



TORNILLO INDEPENDENT SCHOOL DISTRICT

INNOVATING – EMPOWERING – THRIVING

Agenda for Board of Trustees Meeting Tornillo Independent School District

Meeting Date: Wednesday, January 26, 2022

Meeting Type: Regular

Meeting Time: 6:00 PM

Meeting Location: W.E. Neill Service Center, 19210 Cobb, Tornillo, TX 79853

Disclaimer

This meeting will be conducted in accordance with the Texas Open Meetings Act; hence, the **public is welcomed and invited to attend**. When necessary, the Board may enter into *closed session* under the authority of Chapter 551 of the Texas Government Code.

All voting will be done in open session.

Items on the Agenda: The subjects (order may be changed) to be discussed, considered, or upon which any formal action may be taken are listed below.

1. **(OTHER) First Order of Business**
Ms. Marlene Bullard, Board President
 - A. Establish a quorum and call the meeting to order
 - B. Pledge of Allegiance to the United States
2. **(OTHER) Superintendent's Report**
Mrs. Rosa Vega-Barrio, Superintendent
3. **(OTHER) District Recognitions**
 - A. School Board Recognition Month 3
LSG Students
 - B. Employee Recognition
Mr. Alejandro Olvera, THS Principal
 - C. Introduction of New Tornillo ISD Staff
LSG Students
 - D. National School Counseling Week (February 7-11, 2022) 4
LSG Students
4. **(OTHER) Open Forum**
Ms. Marlene Bullard, Board President
5. **Lone Star Governance**
 - A. Student Outcome Monitoring: Goal 1 & Goal 2 6
 1. Tornillo High School - GPM 1.3 & GPM 2.3
Mr. Alejandro Olvera, THS Principal
 - B. Senior Academic Performance Update 10
Mrs. Elizabeth Otero, THS Assistant Principal
 - C. (Accountability 1) Review, Discussion, and Possible Action Regarding Board's Time Use Trackers 12
Ms. Marlene Bullard, Board President
6. **(ADVOCACY) Community Engagement on Student Outcome Goals**
Ms. Marlene Bullard, Board President
7. **(VISION Y) Information / Reports / Presentations**
 - A. Financial Reports-Information Only 14
Mr. Luis M. Guerra, Director of Finance
 - B. Quarterly Investment Report - Quarter Ending December 31, 2021
Mr. Luis M. Guerra, Director of Finance

8. **(VISION Y) Board Items**
 - A. Discussion and Possible Action Regarding Fiscal 2020-2021 Audit (Annual Financial and Compliance Reports for the Year Ended August 31, 2021)
Ms. Shelly J. Ruddock, Gibson, Ruddock Patterson LLC CPA 177
 - B. Purchases > \$25,000 threshold - Authorization
 1. Consider Approval to Purchase of 10GB Main Fiber Installation
Mr. Carlos Garcia, Technology Director 177
 - C. Discussion and Possible Action Regarding Revisions to Policy DC (LOCAL) (First Reading) 183
Ms. Lizeth Carroll, HR / Compliance Director
 - D. Discussion and Possible Action to Approve Revised Job Description for Athletic Director Position 185
Ms. Lizeth Carroll, HR / Compliance Director
 - E. Consider Approval of Incentive, Decision Point 11 188
Mr. Rodrigo Portillo, District Academic Coordinator
9. **(STRUCTURE) Consent Agenda**
(All items on the Consent Agenda shall be acted upon by one vote without separate discussion, unless a Board Member requests that an item be withdrawn for individual consideration)
 - A. Consider Approval of Minutes from Previous Meetings:
 1. Regular Board Meeting Minutes - 12/15/2021 189
 2. Board Training Minutes - 01/08/2022 193
 - B. Consider Approval of 2022-2023 Budget Timeline 194
Mr. Luis M. Guerra, Director of Finance
 - C. Consider Approval of Donations 195
Mr. Luis M. Guerra, Director of Finance
 - D. Consider Approval of Board Constraint Progress Monitoring #1: The board shall not be involved in the day to day operations of the school district.
 - E. Consider Approval of Budget Amendments 198
Mr. Luis M. Guerra, Director of Finance
 - F. Consider Approval of Revision to TISD Organizational Chart 200
Ms. Lizeth Carroll, HR / Compliance Director
10. **(OTHER) Executive Session. The Board will enter into a closed meeting to discuss personnel matters, to consult with attorney, under Sections 551.071 and 551.074, Texas Government Code. The Board will reconvene into open session to take any necessary action.**
 - A. Discussion with Legal Counsel Regarding Status of Rate 41 Group's Intervention in Public Utility Commission of Texas (PUC) Proceeding PUC Docket No. 52195, SOAH Docket No. 473-21-2606, Application of El Paso Electric Company to Change Rates
 - B. Discussion Regarding Administration's Recommendation for CTE Coordinator
11. **(STRUCTURE) Continuation of Board Items in Open Session**
 - A. Discussion and Possible Action Regarding Administration's Recommendation for CTE Coordinator
Ms. Lizeth Carroll, HR / Compliance Director
12. **Next Meeting Tentative Date:** February 23, 2022

Adjournment of the Meeting



Rosa Vega-Barrio
Superintendent of Schools



**STATE OF TEXAS
OFFICE OF THE GOVERNOR**

In Texas, we place immense value in our youth. We protect them, guide them, and prepare them for a successful future because we know they are the next generation of leaders for our state and nation. We also understand the key role education plays in young people's lives. School districts across Texas have continued to dedicate time and resources to ensure Texas students receive a rigorous and well-rounded education that will serve as the foundation upon which their dreams will be turned into reality.

School boards are an integral fabric woven into the tapestry of the Texas education system. They work with parents, education professionals, and community members to create successful learning environments for our students. Our school boards continue to be instrumental as they tackle new challenges for Texas public schools and serve the ever-evolving needs of our students.

Texans know they can count on their school board members, along with other dedicated school administration officials, to create opportunities to discuss important issues, develop innovative solutions, and empower educators while remaining focused on their students' futures.

At this time, I encourage all Texans to recognize and honor the work and successes of our school board members who play an important role in the education of students across the state. By continuing to support our children's education, we will ensure a better and brighter future for the Lone Star State.

Therefore, I, Greg Abbott, Governor of Texas, do hereby proclaim January 2022 to be

School Board Recognition Month



in Texas and urge the appropriate recognition whereof.

In official recognition whereof, I hereby affix my signature this the 8th day of November, 2021.


Governor of Texas

TISD SCHOOL COUNSELING DEPARTMENT

Ms. Elena Rodriguez, M.Ed
Tornillo Elementary



Ms. Alicia Alvarado M.Ed
Tornillo Intermediate

Ms. Arlen Portillo-Castro, M.Ed
Tornillo Junior High

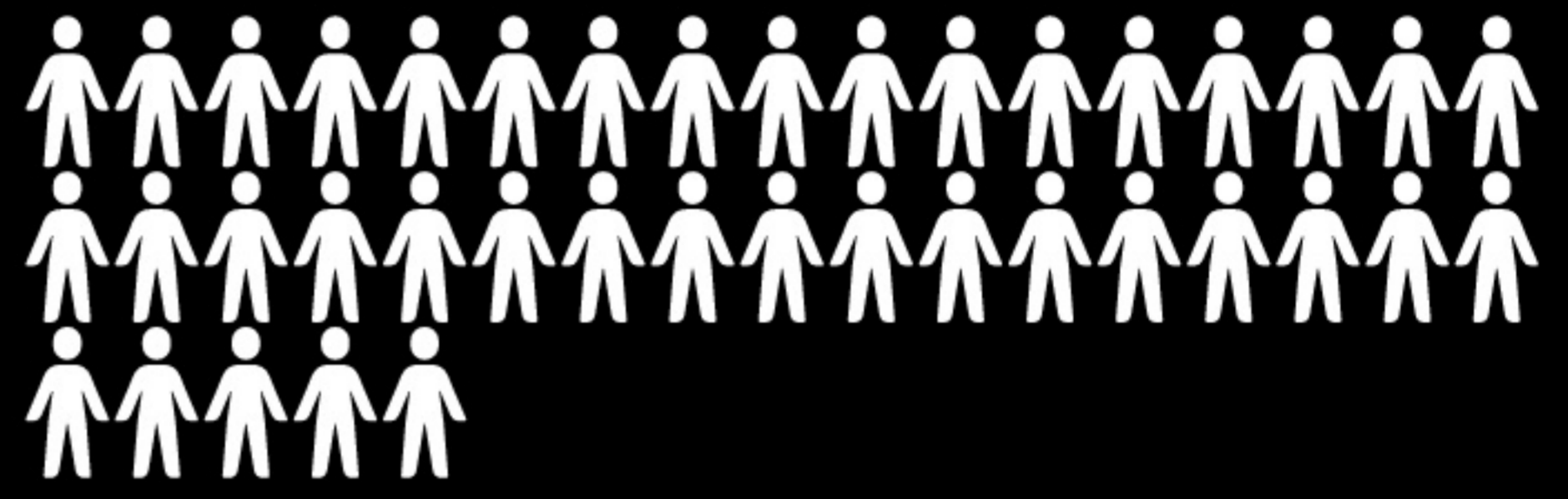
Ms. Irene Luna, M.Ed
Tornillo High School

2ND NINE WEEKS 2021-2022

766

INDIVIDUAL SESSIONS

Individual Counseling sessions
were conducted in Pre-k-12th
grade



CLASSROOMS LESSONS

361



SEL/Character Traits Lessons were
conducted on grades PK-12th grade
Topics: Self Control, Gratitude,
Kindness, Compassion, College and
Career, Endorsements :SEL Topics-
Self-Awareness, Self-Management,
Responsible Decision

14

Group Counseling were conducted to
students PK-12th
Topics: Impulse Control, Grief and
Loss, Self-Esteem

GROUP COUNSELING



PARENT CONTACTS



101



Direct parent contacts were
made Pk-12th grade

OUR SCHOOL COUNSELING PROGRAM ALIGNS WITH THE ASCA NATIONAL MODEL FOR COMPREHENSIVE SCHOOL COUNSELING

Mission Statement:

Tornillo ISD's School Counseling mission is to advocate and support each student with the opportunities to acquire their educational, career, personal, and social development competencies to ensure lifelong success.

Vision Statement:

Tornillo ISD's School Counseling vision is for each student to believe they can succeed, with pride they will achieve, with confidence they will become leaders of tomorrow.





PROCLAMATION

WHEREAS, school counselors are employed in public and private schools to help students reach their full potential; and

WHEREAS, school counselors are actively committed to helping students explore their abilities, strengths, interests, and talents as these traits relate to career awareness and development; and

WHEREAS, school counselors help parents focus on ways to further the educational, personal and social growth of their children; and

WHEREAS, school counselors work with teachers and other educators to help students explore their potential and set realistic goals for themselves; and

WHEREAS, school counselors seek to identify and utilize community resources that can enhance and complement comprehensive school counseling programs and help students become productive members of society; and

WHEREAS, comprehensive developmental school counseling programs are considered an integral part of the educational process that enables all students to achieve success in school;

Therefore, I, _____ do hereby proclaim February 7-11, 2022, as National School Counseling Week.

***Tornillo High School***

430 D. Oil Mill Ave.

Tornillo, TX 79853

Phone 915.765.3550

Fax 915.765.3599

MEMORANDUM

To: Members of the Board of Trustees
From: Alejandro Olvera, HS Principal
Subject: EOC December Administration Results
Date: January 12th, 2022

HISTORY:

Tornillo ISD has received the December EOC results. Students that re-tested in the areas of Algebra 1, Biology, and US History have been informed and data has been shared with instructional staff for planning/intervention purposes.

RATIONALE:

Update on December EOC student performance and plan of action to be discussed.

BUDGET IMPACT: N/A

ADMINISTRATIVE RECOMMENDATION: This is for informational purposes.

***Vision:** Believe we can succeed, with pride we will achieve.*

***Mission:** The mission of the District is to educate and inspire students in a safe and supportive environment which will result in closing the achievement gap by preparing all students for college readiness and success in a global society.*

THS DEC EOC 2021

Algebra 1

- Approaches: 17% (5)
- Meets: 7% (2)
- Masters
- Did not Meet: 76% (22)

Biology

- Approaches: 15% (3)
- Meets
- Masters
- Did not Meet: 85% (17)

US History

- Approaches: 57% (4)
- Meets
- Masters
- Did not Meet: 43% (3)

English 1

- Approaches: 12% (6)
- Meets: 15% (8)
- Masters
- Did not Meet: 73% (38)

English 2

- Approaches: 27% (9)
- Meets:
- Masters
- Did not Meet: 73% (24)



Tornillo High School

430 D. Oil Mill Ave.

Tornillo, TX 79853

Phone 915.765.3550

Fax 915.765.3599

MEMORANDUM

To: Members of the Board of Trustees
From: Mrs. Elizabeth Otero, Assistant Principal THS
Subject: Early College High School
Date: January 12th, 2022

HISTORY:

Update on performance of ECHS Cohort 1 and 2. # of students on track, # of students not on track. Intervention, schedules, and next steps for both cohorts.

RATIONALE:

Update on Cohort 1 and performance of Cohort 2 (first year), and next steps.

BUDGET IMPACT: N/A

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THS TECHS Jan 2022

Cohort 1

- Initial cohort 28, currently 24, 4 transferred to another district, 1 return to home country
- 5 students pending TSIA2
- 11 students with 12 college hours
- 2 students with 9 hours
- 3 students with 6 hours
- 2 students with 3 hours
- 1 student to start first college course spring semester

Cohort 2

- All TECHS students enrolled into ED1300 as per waiver, students will continue with waiver if they pass ED1300 with a "C" The ED1300 class is instructed by a THS teacher
- Initial cohort 25, currently 24, 1 student will enroll in WT
- 25 students passed ED1300 which qualifies them for next course, Speech 1321
- 25 students received their first 3 college hours

Next Steps

- Student presentation done semester 1
- Upcoming parent presentation/application distribution scheduled January 25th
- Application Deadline February 4th due to JH counselor
- Weighted Lottery April
- Mandatory Summer Bridge for all applicants
- New cohort will require passing TSIA2 to qualify for ED1300

***Tornillo High School***

430 D. Oil Mill Ave.

Tornillo, TX 79853

Phone 915.765.3005

Fax 915.765.3099

MEMORANDUM

To: Members of the Board of Trustees
From: Mrs. Elizabeth Otero, Assistant Principal THS
Subject: Senior Academic Performance Update
Date: January 12th, 2022

HISTORY:

Tornillo High School seniors' academic performance update. Percentage of seniors currently at risk of not graduating, intervention, individual graduation plans, and parent/administrator conferences information.

