<u>6,659,623</u>
Title IV IDEA - Part B, Formula	84.027A	20-6600010439106600	2,923,285
Title IV IDEA - Part B, Formula	84.027A	21-6600010439106600	4,122,322
Title IV IDEA - Part B, Preschool	84.173A	20-6610010439106610	115,290
Title IV IDEA - Part B, Preschool	84.173A	21-6610010439106610	120,051
Title IV IDEA - Part B, High Cost Risk	84.027A	21-66002906	481,291
Title IV IDEA - Evaluation Capacity Grant	84.027A	226543191028	-
SSA - IDEA - Part B, Discretionary	84.027A	20-6600110439106673	12,426
SSA - IDEA - Part B, Discretionary	84.027A	21-6600110439106673	<u>176,877</u>
Total Special Education Cluster			<u>7,951,542</u>
Vocational Education - Basic Grant	84.048A	20-420006043910	54,040
Vocational Education - Basic Grant	84.048A	21-420006043910	386,921
Perkins Reserve	84.048A	20-4200287110069	<u>16,734</u>
Total Vocational Education - Basic Grant			<u>457,695</u>
SSA - IDEA, Part C - Early Intervention (Deaf)	84.181A	21-3911010439103911	<u>8,178</u>
Title III, Language Instruction LEP	84.365A	20-671001043910	328,412
Title III, Language Instruction LEP	84.365A	21-671001043910	708,114
Title III, Language Instruction Immigrant	84.365A	20-671003043910	673,162
Title III, Language Instruction Immigrant	84.365A	21-671003043910	<u>17,913</u>
Total Title III Language Instruction			<u>1,727,601</u>
ESEA Title II, Part A, Teacher and Principal Training	84.367A	20-694501043910	429,494
ESEA Title II, Part A, Teacher and Principal Training	84.367A	21-694501043910	<u>596,036</u>
Total ESEA Title II, Part A, Teacher & Principal Training			<u>1,025,530</u>

(continued)

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

**Plano Independent School District**  
 Schedule of Expenditures of Federal Awards—Continued  
 Year Ended June 30, 2021

**Exhibit K-1**  
 Page 2 of 2

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
COVID-19 Title I School Improvement - Instructional Continuity	84.377A	17610740043910	37,416
Title IV Part A Subpart 1	84.424A	20-680101043910	197,655
Title IV Part A Subpart 1	84.424A	21-680101043910	<u>152,122</u>
Total Title IV			<u>349,777</u>
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) I	84.425D	20-521001043910	1,680,709
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) I- PPRP	84.425D	52102035	<u>1,140,360</u>
Total ESSER			2,821,069
Total passed through State Department of Education			<u>21,038,431</u>
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<u>21,038,431</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Direct funding U.S. Department <u>of Health and Human Services</u>			
Head Start	93.600	06CH011447-01	1,182,956
Head Start	93.600	06CHE00040701C5	63,996
Head Start	93.600	06CHE00040701C6	<u>800</u>
Total Head Start			1,247,752
COVID-19 Provider Relief Fund	93.498	91003753403905	<u>94,471</u>
Total direct funding U.S. Department of Health and Human Services			<u>1,342,223</u>
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<u>1,342,223</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<u>Passed Through the State Department of Agriculture</u>			
National School Breakfast Program	10.553	20-043910	30,484
National School Lunch Program	10.555	20-043910	89,091
Commodity Food Distribution	10.555	20-043910	1,293,956
COVID-19 Summer Feeding Program	10.559	20-043910	874,236
COVID-19 Summer Feeding Program	10.559	21-043910	<u>11,644,397</u>
Total Child Nutrition Cluster			<u>13,932,164</u>
Total passed through the State Department of Agriculture			<u>13,932,164</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<u>13,932,164</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 37,108,306</u>

(Concluded)

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

## Plano Independent School District

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

The District utilizes the fund types specified in the Texas Education Agency 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 awards generally are accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified grant periods.

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 the General Fund or Special Revenue Funds which are both Governmental Fund types. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

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

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

The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance, Part 3, Office of Management and Budget (OMB) Compliance Supplement.

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 adjustments by the grantor agencies; therefore, to the extent that the District has not complied with rules and regulations governing the grants, refund of any money received may be required and the collectability of any related receivable at June 30, 2021 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 financial statements for such contingencies.

The information in Schedule of Expenditures of Federal Awards is presented in accordance with the requirements of Single Audit Amendments of 1996 and *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The following table reconciles total expenditures per the Schedule of Expenditures of Federal Awards (Exhibit K-1) to Federal Program Revenues per Exhibit C-3:

Total expenditures of federal awards per Exhibit K-1	\$ 37,108,306
Reimbursements received from the federal school health and related services	5,512,099
Rebates received from the federal government for Build America Bonds	<u>1,603,442</u>
<b>Total federal program revenues per Exhibit C-3</b>	<b><u>\$ 44,223,847</u></b>

The District has not elected to use the 10% de minimis indirect cost rate.

**Plano Independent School District**  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2021

**Section 1. Summary of the Auditor's Results:**

**Financial Statements**

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	<u>  X  </u> No
Significant deficiency(ies) identified that are not considered a material weakness?	_____ Yes	<u>  X  </u> None reported
Noncompliance material to financial statements noted?	_____ Yes	<u>  X  </u> No

**Major Programs**

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	<u>  X  </u> No
Significant deficiency(ies) identified that are not considered a material weakness?	_____ Yes	<u>  X  </u> None reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that were required to be reported in accordance with Uniform Guidance?	_____ Yes	<u>  X  </u> No
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Identification of major programs:

Child Nutrition Cluster	10.553, 10.555, 10.559
ESSER	84.425D
ESEA Title I Part A	84.010A
Title III Language Instruction	84.365A

The dollar threshold used to distinguish between Type A and Type B program?.	<u>\$1,113,249</u>
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Auditee qualified as a low-risk auditee?	<u>  X  </u> Yes	_____ No
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**Plano Independent School District**

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2021

**Section 2. Findings Relating to the Financial Statements Which Are Required To Be Reported in Accordance with Generally Accepted Government Auditing Standards.**

None

**Section 3. Findings and Questioned Costs for Federal Awards Including Audit Findings as Described in 1.f Above**

None

**Plano Independent School District**

Summary of Prior Year Audit Findings

Year Ended June 30, 2021

**Section 4. Findings Relating to the Financial Statements Which Are Required To Be Reported in Accordance with Generally Accepted Government Auditing Standards.**

None



**Plano Independent School District**  
 Schedule of Required Responses to Selected  
 School FIRST Indicators (Unaudited)  
 For the Fiscal Year Ended June 30, 2021

<u>Data Codes</u>		<u>Responses</u>
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year-end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?	Yes
SF8	Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end	\$ -