“At-Risk” Criteria: Lost credit due to excessive absences, failed semester 1 courses and failed quarter 3, and behind on credits required for foundation high school program.

RATIONALE:

Update on senior academic performance, past, current, and future efforts will be presented.

BUDGET IMPACT: N/A

ADMINISTRATIVE RECOMMENDATION: This is for informational purposes.

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THS_Seniors - January 2022

Semester 1

August: Students needing credit recovery were identified and placed in corresponding courses (either in Edmentum program or Scheduled Class)

September: (Ongoing) Students were monitored and contacted by teachers, aides, counselor, CIS, administration to discuss individual student academic performance.

October: Students who were at risk of not passing Quarter 1 or who required additional instruction were recommended to attend intersession.

November:

December: THS staff worked on identifying students who were not making progress during the semester. Parent meetings are scheduled for January.

Semester 2 Plan of Action

Senior grades audited to determine course of action for students at risk of not meeting graduation requirements. Parent meetings will be held with identified students.

Opportunities provided to students: arrive early on Wednesdays (late start), stay on half-days, after-school time for Edmentum, Saturday School (scheduled on district calendar), Intersession, and time before school

8 seniors "at-risk"

17 students on credit recovery program

10 seniors will need to complete project for EOC

18 seniors received "NC" and will require attendance contract

TIME USE TRACKER

Date: 12/15/21

Framework	Student Outcome Minutes	The Board tracks its time invested during public authorized meetings	Other Topic Minutes
Vision & Goals		← Minutes setting student outcome goals ← Minutes receiving, discussing, and voting on Student Outcome Goal Monitoring Reports according to the Monitoring Calendar	
		← Minutes setting constraints or theories of action ← Minutes receiving, discussing, and voting on Constraint Monitoring Reports according to the Monitoring Calendar	
		Minutes setting timelines, deadlines, goals, or plans on other items or outcomes → Minutes receiving reports, discussing, debating, and/or voting on other items or outcomes →	73
Progress & Accountability	3	← Minutes performing Board self-evaluations using the LSG Integrity Instrument ← Minutes evaluating the Superintendent on student outcome goals, GPMs, constraints, and CPMs	
		Minutes performing Board self-evaluations using instruments other than the LSG Integrity Instrument → Minutes evaluating the Superintendent on items other than student outcome goals, GPMs, constraints, and CPMs →	12
Systems & Processes		Minutes discussing, debating, and voting on items removed from or on the consent agenda → Time used for public comments on items not on the Board meeting agenda →	10
Advocacy & Engagement	6	← Minutes hosting two-way communication meetings on student outcome goals, constraints, or theories of action ← Minutes recognizing the accomplishments of students and staff regarding progress on student outcome goals	
		Minutes hosting all other Board led, co-led, or called community or committee meetings → Minutes for all other recognitions →	14
Synergy & Teamwork		Minutes fulfilling statutorily required public hearings, forums, and comments Minutes fulfilling statutorily required or Lone Star Governance workshops 39 min. Minutes in closed session as permitted by law	
Other		Any time spent on an activity that does not meet the conditions listed above →	4
TOTALS	9	110	101

Use For Student Outcome Minutes Percentage Calculation:

9

÷

110

× 100 =

8%

% Student Outcome Minutes

TIME USE TRACKER

Date: 01/08/22

Framework	Student Outcome Minutes	The Board tracks its time invested during public authorized meetings	Other Topic Minutes
Vision & Goals		← Minutes setting student outcome goals ← Minutes receiving, discussing, and voting on Student Outcome Goal Monitoring Reports according to the Monitoring Calendar	
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Progress & Accountability		← Minutes performing Board self-evaluations using the LSG Integrity Instrument ← Minutes evaluating the Superintendent on student outcome goals, GPMs, constraints, and CPMs	
		Minutes performing Board self-evaluations using instruments other than the LSG Integrity Instrument → Minutes evaluating the Superintendent on items other than student outcome goals, GPMs, constraints, and CPMs →	13
Systems & Processes		Minutes discussing, debating, and voting on items removed from or on the consent agenda → Time used for public comments on items not on the Board meeting agenda →	
Advocacy & Engagement		← Minutes hosting two-way communication meetings on student outcome goals, constraints, or theories of action ← Minutes recognizing the accomplishments of students and staff regarding progress on student outcome goals	
		Minutes hosting all other Board led, co-led, or called community or committee meetings → Minutes for all other recognitions →	151
Synergy & Teamwork		Minutes fulfilling statutorily required public hearings, forums, and comments Minutes fulfilling statutorily required or Lone Star Governance workshops Minutes in closed session as permitted by law	
Other		Any time spent on an activity that does not meet the conditions listed above →	2
TOTALS	0	153	153

Use For Student Outcome Minutes Percentage Calculation:

0

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153

× 100 =

0

% Student Outcome Minutes



FINANCIAL REPORTS

FOR THE MONTH ENDING DECEMBER, 2021

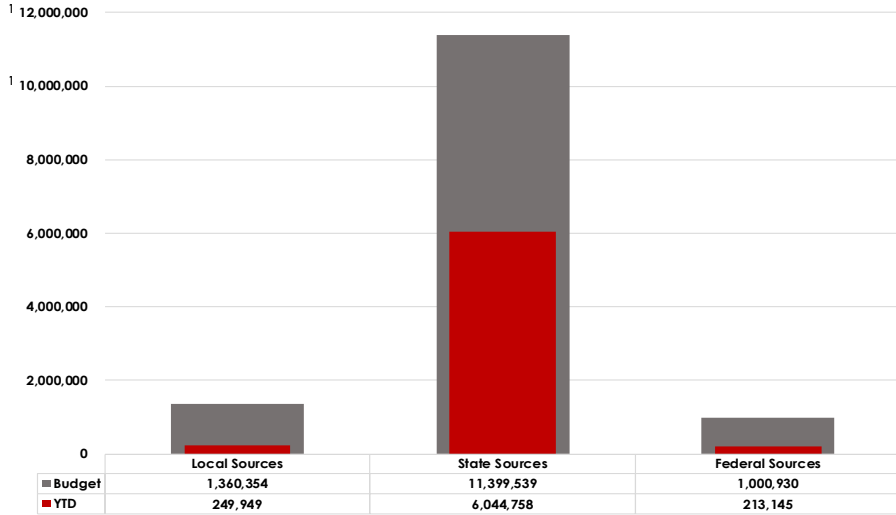
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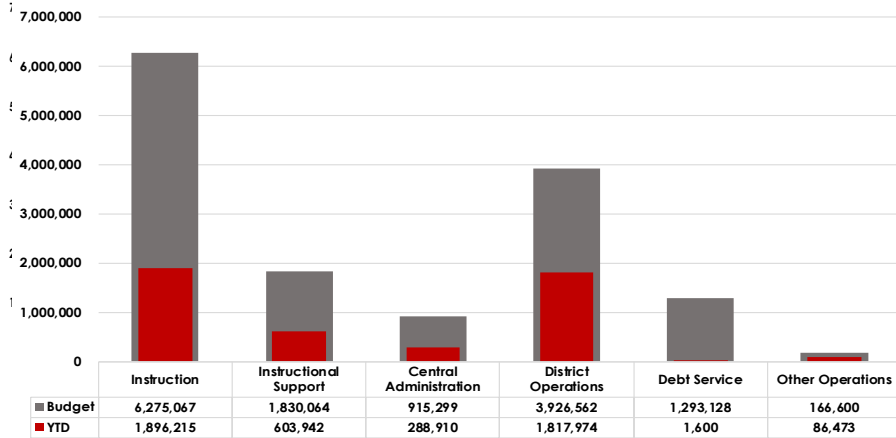
**TORNILLO INDEPENDENT SCHOOL DISTRICT
BOARD FINANCIAL REPORT SUMMARY
As of December 31, 2021**

Board Adopted Revenue and Expenditures

Revenue

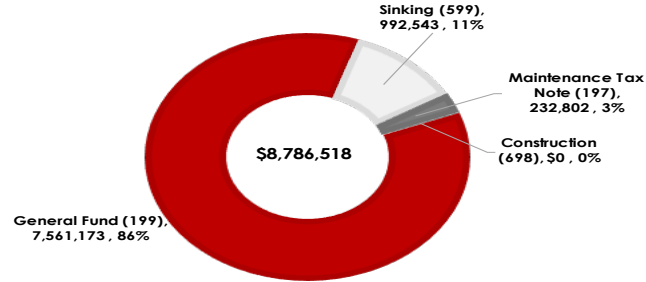


Expenditures

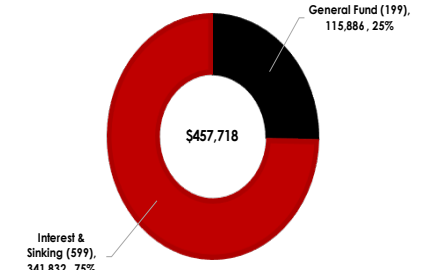


Banking and Investment Pools

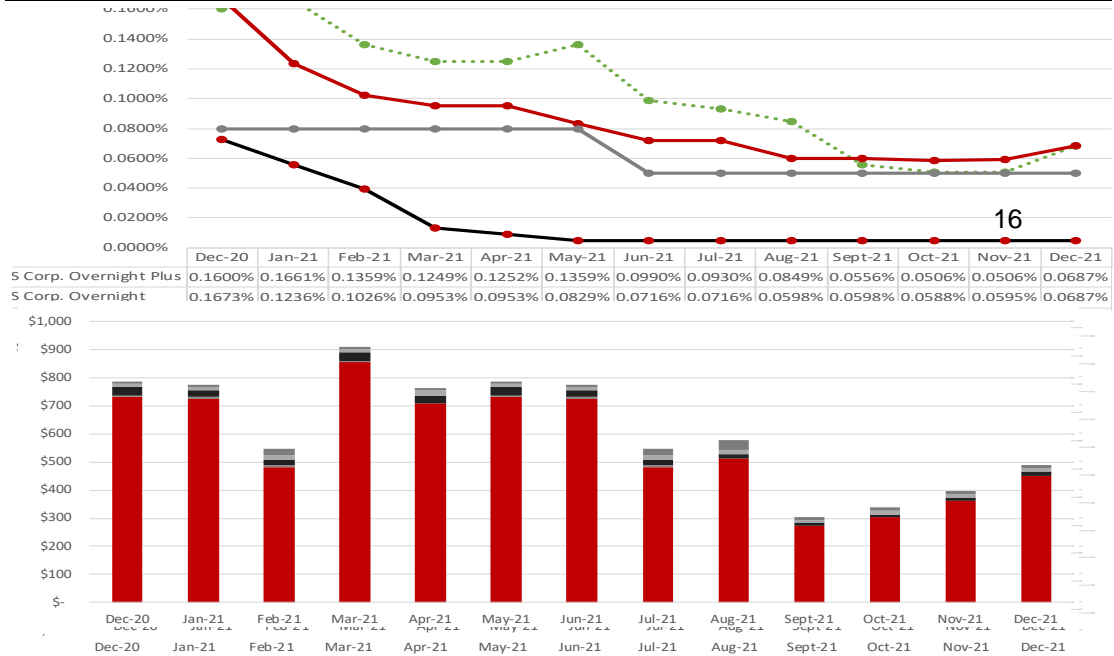
LONE STAR INVESTMENTS



WESTSTAR BANK

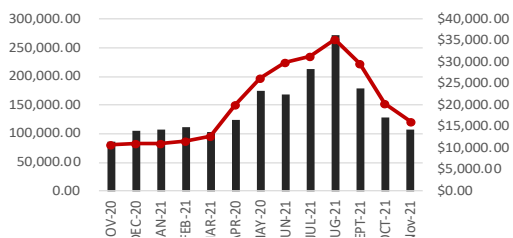


Investment Rate and Interest Revenue Trends

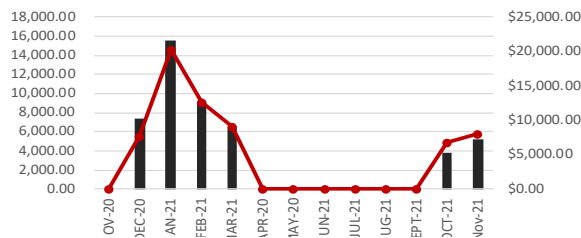


Utilities

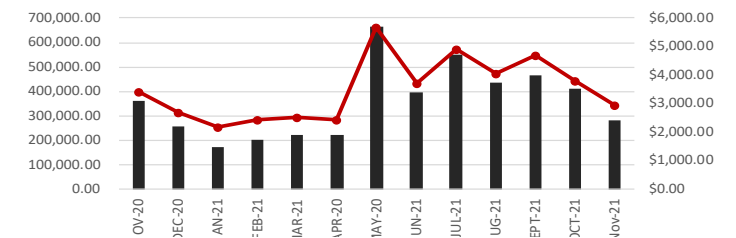
ELECTRICITY



PROPANE



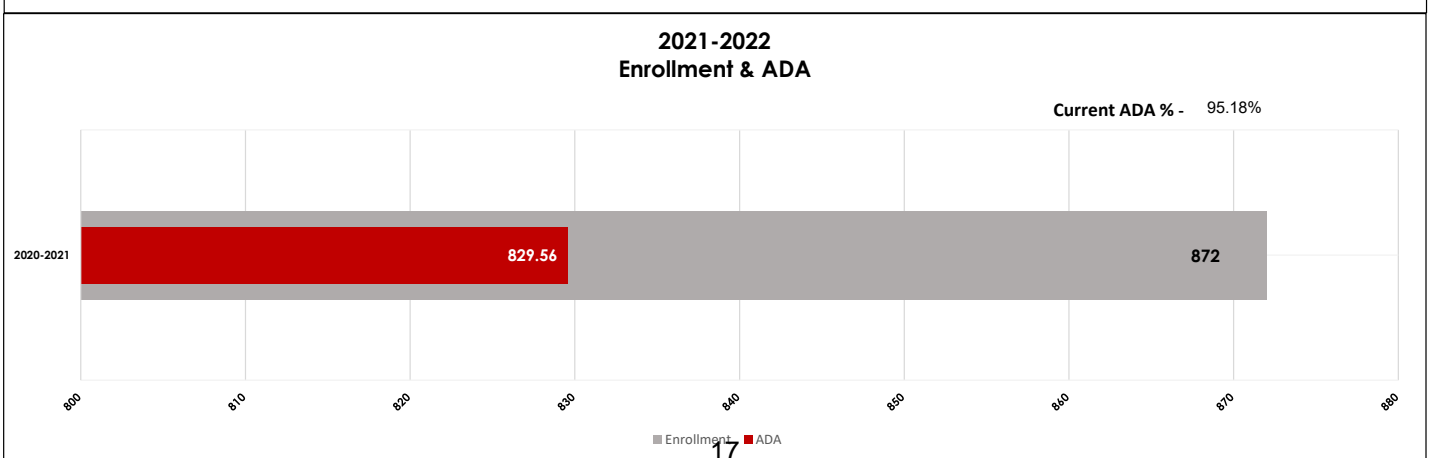
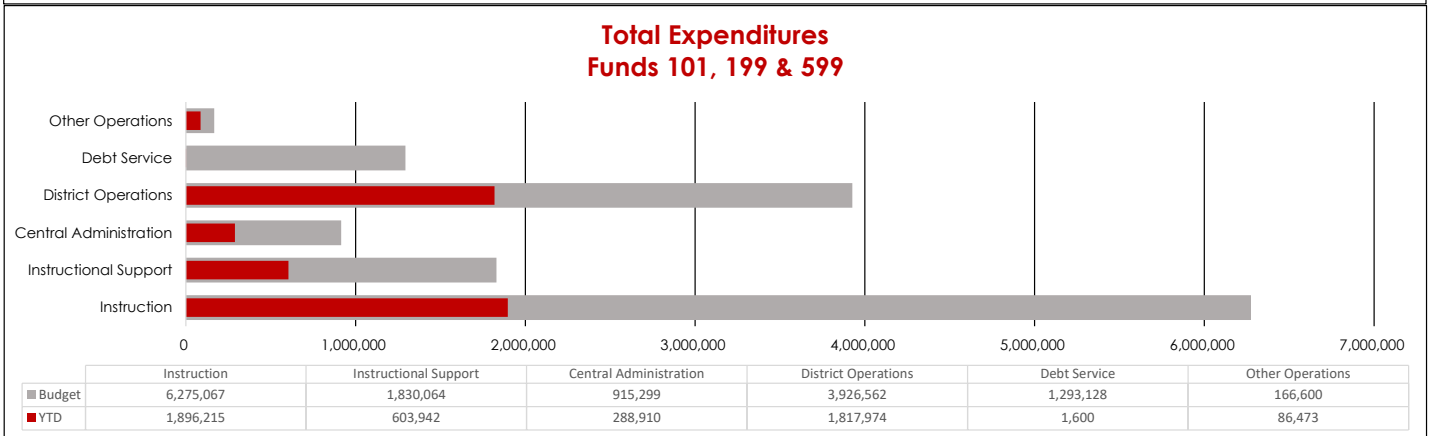
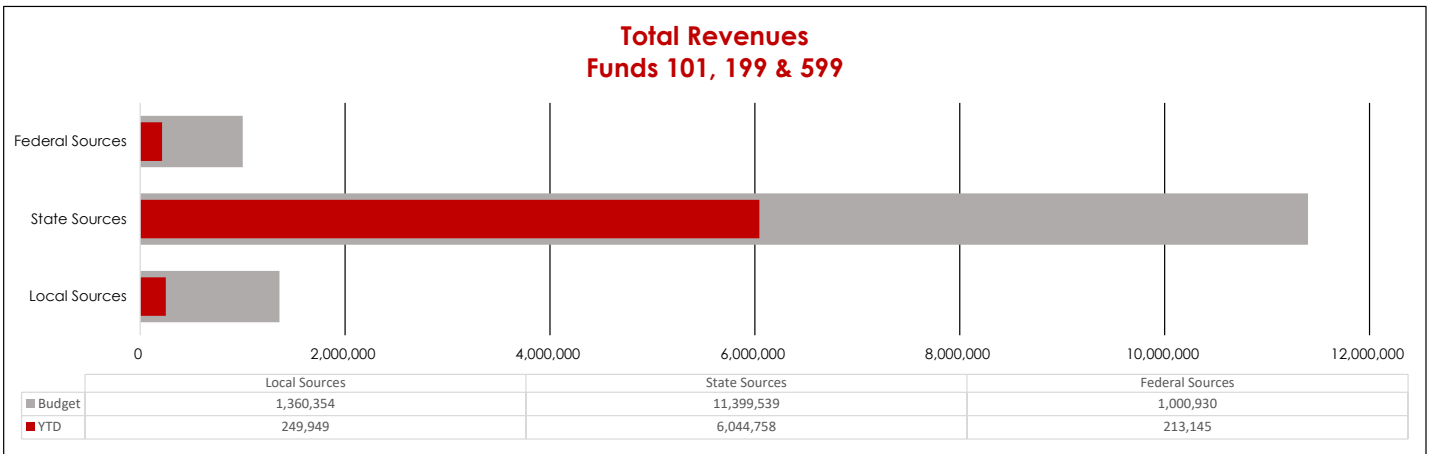
WATER



TORNILLO INDEPENDENT SCHOOL DISTRICT

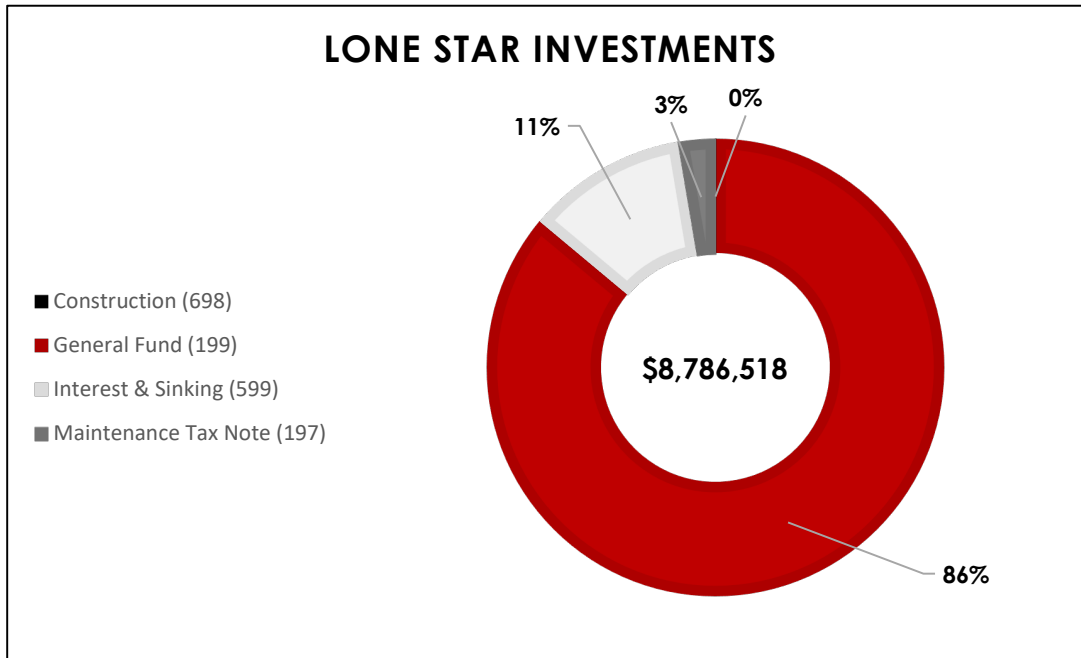
Revenues & Expenditures As of December 31, 2021

REVENUES	Fund 101 - CNS			Fund 199 - General Fund			Fund 599 - Debt Service			Total		
	Budget	YTD	Remaining	Budget	YTD	Remaining	Budget	YTD	Remaining	Budget	YTD	Remaining
Local Sources	50,000	14,230	35,770	891,000	162,834	728,166	419,354	72,885	346,469	1,360,354	249,949	1,110,405
State Sources	4,000	0	4,000	10,567,109	5,052,456	5,514,653	828,430	992,302	(163,872)	11,399,539	6,044,758	5,354,781
Federal Sources	825,930	201,863	624,067	175,000	11,282	163,718	0	0	0	1,000,930	213,145	787,785
Total Revenue:	879,930	216,093	663,837	11,633,109	5,226,572	6,406,537	1,247,784	1,065,187	182,597	13,760,823	6,507,852	7,252,971
EXPENSES												
Instruction	0	0	0	6,275,067	1,896,215	4,378,852	0	0	0	6,275,067	1,896,215	4,378,852
Instructional Support	0	0	0	1,830,064	603,942	1,226,122	0	0	0	1,830,064	603,942	1,226,122
Central Administration	0	0	0	915,299	288,910	626,389	0	0	0	915,299	288,910	626,389
District Operations	879,930	547,750	332,180	3,046,632	1,270,224	1,776,408	0	0	0	3,926,562	1,817,974	2,108,588
Debt Service	0	0	0	0	0	0	1,293,128	1,600	1,291,528	1,293,128	1,600	1,291,528
Other Operations	0	0	0	166,600	86,473	80,127	0	0	0	166,600	86,473	80,127
Total Expenses:	879,930	547,750	332,180	12,233,662	4,145,764	8,087,898	1,293,128	1,600	1,291,528	14,406,720	4,695,114	9,711,606

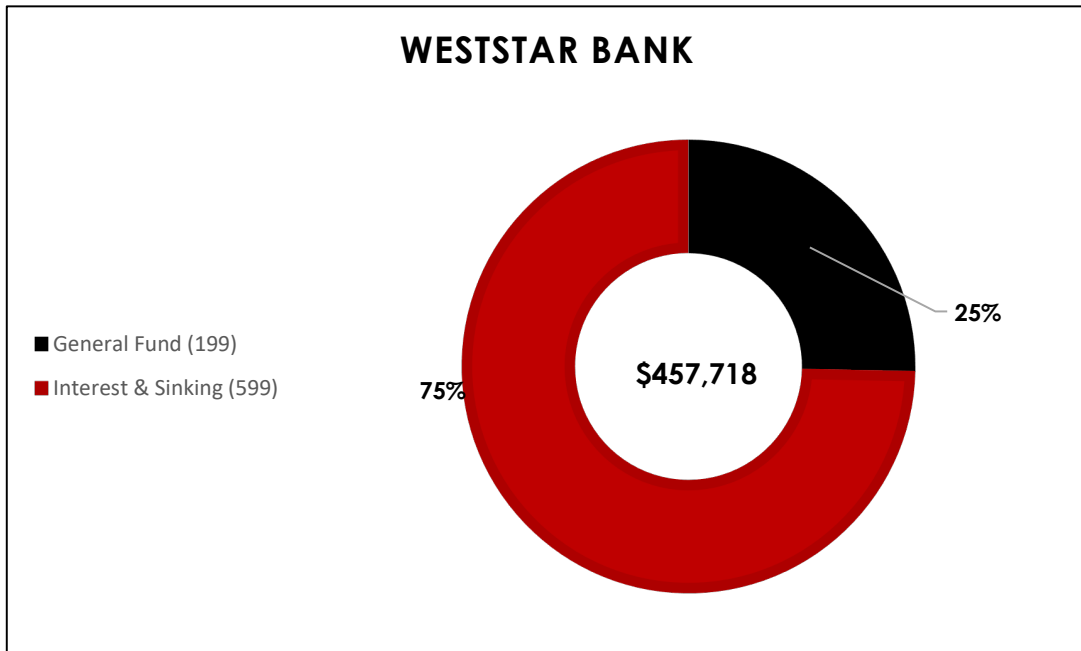


TORNILLO INDEPENDENT SCHOOL DISTRICT

As of December 31, 2021



Account	Beg. Bal.	End. Bal.	Change
Construction (698)	\$0	\$0	\$0
General Fund (199)	7,364,848	7,561,173	196,325
Interest & Sinking (599)	992,480	992,543	63
Maintenance Tax Note (197)	232,787	232,802	15
Lone Star Investment Pool	\$8,590,116	\$8,786,518	\$196,402



Account	Beg. Bal.	End. Bal.	Change
General Fund (199)	194,577	115,886	(78,691)
Interest & Sinking (599)	295,522	341,832	46,309
WestStar Bank	\$490,100	\$457,718	(\$32,382)

TORNILLO INDEPENDENT SCHOOL DISTRICT

GENERAL FUND - CASH FLOW

As of December 31, 2021

Beginning Balance \$ 194,577

Day	Taxes	Deposits	Interest	Transfers	IRS	TRS	Payroll	Checks Cleared	Fees	Balance
01		6								\$ 194,583
02	540									\$ 195,124
03		169						(9,731)		\$ 185,562
04										\$ 185,562
05										\$ 185,562
06		536		120,000				(962)		\$ 305,136
07	9,773					(101,977)		(2,343)		\$ 210,588
08		384						(12,926)		\$ 198,046
09		3,579		200,000				(14,546)		\$ 387,079
10		522						(16)		\$ 387,585
11										\$ 387,585
12										\$ 387,585
13		268						(3,804)		\$ 384,049
14		1,224		400,000			(260,712)	(41,472)		\$ 483,089
15	9,439				(31,902)	(48,145)	(1,838)	(6,827)	(557)	\$ 403,259
16	2,006	194					(3,981)	(43,027)		\$ 358,451
17	1,335	6,626		200,000			(282,201)	(25,550)		\$ 258,662
18										\$ 258,662
19										\$ 258,662
20	2,814	574						(63,170)		\$ 198,880
21	25,710							(7,769)		\$ 216,821
22	20,820							(2,570)		\$ 235,071
23		2,222						(21,417)		\$ 215,877
24								(15,273)		\$ 200,603
25										\$ 200,603
26										\$ 200,603
27	4,875							(1,452)		\$ 204,026
28	12,926							(2,671)		\$ 214,281
29	2,467									\$ 216,748
30								(1,459)		\$ 215,289
31			11		(37,165)		(1,838)	(60,411)		\$ 115,886
Ending Balance									\$	115,886

Tornillo Independent School District

Monthly Summary of Investments

As of December 31, 2021

Fnd-Obj	ACCOUNT NAME	BEGINNING	DEPOSITS	CHECKS	INTEREST	ENDING	INTEREST RATE
		BALANCE				BALANCE	
		12/1/2021				12/31/2021	
199-1110	General Operating	\$ 194,577.31	1,029,010.11	1,107,711.96	11.02	\$ 115,886.48	0.05%
197-1107	Maintenance Tax Note	\$ 232,787.46	0.00	0.00	14.74	\$ 232,802.20	0.0687%
199-1107	Lone Star Inv. Pool#1	\$ 7,364,848.25	1,115,873.01	920,000.00	451.49	\$ 7,561,172.75	0.0687%
698-1107	Lone Star Inv. Pool/Capital Projects	\$ -	0.00	0.00	0.00	\$ -	0.0000%
599-1110	Interest and Sinking	\$ 295,522.46	46,295.92	0.00	13.29	\$ 341,831.67	0.05%
599-1107	Lone Star Inv. Pool/Int.&Sinking	\$ 992,480.18	0.00	0.00	62.85	\$ 992,543.03	0.0687%
599-1107	Lone Star Inv. Pool/I&S Government	\$ 1.68	0.00	0.00	0.00	\$ 1.68	0.0051%
698-1107	Lone Star Inv. Pool/CP Government	\$ -	0.00	0.00	0.00	\$ -	0.0000%
698-1110	Construction Funds	\$ (0.00)	0.00	0.00	0.00	\$ (0.00)	0.05%

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Statement of Compliance:

The foregoing Investment Report complies with the Investment Policy and District Strategies of the Tornillo ISD.



Luis Guerra, Director of Finance



Participant #: 71908

Lone Star™ December 2021
Investment Pool **Monthly Statement**

Statement Period: 12/01/2021 to 12/31/2021

Luis M Guerra
Tornillo ISD
PO Box 170
Tornillo, Texas 79853-0170



Summary of Portfolio Holdings

Account	Fund	Number of Shares	Price Per Share	Account Balance	% Port.
General Fund	Corporate Overnight Fund	7,561,172.75	1.00	7,561,172.75	86.05%
Totals:				7,561,172.75	

Account	Fund	Number of Shares	Price Per Share	Account Balance	% Port.
Interest & Sinking Account	Corporate Overnight Fund	992,543.03	1.00	992,543.03	11.30%
	Government Overnight Fund	1.68	1.00	1.68	0.00%
Totals:				992,544.71	

Account	Fund	Number of Shares	Price Per Share	Account Balance	% Port.
Maintenance Tax Note 2008 - Fund 197	Corporate Overnight Fund	232,802.20	1.00	232,802.20	2.65%
Totals:				232,802.20	

Totals

Fund	Yield	Share Quantity	Price Per Share	Fund Balance (USD)	% Port.
Corporate Overnight Fund	0.07 %	8,786,517.98	1.00	8,786,517.98	100.00 %
Government Overnight Fund	0.00 %	1.68	1.00	1.68	0.00 %
Corporate Overnight Plus Fund	0.00 %	0.00	1.00	0.00	0.00 %
Total Value:				8,786,519.66	100.00 %

Portfolio Transactions

General Fund - Corporate Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
12/01/2021	Starting Balance	7,364,848.25			7,364,848.25
12/03/2021	Deposit	7,417,270.43	52,422.18	1.00	52,422.18
12/06/2021	Withdrawal	7,297,270.43	-120,000.00	1.00	-120,000.00
12/09/2021	Withdrawal	7,097,270.43	-200,000.00	1.00	-200,000.00
12/14/2021	Withdrawal	6,697,270.43	-400,000.00	1.00	-400,000.00
12/17/2021	Withdrawal	6,497,270.43	-200,000.00	1.00	-200,000.00
12/23/2021	Deposit	7,560,537.43	1,063,267.00	1.00	1,063,267.00

General Fund - Corporate Overnight Fund (Continued)

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
12/30/2021	Deposit GSE Antitrust Settlement	7,560,721.26	183.83	1.00	183.83
12/31/2021	Interest	7,561,172.75	451.49	1.00	451.49
12/31/2021	Ending Balance	7,561,172.75			7,561,172.75

Interest & Sinking Account - Corporate Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
12/01/2021	Starting Balance	992,480.18			992,480.18
12/31/2021	Interest	992,543.03	62.85	1.00	62.85
12/31/2021	Ending Balance	992,543.03			992,543.03

Interest & Sinking Account - Government Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
12/01/2021	Starting Balance	1.68			1.68
12/31/2021	Ending Balance	1.68			1.68

Maintenance Tax Note 2008 - Fund 197 - Corporate Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
12/01/2021	Starting Balance	232,787.46			232,787.46
12/31/2021	Interest	232,802.20	14.74	1.00	14.74
12/31/2021	Ending Balance	232,802.20			232,802.20

Important Information about this statement

Please review this statement carefully, it is the official record of your account with Lone Star Investment Pool and First Public, LLC. If you disagree with any transaction, or if there are any errors or omissions in this statement please notify us promptly in writing, but no later than 10 business days after receipt of this statement. Trades pending settlement will not appear on this statement. All such trades will appear in the next monthly statement. The yield for the period is an annualized rate that reflects the relationship between the average amount of income earned and the average daily balance for the account. Please notify First Public promptly and in writing of any changes of address or phone number. Times of transactions will be furnished upon written request. The Lone Star Investment Pool Information Statement should be read carefully before investing. Investors should consider the investment objectives, risks, charges and expenses associated with municipal fund securities before investing. All transactions are no load. No remuneration has, or will be, paid to any entity in connection with this transaction. An investor may obtain an Information Statement by contacting First Public at the address and phone number identified above. An investment in Lone Star investment Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency and although Lone Star Investment Pool seeks to preserve the value of the investment at a fixed share price, it is possible to lose money by investing in municipal fund securities.

Tornillo Independent School District

El Paso Electric Transformer Upgrades

	High School 430 Oil Mill Lighting & Fire Pump 17121	Junior High 300 Oil Mill Upgrade 17124	Intermediate 420-A Oil Mill Upgrade 17123	Elementary 19200 Gabby Upgrade 17122	Total
Paid	\$ 27,545.82	\$ 20,082.17	\$ 22,333.48	\$ 17,853.07	\$ 87,814.54
Total Reimbursed	5,338.32	20,571.76	8,058.66	18,302.90	52,271.64
Balance	\$ 22,207.50	\$ (489.59)	\$ 14,274.82	\$ (449.83)	\$ 35,542.90
Balance per EP Electric	\$ 22,399.97	\$ -	\$ 14,432.52	\$ -	\$ 36,832.49
Additional Reimbursement	\$ 192.47	\$ 489.59	\$ 157.70	\$ 449.83	\$ 1,289.59

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Date	Reimbursements				Total
10/3/2018	\$ 1,444.95	\$ 1,465.95	\$ 4,951.78	\$ 7,552.49	\$ 15,415.17
10/15/2019	\$ 1,565.01		\$ 1,794.80	\$ 2,523.03	\$ 5,882.84
10/8/2020				\$ 1,537.64	\$ 1,537.64
11/30/2020	\$ 1,303.10				\$ 1,303.10
9/27/2021		\$ 19,105.81			\$ 19,105.81
9/15/2021	\$ 1,025.26				\$ 1,025.26
9/1/2021			\$ 1,312.08		\$ 1,312.08
9/21/2021				\$ 6,689.74	\$ 6,689.74

TORNILLO INDEPENDENT SCHOOL DISTRICT

\$25K AND ABOVE PAYMENTS

As per Board policy CH Local, any single payment of twenty-five-thousand dollars and above must be board approved the transactions take place. The following are the (5) payments over the twenty-five thousand dollar threshold paid to several vendors:

Check #	Amount	Vendor	Comments
155787	\$57,506.00	Claims Administrative Service	Board Approved
10001943	\$65,841.44	Commerce	Consisted of Several Invoices
200000495	\$42,248.32	Johnstone Supply	Board Approved

Note: Payments made to First Financial Group of America are for the employee benefit plan premiums deducted from employees of the District.

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VendorID : WestStar Bank - 100003379

323	12/03/2021	500899	Aimee Granados	Issued	\$90.00	Employee Reimbursement Direct Deposit
324	12/03/2021	501061	Rodrigo Portillo	Issued	\$354.00	Employee Reimbursement Direct Deposit
325	12/10/2021	501156	Cesar Martinez	Issued	\$486.00	Employee Reimbursement Direct Deposit
326	12/10/2021	500544	Luis Vega	Issued	\$792.00	Employee Reimbursement Direct Deposit
327	12/17/2021	501068	Ilse Gonzalez	Issued	\$100.00	Employee Reimbursement Direct Deposit
155786	12/03/2021	10033	Apple, Inc.	Issued	\$1,221.00	Paper Check
155787	12/03/2021	10089	Claims Administrative Services, Inc	Issued	\$57,506.00	Paper Check
155788	12/03/2021	10097	Communities In Schools El Paso Inc.	Issued	\$7,500.00	Paper Check
155789	12/03/2021	10543	Labatt Food Service	Issued	\$2,201.15	Paper Check
155790	12/03/2021	10601	Office Depot	Issued	\$280.30	Paper Check
155791	12/03/2021	10705	Tasb Risk Management Fund	Issued	\$14,546.00	Paper Check
155792	12/03/2021	10867	West Texas County Courier	Issued	\$240.00	Paper Check
155793	12/03/2021	20022	Citibank	Issued	\$320.42	Paper Check
155794	12/03/2021	20022	Citibank	Issued	\$170.81	Paper Check
155795	12/03/2021	20022	Citibank	Issued	\$816.00	Paper Check
155796	12/03/2021	20022	Citibank	Issued	\$282.96	Paper Check
155797	12/03/2021	20022	Citibank	Issued	\$271.97	Paper Check
155798	12/03/2021	20022	Citibank	Issued	\$990.00	Paper Check
155799	12/03/2021	20022	Citibank	Issued	\$271.97	Paper Check
155800	12/03/2021	20022	Citibank	Issued	\$507.00	Paper Check
155801	12/03/2021	20022	Citibank	Issued	\$442.97	Paper Check
155802	12/03/2021	20022	Citibank	Issued	\$507.00	Paper Check
155803	12/03/2021	20022	Citibank	Issued	\$282.96	Paper Check
155804	12/03/2021	20022	Citibank	Issued	\$442.97	Paper Check

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155805	12/03/2021	20022	Citibank	Issued	\$1,152.00	Paper Check
155806	12/03/2021	20022	Citibank	Issued	\$442.97	Paper Check
155807	12/03/2021	20206	Texas Excavation Safety System,	Issued	\$16.15	Paper Check
155808	12/03/2021	20215	Spectrum Paper Co, Inc.	Issued	\$1,481.58	Paper Check
155809	12/03/2021	20306	Perez Propane LLC	Issued	\$518.39	Paper Check
155810	12/03/2021	20447	Super Chef Inc.	Issued	\$2,310.00	Paper Check
155811	12/03/2021	20587	Bradley's Hardware Inc	Issued	\$13.10	Paper Check
155812	12/03/2021	20642	Faben's Quick Lube	Issued	\$216.00	Paper Check
155813	12/03/2021	20662	Citibank	Issued	\$66.30	Paper Check
155814	12/03/2021	20662	Citibank	Issued	\$33.62	Paper Check
155815	12/03/2021	20788	Sandra Mercuri Educational Consultants	Issued	\$2,500.00	Paper Check
155816	12/03/2021	20810	T-Mobile USA Inc.	Issued	\$500.00	Paper Check
155817	12/03/2021	20814	El Pasoans Fighting Hunger	Issued	\$141.75	Paper Check
155818	12/03/2021	20824	Satarii, Inc.	Issued	\$2,725.20	Paper Check
155819	12/03/2021	20885	La Union Maze LLC	Issued	\$91.00	Paper Check
155821	12/10/2021	10190	Fabens Oil Co.	Issued	\$672.59	Paper Check
155822	12/10/2021	10224	Flowers Baking Co.	Issued	\$542.02	Paper Check
155823	12/10/2021	10543	Labatt Food Service	Issued	\$21,889.87	Paper Check
155824	12/10/2021	10614	Perky Press	Issued	\$2,333.75	Paper Check
155825	12/10/2021	10657	Segovia'S Distributing, Inc.	Issued	\$3,010.77	Paper Check
155826	12/10/2021	20022	Citibank	Issued	\$217.25	Paper Check
155827	12/10/2021	20022	Citibank	Issued	\$231.90	Paper Check
155828	12/10/2021	20038	wholesale Lumber	Issued	\$30.99	Paper Check
155829	12/10/2021	20112	Studies Weekly	Issued	\$1,161.00	Paper Check
155830	12/10/2021	20114	Quinteros Meat Company Inc	Issued	\$558.50	Paper Check
155831	12/10/2021	20124	Time Warner Cable Texas LLC	Issued	\$3,360.00	Paper Check

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155832	12/10/2021	20169	El Paso County Water Improvement	Issued	\$2,947.25	Paper Check
155833	12/10/2021	20215	Spectrum Paper Co, Inc.	Issued	\$791.03	Paper Check
155834	12/10/2021	20356	Imagination Station, Inc.	Issued	\$7,044.50	Paper Check
155835	12/10/2021	20447	Super Chef Inc.	Issued	\$156.75	Paper Check
155836	12/10/2021	20572	Dell Marketing L.P.	Issued	\$4,564.50	Paper Check
155837	12/10/2021	20587	Bradley's Hardware Inc	Issued	\$23.49	Paper Check
155838	12/10/2021	20662	Citibank	Issued	\$22.36	Paper Check
155839	12/10/2021	20804	EP Techworks LLC	Issued	\$390.00	Paper Check
155840	12/10/2021	20821	Winsupply of West El Paso	Issued	\$1,000.00	Paper Check
155841	12/10/2021	20830	EP Montwood 96 LLC Cici's Pizza	Issued	\$110.00	Paper Check
155842	12/10/2021	20876	GH Dairy El Paso	Issued	\$3,252.03	Paper Check
155843	12/15/2021	20335	Health Special Risk, Inc.	Issued	\$13,613.00	Paper Check
155844	12/17/2021	10050	Barnes & Noble	Issued	\$2,520.00	Paper Check
155845	12/17/2021	10128	El Paso Central Appraisal District	Issued	\$4,126.00	Paper Check
155846	12/17/2021	10138	El Paso Disposal, LP	Issued	\$1,922.98	Paper Check
155847	12/17/2021	10139	El Paso Electric Co.	Issued	\$16,252.81	Paper Check
155848	12/17/2021	10190	Fabens Oil Co.	Issued	\$174.35	Paper Check
155849	12/17/2021	10358	Hobby Lobby Stores	Issued	\$748.47	Paper Check
155850	12/17/2021	10361	Home Depot Credit Services	Issued	\$972.09	Paper Check
155851	12/17/2021	10525	Kermit ISD	Issued	\$937.50	Paper Check
155852	12/17/2021	10617	Pitneybowes	Issued	\$316.05	Paper Check
155853	12/17/2021	10864	Walmart Community/Gemb	Issued	\$4,484.98	Paper Check
155854	12/17/2021	20022	Citibank	Issued	\$250.00	Paper Check
155855	12/17/2021	20022	Citibank	Issued	\$722.59	Paper Check
155856	12/17/2021	20022	Citibank	Issued	\$470.10	Paper Check
155857	12/17/2021	20038	wholesale Lumber	Issued	\$108.23	Paper Check

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155858	12/17/2021	20168	Lowe's Business Account	Issued	\$480.08	Paper Check
155859	12/17/2021	20196	Enrique Esparza	Issued	\$1,354.00	Paper Check
155860	12/17/2021	20215	Spectrum Paper Co, Inc.	Issued	\$2,423.60	Paper Check
155861	12/17/2021	20297	The Sherwin Williams Company	Issued	\$165.08	Paper Check
155862	12/17/2021	20306	Perez Propane LLC	Issued	\$277.23	Paper Check
155863	12/17/2021	20389	Mountain Desert Water LLC	Issued	\$596.68	Paper Check
155864	12/17/2021	20408	UTEP -College of Education	Issued	\$75.00	Paper Check
155865	12/17/2021	20447	Super Chef Inc.	Issued	\$192.50	Paper Check
155866	12/17/2021	20499	Hawthorne Educational Services,	Issued	\$644.00	Paper Check
155867	12/17/2021	20587	Bradley's Hardware Inc	Issued	\$36.47	Paper Check
155868	12/17/2021	20662	Citibank	Issued	\$148.72	Paper Check
155869	12/17/2021	20662	Citibank	Issued	\$287.68	Paper Check
155870	12/17/2021	20690	Total Equipment & Rental of El Paso	Issued	\$291.91	Paper Check
155871	12/17/2021	20708	Global Equipment Company Inc	Issued	\$1,549.79	Paper Check
155872	12/17/2021	20709	xSPEDite School Services	Issued	\$742.50	Paper Check
155873	12/17/2021	20714	Children's Home therapy specialists dba Villa Children's therapy	Issued	\$1,306.67	Paper Check
155874	12/17/2021	20810	T-Mobile USA Inc.	Issued	\$302.44	Paper Check
10001943	12/03/2021	20765	Commerce Bank	Issued	\$65,841.44	ACH
200000480	12/03/2021	10679	Spectrum Imaging	Issued	\$101.25	Vendor Credit Card
200000481	12/03/2021	20270	Texas Association for the Gifted	Issued	\$475.00	Vendor Credit Card
200000482	12/03/2021	20470	O'Reilly Auto Enterprises LLC	Issued	\$112.78	Vendor Credit Card
200000483	12/03/2021	20643	Project Lead The Way, Inc.	Issued	\$6,740.75	Vendor Credit Card
200000484	12/10/2021	10105	Continental Termite & Pest Control,	Issued	\$1,425.00	Vendor Credit Card
200000485	12/10/2021	10595	NCS Pearson, Inc	Issued	\$8,230.00	Vendor Credit Card
200000486	12/10/2021	20017	School Specialty Inc.	Issued	\$467.96	Vendor Credit Card
200000487	12/10/2021	20052	DEMCO, Inc	Issued	\$3,495.19	Vendor Credit Card

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200000488	12/10/2021	20270	Texas Association for the Gifted	Issued	\$375.00	Vendor Credit Card
200000489	12/10/2021	20470	O'Reilly Auto Enterprises LLC	Issued	\$343.14	Vendor Credit Card
200000490	12/17/2021	10027	Amerigas Propane, L.P.	Issued	\$8,905.19	Vendor Credit Card
200000491	12/17/2021	10034	Arspec, Inc.	Issued	\$1,262.98	Vendor Credit Card
200000492	12/17/2021	10153	El Paso Times	Issued	\$306.60	Vendor Credit Card
200000493	12/17/2021	10593	National School Boards Association	Issued	\$595.00	Vendor Credit Card
200000494	12/17/2021	10669	Sonitrol Of El Paso	Issued	\$1,914.00	Vendor Credit Card
200000495	12/17/2021	20036	Johnstone Supply	Issued	\$42,248.32	Vendor Credit Card
200000496	12/17/2021	20312	Service Supply	Issued	\$241.95	Vendor Credit Card
200000497	12/17/2021	20470	O'Reilly Auto Enterprises LLC	Issued	\$178.73	Vendor Credit Card
200000498	12/17/2021	20577	L & W Supply	Issued	\$626.60	Vendor Credit Card

Total Checks: 113

Total Amount: 359,522.47

Commerce December 2021

200000476	4252.38	Scholastic Store Online	10651	11/19/2021	Issued	Commerce Bank
200000477	30.15	Southern Computer Warehouse	10672	11/19/2021	Issued	Commerce Bank
200000478	5062	Project Lead The Way, Inc.	20643	11/19/2021	Issued	Commerce Bank
200000479	361.39	Riverside Assessments, LLC	20739	11/19/2021	Issued	Commerce Bank
200000372	2160.00	Sonitrol Of El Paso	10669	8/5/2021	Issued	Commerce Bank
200000374	960.00	Project Lead The Way, Inc.	20643	8/5/2021	Issued	Commerce Bank
200000376	650.00	Sonitrol Of El Paso	10669	8/6/2021	Issued	Commerce Bank
200000377	2040.00	Taylor Publishing Comapny	20181	8/6/2021	Issued	Commerce Bank
200000378	390.50	El Paso Reprographics	20597	8/6/2021	Issued	Commerce Bank
200000380	186.00	C & M Plaque & Trophy Inc.	10070	8/6/2021	Issued	Commerce Bank
200000382	846.00	C & M Plaque & Trophy Inc.	10070	8/6/2021	Issued	Commerce Bank
200000383	1080.00	Sonitrol Of El Paso	10669	8/6/2021	Issued	Commerce Bank
200000384	350.00	TASBO	10707	8/6/2021	Issued	Commerce Bank
200000385	291.68	O'Reilly Auto Enterprises LLC	20470	8/6/2021	Issued	Commerce Bank
200000434	6966.65	Severin Intermediate Holdings, LLC	10622	10/22/2021	Issued	Commerce Bank
200000435	211.05	Southern Computer Warehouse	10672	10/22/2021	Issued	Commerce Bank
200000449	6480.81	Amerigas Propane, L.P.	10027	10/29/2021	Issued	Commerce Bank
200000463	322.25	School Specialty	20017	11/5/2021	Issued	Commerce Bank
200000464	854.36	DEMCO, Inc	20052	11/5/2021	Issued	Commerce Bank
200000465	25700	Edmentum Inc	20075	11/5/2021	Issued	Commerce Bank
200000466	2335.00	Sonitrol Of El Paso	10669	11/12/2021	Issued	Commerce Bank
200000467	669.8	Staples Advantage	10687	11/12/2021	Issued	Commerce Bank
200000468	375	TASBO	10707	11/12/2021	Issued	Commerce Bank
200000469	1043.25	School Specialty	20017	11/12/2021	Issued	Commerce Bank
200000470	372.42	Ken Scholten dba KD Scholten Compai	20391	11/12/2021	Issued	Commerce Bank
200000471	288.75	O'Reilly Auto Enterprises LLC	20470	11/12/2021	Issued	Commerce Bank
200000472	1400	Blanco Ordonez Mata & Wallace P.C.	20490	11/12/2021	Issued	Commerce Bank
200000473	162	Project Lead The Way, Inc.	20643	11/12/2021	Issued	Commerce Bank



MEMORANDUM

To: Members of the Board of Trustees
From: Luis M. Guerra, Director of Finance
Subject: Quarterly Investment Report – Quarter Ending December 31, 2021
Date: January 26, 2022

Introduction

This report presents a comprehensive look at the investment program and activity of the Tornillo Independent School District (TISD) for the quarter ending December 31, 2021. The Public Funds Investment Act requires quarterly reporting of investment activity and balances.

The investment objectives of preservation and safety of principal, liquidity and yield drive investment activities. These objectives dictate the types of investment vehicles that the TISD utilizes.

As of December 31, 2021, the TISD had funds invested in the Lone Star Investment Pool and at WestStar Bank. At WestStar Bank, the TISD has interest bearing and earnings credit accounts.

Analysis of Investment Performance

The focus of the investment program is the preservation and safety, liquidity and yield of invested funds. Funds must be available to meet daily cash requirements, as well as short-term and long-term needs. Maximizing investment yields are only considered after the other investment objectives have been met. Investment yields are reported for the quarter ending December 31, 2021.

The TISD began the quarter with \$7,539,250 in invested funds. This amount increased to \$8,609,835 mainly resulting from processing grant disbursements during the quarter.

The majority of TISD invested funds are invested in corporate overnight funds. The quarter began with the corporate overnight fund yield of 0.0556% and ended with a corporate overnight fund yield of 0.0596%.

General Fund – Corporate Overnight Fund

General Fund investments are restricted by payroll pay dates and accounts payable check runs, since payments for all non-student activity funds are initially paid out of this fund. Transfers are made as needed from the Lone Star Investment Pool to WestStar bank to cover cash disbursements. The invested balance in the General Fund began the quarter with \$7,037,536 in invested funds and ended the quarter with a balance of \$7,677,629 due to processing less Accounts payable \$4,766 and receiving \$635,328 grant disbursements during the quarter.

Investment	Jul-Sep	Oct-Dec	Change
Lone Star	\$6,926,415	\$7,561,743	\$635,328
WestStar	111,121	115,886	4,766
Total	\$7,037,536	\$7,677,629	\$640,093

Interest and Sinking Fund – Corporate Overnight Fund

Interest and Sinking (I&S) Fund investments are restricted to the payment of the TISD debt. The invested balance in the I&S Fund began the quarter with \$268,948 in invested funds and ended the quarter with a balance of \$1,334,375. The increase in invested funds is attributed to receiving property tax payments in the amount of \$73,060 (+), and interest earnings of \$101 (+) and Texas Education Agency Deb allotment payments of \$992,367 during the quarter. During the month of Feb bond interest payments in the amount of \$1,054,990 for bond payments due Feb 1, 2022.

Investment	Jul-Sep	Oct-Dec	Change
Lone Star	\$176	\$992,543	\$992,367
WestStar	268,772	341,832	73,060
Total	\$268,948	\$1,334,375	\$1,065,427

Maintenance Tax Note – Corporate Overnight Fund

The Maintenance Tax Note Fund began the quarter with an invested balance of \$232,743 and ended the quarter with a balance of \$232,802. The increase in invested funds is attributed to interest earnings of \$37 received during the quarter.

Conclusion

COVID-19 continues to impact the equity markets resulting from transitory inflation and US treasury maintaining interest rates near zero. As Americans are getting vaccinated and transitioning back to work the economic conditions should be better.

The District will continue to monitor the yields in longer term investments. Monthly yields have decreased over the course of the quarter and are currently as competitive as yields in longer term investments. The District will continue to use governmental investment pools and should consider fixed maturity investments when available. As the district's investment officer, I will continue to seek investment opportunities after investment preservation and safety, liquidity and yield are considered. The investment portfolio has met the Public Funds Investment Act and the Board's investment policy requirements throughout the quarter.



Tornillo Independent School District

Quarterly Investments Report

As of December 31, 2021

Description	Maturity Date	12/31/2021 Interest Rate*	9/30/2021 Book Value	12/31/2021 Book Value	9/30/2021 Market Value	12/31/2021 Market Value	Change in Book Value	Change in Market Value	Accrued Interest
Lone Star Investment Pool (Cash & Cash Equivalents)									
General Fund (199-1107)	On Demand	0.059600%	\$6,926,415.20	\$7,561,172.75	\$6,926,769.99	\$7,561,088.98	9.16%	9.16%	\$ 1,116.45
M & O Tax Note 2008 (197-1107)	On Demand	0.059600%	\$232,764.89	\$232,802.20	\$232,776.81	\$232,802.20	0.02%	0.01%	\$ 37.31
Interest & Sinking Fund (599-1107)	On Demand	0.059600%	\$176.35	\$992,543.03	\$176.36	\$992,543.03	562725.65%	562693.73%	\$ 64.68
Construction Fund (698-1107)	On Demand	0.059600%	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$ -
Interest & Sinking Fund (599-1107)	On Demand	0.005100%	\$1.68	\$1.68	\$1.68	\$1.68	0.00%	0.00%	\$ -
Construction Account - Government (698-1107)	On Demand	0.059600%	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$ -
Total Lone Star Investment Pool:			\$7,159,358.12	\$8,786,519.66	\$7,159,724.84	\$8,786,435.89			\$1,218.44
* Average Interest Rate for the quarter									
WestStar Bank (Cash)									
General Fund (199-1110)	On Demand	0.05%	\$111,120.58	\$115,886.48	\$111,120.58	\$115,886.48	4.29%	4.29%	\$ 33.40
Interest & Sinking Fund (599-1110)	On Demand	0.05%	\$268,771.54	\$341,831.67	\$268,771.54	\$341,831.67	27.18%	27.18%	\$ 36.41
Construction Fund (698-1110)	On Demand	0.05%	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$ -
Total WestStar Bank:			\$379,892.12	\$457,718.15	\$379,892.12	\$457,718.15			\$69.81
Total Investments:			\$7,539,250.24	\$9,244,237.81	\$7,539,616.96	\$9,244,154.04			\$1,288.25

S&P Rating
Corporate Overnight Fund - AAAm
Government Overnight Fund - AAAm

35

Asset	Portfolio Weight Average Maturity (WAM)			
	Book Value	Days to Maturity	Maturity Date	WAM
Lonestar Investment Pool	\$8,786,519.66	1.00	7/1/2022	0.9505
WestStar Bank	\$457,718.15	1.00	7/1/2022	0.0495
Total	\$9,244,237.81			1.0000

Investment Objectives (Priority Order):

1. Preservation & Safety of principal;
2. Liquidity; and
3. Yield



Luis M. Guerra, Investment Officer





First Public
12007 Research Blvd.
Austin, Texas 78759
800.558.8875 • firstpublic.com

Fund Performance Update

December 31, 2021

Comments by Mellon, Investment Manager

Custodian Bank: State Street Bank
Investment Managers:
American Beacon Advisors and Mellon
The Lone Star Investment Pool is
endorsed by:



The Lone Star Investment Pool Information Statement should be read carefully before investing. Investors should consider the investment objectives, risks, changes, and expenses associated with this or any security prior to investing. Investment in Lone Star Investment Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency, and although Lone Star seeks to preserve the value of the investment at a fixed share price, it is possible to lose money by investing in Lone Star. For further information or for an Information Statement contact First Public at 800.558.8875. The return information is net of all current operating expenses. The return represents past performance and is no indication of future results.

Equity markets continued their upward trend in December as the Dow and S&P 500 indexes reached all-time highs in the last week of the month. For 2021, the S&P 500 gained 26.9%. U.S Treasury yields beyond 6 months also rose in December as the 2-year note led the increase by moving higher by 17 basis points to 0.73%. In mid-December, Congress approved a \$2.5 trillion increase to the debt limit, allowing the U.S. to finance its obligations until after the 2022 midterm elections in November and avoid a technical default. Inflation concerns and more hawkish comments from the Fed caused the market to price in multiple rate hikes for 2022. In November, the Fed announced that it would taper its asset purchases by \$15 billion per month. In December, the Fed said that it would double that pace. This would move the complete wind down of the taper to March instead of June. At the end of December, the market was fully pricing in three rate hikes of 25 basis points each, with the first hike most likely occurring in May.

Active Participants This Month

Schools and Colleges	573
Other Governmental	80
<i>Total</i>	653



Government Overnight Fund

Return Information

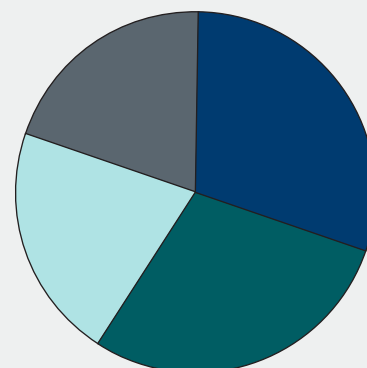
December 31, 2021

Average Monthly Return (a)	0.01%
SEC 7-day Fund Yield (b)	0.01%
Weighted Average Maturity One (c)	51 days
Weighted Average Maturity Two (c)	82 days
Portfolio Maturing beyond One Year	0%
Net Asset Value (NAV)	\$1.00
Annualized Expense Ratio	0.06%
Standard & Poor's Rating	AAAm

Inventory Position

	Book Value	Market Value
Cash/Repo	975,249,780.37	975,249,780.37
US Treasuries	1,317,425,806.99	1,317,025,191.98
Agencies	932,591,328.50	932,604,019.04
Money Market Funds	1,396,911,869.81	1,396,911,869.81
Total Assets	4,622,178,785.67	4,621,790,861.20

Investment Distribution



Money Market	30%
Treasuries	29%
Cash/Repo	21%
Agencies	20%

(a) The return information represents the average annualized rate of return on investments for the time period referenced. Return rates reflect a partial waiver of the Lone Star Investment Pool operating expense. Past performance is no guarantee of future results.

Corporate Overnight Fund

Return Information

December 31, 2021

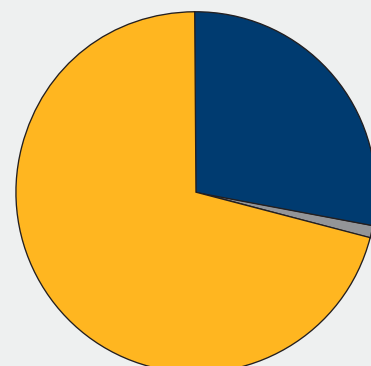
Average Monthly Return (a)	0.07%
SEC 7-day Fund Yield (b)	0.07%
Weighted Average Maturity One (c)	42 days
Weighted Average Maturity Two (c)	44 days
Portfolio Maturing beyond One Year	0%
Net Asset Value (NAV)	\$1.00
Annualized Expense Ratio	0.06%
Standard & Poor's Rating	AAAm

Inventory Position

	Book Value	Market Value
Cash/Repo	-	-
US Treasuries	-	-
Agencies	19,999,178.50	20,011,373.80
Commercial Paper	2,207,047,926.53	2,207,003,360.77
Money Market Funds	875,785,117.72	875,783,112.50
Total Assets	3,102,832,222.75*	3,102,797,847.07*

* Total Assets reflects unsettled securities transaction that has a net effect of (60,088,542.38)

Investment Distribution



Commercial Paper	71%
Money Market	28%*
Agencies	1%

(b) **SEC 7-Day Yield Calculation**

$$\text{Yield} = 2 \left[\left[\frac{a-b}{cd} + 1 \right]^6 - 1 \right]$$

a - Dividend and interest income
b - Expenses accrued for the period
c - Average daily number of shares outstanding during the period that was entitled to dividends
d - Maximum offering price per share on the last day of the period

Corporate Overnight Plus Fund

Return Information

December 31, 2021

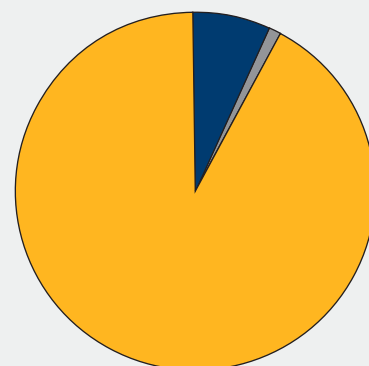
Average Monthly Return (a)	0.10%
SEC 7-day Fund Yield (b)	0.10%
Weighted Average Maturity One (c)	60 days
Weighted Average Maturity Two (c)	62 days
Portfolio Maturing beyond One Year	0%
Net Asset Value (NAV)	\$1.00
Annualized Expense Ratio	0.06%
Standard & Poor's Rating	AAAf/S1+

Inventory Position

	Book Value	Market Value
Cash/Repo	-	-
US Treasuries	-	-
Agencies	49,998,357.07	50,029,777.00
Commercial Paper	6,690,635,833.88	6,690,551,037.97
Money Market Funds	508,026,326.48	508,028,037.57
Total Assets	7,248,660,517.43 *	7,248,608,852.54*

* Total Assets reflects unsettled securities transaction that has a net effect of (70,258,841.13)

Investment Distribution



Commercial Paper	92%
Money Market	7%*
Agencies	1%

(c) The Weighted Average Maturity One calculation uses the industry standard definition of state maturity for floating rate instruments, the number of days until the next reset date. The Weighted Average Maturity Two calculation uses the final maturity of any floating rate instruments, as opined in Texas Attorney General Opinion No. JC0359.

Participant #: 71908

Lone Star™ 2021 1st Quarter
Investment Pool **Quarterly Statement**

Statement Period: 10/01/2021 to 12/31/2021

Luis M Guerra
Tornillo ISD
PO Box 170
Tornillo, Texas 79853-0170



Summary of Portfolio Holdings

Account	Fund	Number of Shares	Price Per Share	Account Book Value (USD)	Account Market Value (USD)	% Port.
General Fund	Corporate Overnight Fund	7,561,172.75	1.00	7,561,172.75	7,561,088.98	86.05%
Totals:				7,561,172.75	7,561,088.98	

Account	Fund	Number of Shares	Price Per Share	Account Book Value (USD)	Account Market Value (USD)	% Port.
Interest & Sinking Account	Corporate Overnight Fund	992,543.03	1.00	992,543.03	992,532.03	11.30%
	Government Overnight Fund	1.68	1.00	1.68	1.68	0.00%
Totals:				992,544.71	992,533.71	

Account	Fund	Number of Shares	Price Per Share	Account Book Value (USD)	Account Market Value (USD)	% Port.
Maintenance Tax Note 2008 - Fund 197	Corporate Overnight Fund	232,802.20	1.00	232,802.20	232,799.62	2.65%
Totals:				232,802.20	232,799.62	

Totals

Fund	Number of Shares	Price Per Share	Fund Balance (USD)	% Port.
Corporate Overnight Fund	8,786,517.98	1.00	8,786,517.98	100.00 %
Government Overnight Fund	1.68	1.00	1.68	0.00 %
Corporate Overnight Plus Fund	0.00	1.00	0.00	0.00 %
Total Value:			8,786,519.66	100.00 %

Portfolio Transactions

General Fund - Corporate Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
10/01/2021	Starting Balance	6,926,415.20			6,926,415.20
10/01/2021	Withdrawal	6,676,415.20	-250,000.00	1.00	-250,000.00
10/05/2021	Deposit	6,676,415.22	0.02	1.00	0.02
10/05/2021	Deposit	6,683,500.24	7,085.05	1.00	7,085.05
10/06/2021	Deposit	6,687,461.57	3,961.30	1.00	3,961.30
10/06/2021	Deposit	6,690,524.57	3,063.00	1.00	3,063.00

General Fund - Corporate Overnight Fund (Continued)

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
10/08/2021	Withdrawal	6,290,524.57	-400,000.00	1.00	-400,000.00
10/12/2021	Deposit	6,371,519.17	80,994.60	1.00	80,994.60
10/25/2021	Deposit	7,418,564.17	1,047,045.00	1.00	1,047,045.00
10/25/2021	Withdrawal	7,318,564.17	-100,000.00	1.00	-100,000.00
10/28/2021	Withdrawal	6,868,564.17	-450,000.00	1.00	-450,000.00
10/29/2021	Interest	6,868,866.55	302.38	1.00	302.38
11/01/2021	Deposit	6,876,516.55	7,650.00	1.00	7,650.00
11/01/2021	Deposit	6,914,285.58	37,769.03	1.00	37,769.03
11/01/2021	Deposit	6,970,425.56	56,139.98	1.00	56,139.98
11/01/2021	Deposit	7,190,936.13	220,510.57	1.00	220,510.57
11/01/2021	Deposit	7,194,104.98	3,168.85	1.00	3,168.85
11/01/2021	Deposit	7,268,197.38	74,092.40	1.00	74,092.40
11/01/2021	Deposit	7,330,509.73	62,312.35	1.00	62,312.35
11/01/2021	Deposit	7,338,495.10	7,985.37	1.00	7,985.37
11/01/2021	Deposit	7,346,166.41	7,671.31	1.00	7,671.31
11/01/2021	Deposit	7,359,429.99	13,263.58	1.00	13,263.58
11/08/2021	Withdrawal	7,209,429.99	-150,000.00	1.00	-150,000.00
11/10/2021	Deposit	7,211,929.99	2,500.00	1.00	2,500.00
11/12/2021	Deposit	7,214,340.79	2,410.80	1.00	2,410.80
11/12/2021	Deposit	7,290,201.79	75,861.00	1.00	75,861.00
11/12/2021	Deposit	7,367,659.35	77,457.56	1.00	77,457.56
11/12/2021	Withdrawal	6,967,659.35	-400,000.00	1.00	-400,000.00
11/17/2021	Withdrawal	6,767,659.35	-200,000.00	1.00	-200,000.00
11/18/2021	Deposit	6,770,608.35	2,949.00	1.00	2,949.00
11/19/2021	Withdrawal	6,320,608.35	-450,000.00	1.00	-450,000.00
11/23/2021	Deposit	6,323,434.67	2,826.32	1.00	2,826.32
11/24/2021	Deposit	7,364,485.67	1,041,051.00	1.00	1,041,051.00
11/29/2021	Deposit	7,714,162.67	349,677.00	1.00	349,677.00
11/29/2021	Deposit	7,728,835.67	14,673.00	1.00	14,673.00
11/29/2021	Deposit	8,356,787.67	627,952.00	1.00	627,952.00
11/30/2021	Transfer Out	7,364,485.67	-992,302.00	1.00	-992,302.00
11/30/2021	Interest	7,364,848.25	362.58	1.00	362.58
12/03/2021	Deposit	7,417,270.43	52,422.18	1.00	52,422.18
12/06/2021	Withdrawal	7,297,270.43	-120,000.00	1.00	-120,000.00
12/09/2021	Withdrawal	7,097,270.43	-200,000.00	1.00	-200,000.00
12/14/2021	Withdrawal	6,697,270.43	-400,000.00	1.00	-400,000.00
12/17/2021	Withdrawal	6,497,270.43	-200,000.00	1.00	-200,000.00
12/23/2021	Deposit	7,560,537.43	1,063,267.00	1.00	1,063,267.00
12/30/2021	Deposit	7,560,721.26	183.83	1.00	183.83
	GSE Antitrust Settlement				
12/31/2021	Interest	7,561,172.75	451.49	1.00	451.49
12/31/2021	Ending Balance	7,561,172.75			7,561,172.75

Interest & Sinking Account - Corporate Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
10/01/2021	Starting Balance	176.35			176.35
10/29/2021	Interest	176.36	0.01	1.00	0.01
11/30/2021	Transfer In	992,478.36	992,302.00	1.00	992,302.00
11/30/2021	Interest	992,480.18	1.82	1.00	1.82
12/31/2021	Interest	992,543.03	62.85	1.00	62.85
12/31/2021	Ending Balance	992,543.03			992,543.03

Interest & Sinking Account - Government Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
10/01/2021	Starting Balance	1.68			1.68
12/31/2021	Ending Balance	1.68			1.68

Maintenance Tax Note 2008 - Fund 197 - Corporate Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
10/01/2021	Starting Balance	232,764.89			232,764.89
10/29/2021	Interest	232,775.57	10.68	1.00	10.68
11/30/2021	Interest	232,787.46	11.89	1.00	11.89
12/31/2021	Interest	232,802.20	14.74	1.00	14.74
12/31/2021	Ending Balance	232,802.20			232,802.20

Important Information about this statement

Please review this statement carefully, it is the official record of your account with Lone Star Investment Pool and First Public, LLC. If you disagree with any transaction, or if there are any errors or omissions in this statement please notify us promptly in writing, but no later than 10 business days after receipt of this statement. Trades pending settlement will not appear on this statement. All such trades will appear in the next monthly statement. The yield for the period is an annualized rate that reflects the relationship between the average amount of income earned and the average daily balance for the account. Please notify First Public promptly and in writing of any changes of address or phone number. Times of transactions will be furnished upon written request. The Lone Star Investment Pool Information Statement should be read carefully before investing. Investors should consider the investment objectives, risks, charges and expenses associated with municipal fund securities before investing. All transactions are no load. No remuneration has, or will be, paid to any entity in connection with this transaction. An investor may obtain an Information Statement by contacting First Public at the address and phone number identified above. An investment in Lone Star investment Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency and although Lone Star Investment Pool seeks to preserve the value of the investment at a fixed share price, it is possible to lose money by investing in municipal fund securities.

Tornillo

Independent School District



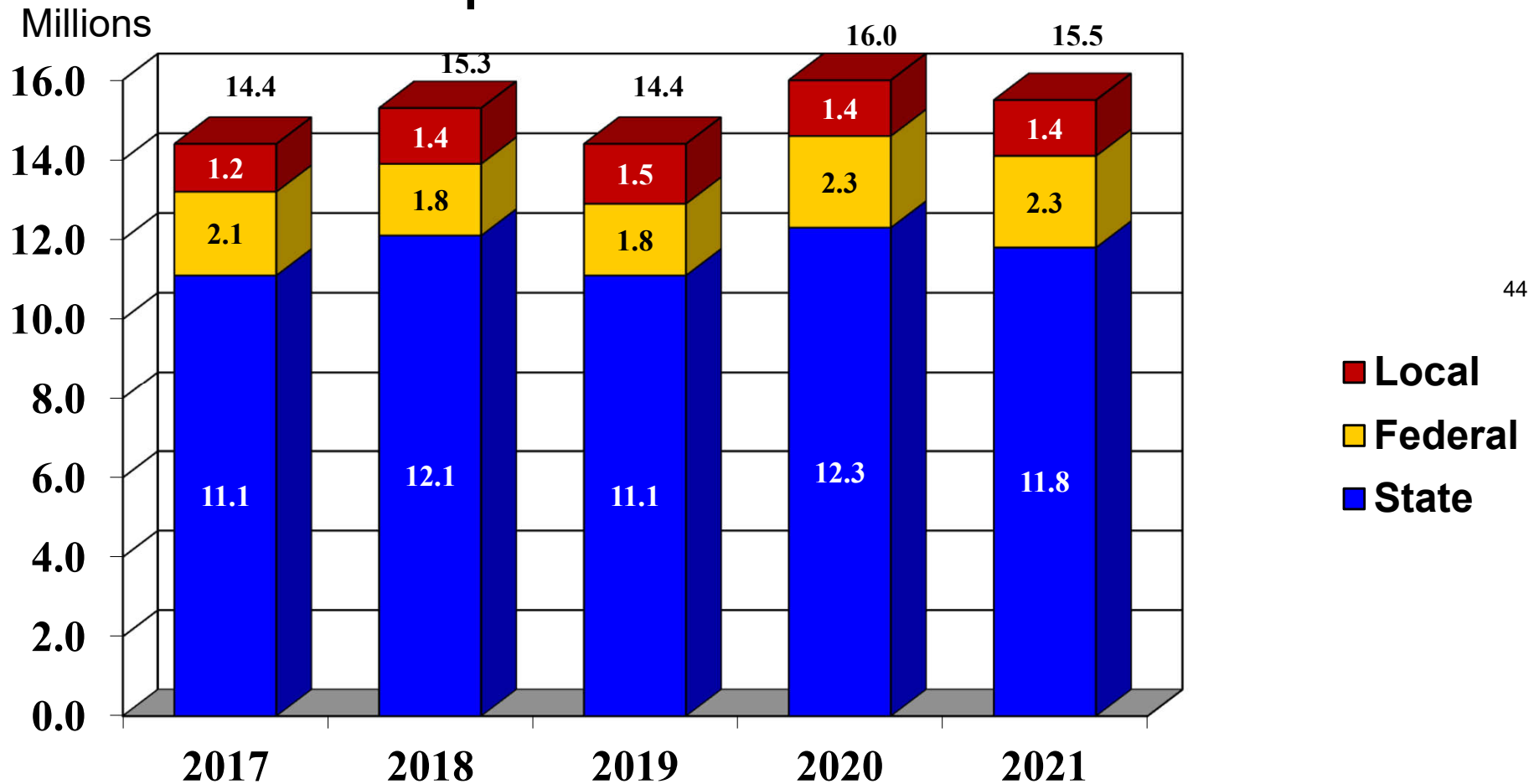
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Annual Financial Report
August 31, 2021



Tornillo Independent School District

Comparison of District Revenue

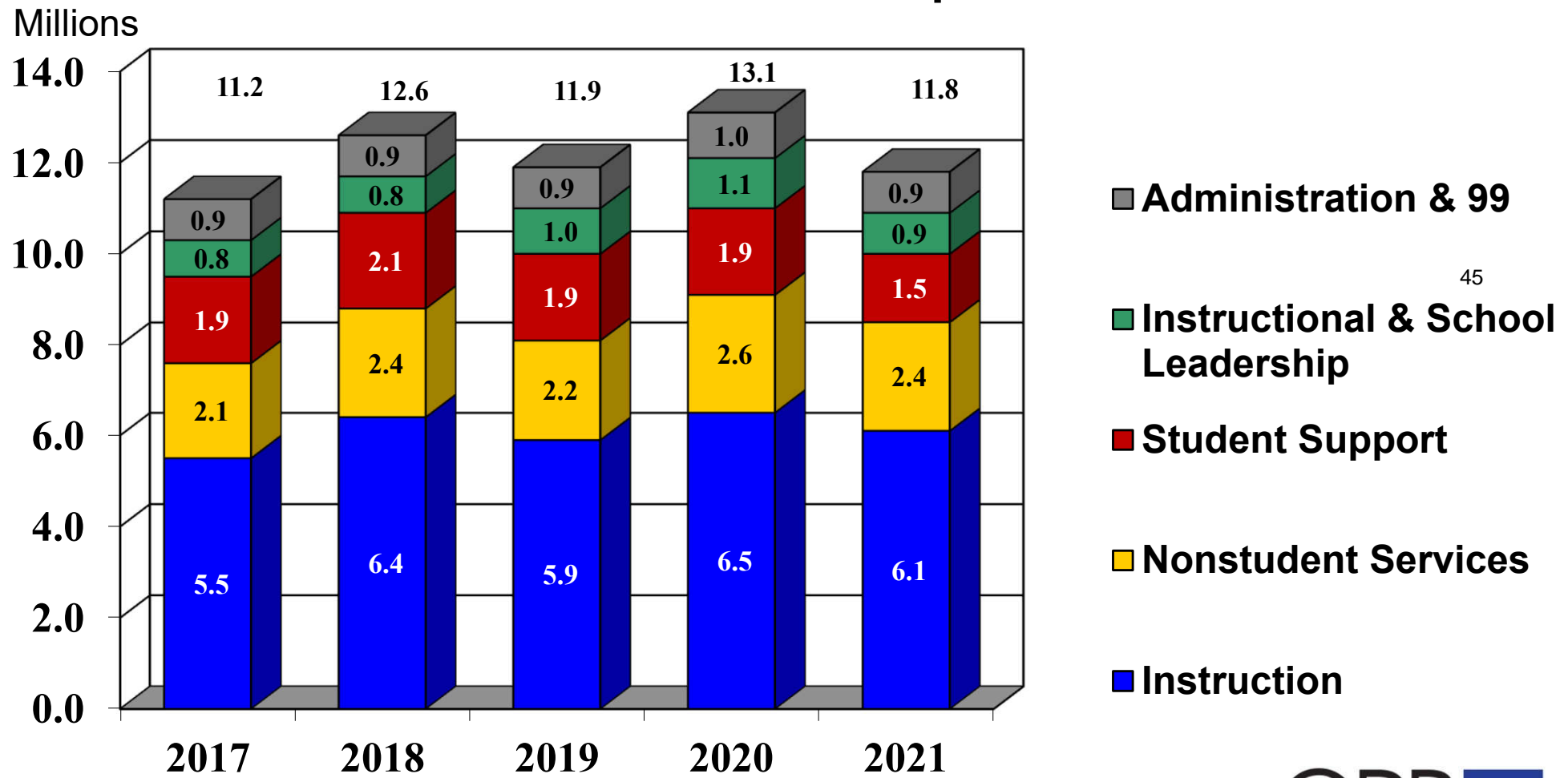


This information is based on extracts from the annual reports and is not intended to present complete financial information



Tornillo Independent School District

General Fund Expenditures*



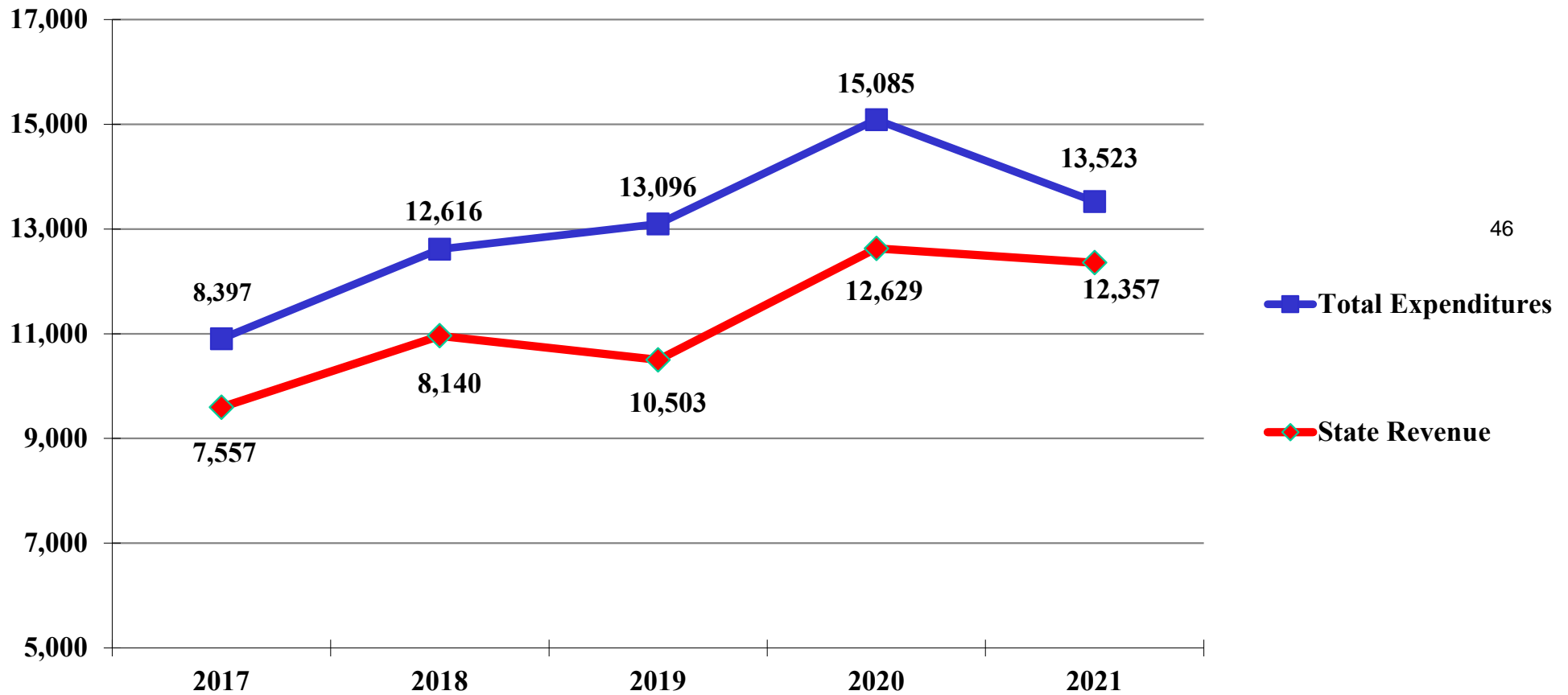
This information is based on extracts from the annual reports and is not intended to present complete financial information

*Does not include debt service (7X) or capital outlay (81).



Tornillo Independent School District

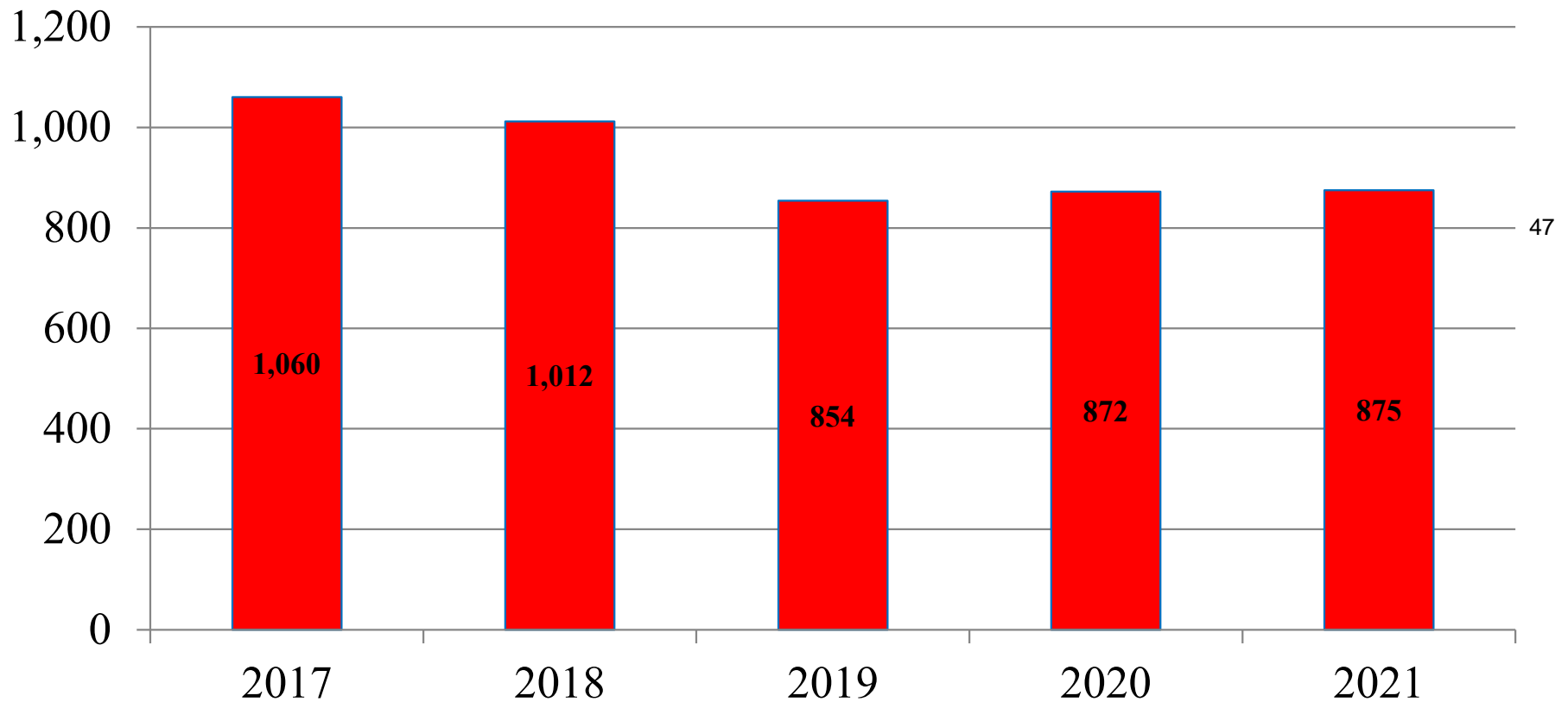
General Fund Per Pupil Expenditures & State Revenue





Tornillo Independent School District

Average Daily Attendance

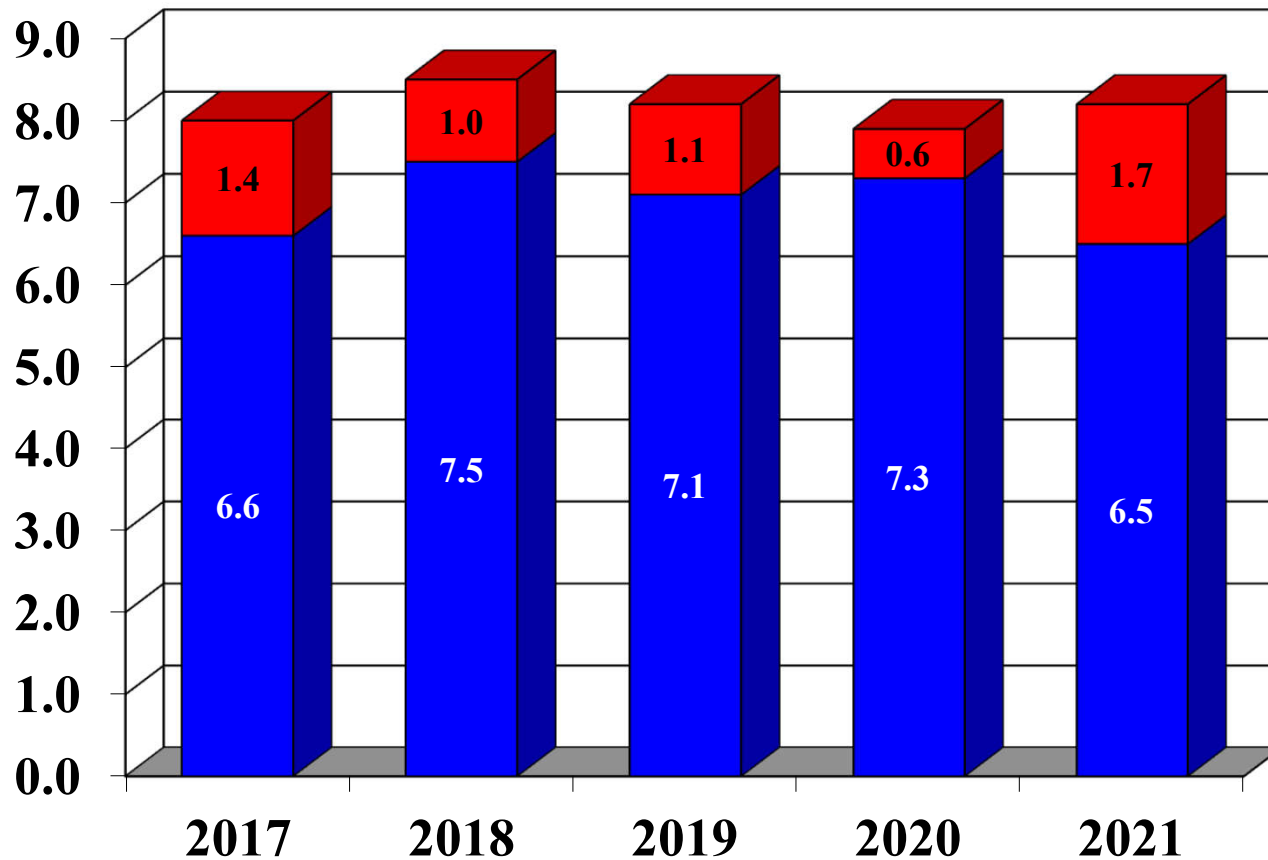




Tornillo Independent School District

General Fund Balance

Millions



48

- Other
- Unassigned

January __, 2022

To the Board of Trustees
Tornillo Independent School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tornillo Independent School District for the year ended August 31, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 3, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Tornillo Independent School District are described in Note I to the financial statements. As described in Note I, the District implemented GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying fiduciary activities of all state and local governments. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Changes in Fiduciary Fund Net Position. We noted no transactions entered into by Tornillo Independent School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

1. Management's zero (\$0) estimate of the allowance for uncollectible other receivables and amounts due from other governments is based on management's opinion that an allowance for doubtful accounts is not necessary for fair presentation.
2. Management's estimate of the depreciation of capital assets is based on estimated useful lives of the related assets.
3. Management's estimate of the amortization of bond premiums, discounts, and deferred charges and gains related to bond refundings is based on the life of the underlying bond.
4. Management's estimate of the allowance for uncollectible taxes is based on historical collection rates and management's analysis of the collectability of the accounts.
5. Management's estimate of the Foundation receivable for the 2020-2021 school year is based upon the projected 2021-2022 Foundation allotment and the number of school days in August 2021.
6. Management's estimate for deferred outflow related to the Teacher Retirement System of Texas (TRS) pension, the District's share of net pension liability, and deferred inflow related to TRS pension are based on estimates provided by TRS.
7. Management's estimate for deferred outflow related to the Teacher Retirement System of Texas (TRS) OPEB, the District's share of the net OPEB liability, and deferred inflow related to TRS OPEB are based on estimates provided by TRS.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule, *Passed Adjustments*, summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. During the audit process, year-end adjustments were recorded as deemed necessary by management and are available for review.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January __, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Tornillo Independent School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Tornillo Independent School District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

During our audit, we became aware of several matters that are opportunities for strengthening internal controls and operating efficiencies. We previously reported on the District's internal controls in our report dated January __, 2022. These comments do not affect our reported dated January __, 2022 on the financial statements of Tornillo Independent School District. As part of our audit, we also review prior year's comments and provide a status based on our testing as well as inquiry of management. Please see the attached schedule for the status of prior year comments as well as the current year comments.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, and the Teacher Retirement System Pension and OPEB schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining statements by fund type and the schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the required TEA Schedules, which accompany the financial statements but are not RSI. Such information has 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 it.

Restriction on Use

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

Very truly yours,

Status of Prior Year Comments

Accounting

1. Recommendation: While documenting the procedures related to purchasing, it was noted that the Finance Coordinator approved changes to vendor names, addresses, and payment methods. However, if the Finance Coordinator processed the changes in the system, no further approval was required. Although the Finance Clerk did compare the addresses on the checks to the address listed on the remittance advice for disbursements, there was no documentation of this procedure being performed. We recommended the Finance Clerk document this review by including initials in a designated location. In addition, to strengthen controls we recommended setting up the system to require two levels of approval for changes to vendor information if possible. If this feature is not available, we recommended management develop procedures to periodically generate the vendor list with names, addresses, and payment methods and compare it to the prior list to determine if changes were made. Any changes should be noted and traced to appropriate documentation to ensure their validity. In addition, each reviewed list should be signed and maintained by the appropriate personnel.

Status: Management implemented alternative procedures during 2020-2021.

Cash Disbursements

2. Recommendation: While conducting our cash disbursements test for the Child Nutrition Cluster Program, we noted the water service for the District is set up for scheduled monthly deliveries and the fees listed in a blanket purchase order are broken down by percentages based on the cost per department. However, for the invoice in our test, water was not delivered to the cafeterias; therefore, no amount should have been charged to the program. We recommended management review all statements received prior to issuing payment to ensure the charges to the program only reflect the service received.

Status: No similar instances were noted during our current year testwork.

3. Recommendation: While conducting our cash disbursements test for the Child Nutrition Cluster Program, we noted in one instance a purchase order was issued after the order was placed. We recommended management ensure the appropriate purchase order has been issued and approved before purchasing orders are placed.

Status: No similar instances were noted during our current year testwork.

Payroll

4. Recommendation: While conducting our payroll test over the Child Nutrition Cluster Program, we noted that the cell phone allowance given to the Child Nutrition Manager was paid with program funds which is unallowable per TDA's Administrator's Reference Manual (ARM). The amount paid for the cell phone allowance was reclassified to the general fund to be in compliance with TDA's Administrator's Reference Manual. We

recommended management ensure no future cell phone allowances are paid with Child Nutrition Program funds.

Status: No similar instances were noted during our current year testwork.

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Current Year Comments

Accounting

1. Observation: Due to turnover in the finance department, the Finance Director has been both creating and posting journal entries into the system.

Recommendation: In order to reduce the risk of posting erroneous entries into the system and for internal control purposes, we recommend management ensure a second individual either creates the journal entries in the system or approves the journal entries created by the Finance Director as per the District's policy.

Cash Disbursements

2. Observation: While conducting our general cash disbursements test, we noted one instance where a purchase of medals for Special Education students was coded to the incorrect function account.

Recommendation: We recommend management ensure expenditures are coded to the appropriate function code.

Payroll

3. Observation: While conducting our walkthrough over 2 CFR 200 Time and Effort Compliance and our Title I, Part A payroll test work, we noted that the spring semester semi-annual certifications we reviewed were signed by the supervisory authority prior to the end of the work period.

Recommendation: We recommended management ensure the spring semester certifications are signed by the supervisory authority after the work period has ended.

4. Observation: While conducting our testwork over payroll transactions, we noted one instance where the Employee Status Form for an employee position change was properly approved; however, the new account coding for the position was not indicated on the form.

Recommendation: We recommend management include any account changes on the Employee Status Form for employee position changes to ensure proper accounting of the payroll transaction.

5. Observation: In one instance, we noted an employee's pay rate was incorrect in the system which resulted in a small underpayment for the fiscal year.

Recommendation: We recommend management implement review procedures to ensure all employee pay rates are in accordance with the correct pay step of the district's pay scale.

Procurement

6. **Observation:** Based on information received by TEA regarding the Communities in Schools (CIS) program, CIS can be acceptable as a sole source but the District has to get an approval from TEA by submitting the Request for Noncompetitive Procurement (Sole-Source) Approval form to comply with the procurement requirements.

Recommendation: We recommend management ensure the Request for Noncompetitive Procurement (Sole-Source) Approval form is submitted and properly approved by TEA on an annual basis to properly document why the services did not go through the procurement process.

Compliance

7. **Observation:** While conducting our review of the District's State and Federal Grants Manual, we noted that the manual does not include policies prohibiting contracting with the enemy, telecommunication costs and video surveillance costs, and providing preference for the purchase, acquisition, or use of good, products, or materials produces in the United States.

Recommendation: We recommend management ensure the manual is updated as needed to include the District's current policies and procedures.

Tornillo Independent School District

Passed Adjustments Schedule
8/31/2021

Description	Acct	Balance Sheet		Revenues & Expenditures	
		Dr	Cr	Dr	Cr
1 Furniture and Equipment	1530	599,397			
Accumulated Depreciation - beginning	1573		439,558		
Prior Period Adjustment	3200		159,839		
Depreciation Expense	6000			39,960	
Accumulated Depreciation	1573		39,960		
To record estimate of Coyote Park improvements done in FY 2010, the related depreciation expense for current year and accumulated depreciation.					
		<u>599,397</u>	<u>639,357</u>	<u>39,960</u>	<u>-</u>

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**TORNILLO INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL AND COMPLIANCE REPORTS
FOR THE YEAR ENDED AUGUST 31, 2021**

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TORNILLO INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL AND COMPLIANCE REPORTS
FOR THE YEAR ENDED AUGUST 31, 2021

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TORNILLO INDEPENDENT SCHOOL DISTRICT

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CERTIFICATE OF BOARD

Tornillo Independent School District
Name of School District

El Paso County
County

071-908
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and (check one) _____ approved _____ disapproved for the year ended August 31, 2021, at a meeting of the board of trustees of such school district on the 26th day of January 2022.

Signature of Board Secretary

Signature of Board President

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

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FINANCIAL SECTION

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Independent Auditor's Report

To the Board of Trustees
Tornillo Independent School District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tornillo Independent School District (District), as of and for the year ended August 31, 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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As described in Note I.F to the financial statements, the Tornillo Independent School District adopted new accounting guidance, GASB Statement No. 84, *Fiduciary Activities*. Refer to Note III.W for the discussion of the impact on the fund categories and net position related to the adoption of this statement. Our opinion is 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, the budgetary comparison information, pension and other post employment benefits information on pages 9 through 18 and 73 through 83 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.

Supplementary and 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 combining and individual nonmajor fund financial statements and the required TEA schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 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.

Gibson Ruddock Patterson LLC
El Paso, Texas

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the Annual Financial and Compliance Report, we the managers of Tornillo Independent School District, discuss and analyze the District's financial performance for the fiscal year ending August 31, 2021. Please read it in conjunction with the District's financial statements, which follow this section.

USING THIS REPORT

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

Fund Financial statements report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well what resources remain for future spending. They reflect the flow of current financial resources and supply the basis for tax levies and the appropriations budget. The remaining statements, fiduciary statements, provide financial information about the activities for which the District acts solely as custodial of funds that benefit students and others.

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

The combining statements for non-major funds contain additional information about the District's individual funds. The sections labeled TEA Required Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds in compliance with the terms of grants.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

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

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

These two statements report the District's net position and changes in them. The District's net position (the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating.

To fully assess the overall health of the District, however, you should consider non-financial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

Governmental activities - Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.

Reporting the District's Most Significant Funds Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under Every Student Succeeds Act (ESSA) from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (i.e., campus activities).

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

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for money raised by student activities. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Statement of Changes in Fiduciary Fund Net Position. We exclude these resources from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

FINANCIAL HIGHLIGHTS

Total assets and total deferred outflows and resources of the Tornillo Independent School District exceeded its liabilities for fiscal year 2021 by \$10,514,587 (net position). Total Net Position of the District decreased from \$10,626,169 in fiscal year 2020 to \$10,514,587 at year-end 2021. Of this total amount, unrestricted increased by \$121,013 from (\$1,024,767) to (\$903,754).

Total revenues decreased \$992,987 from \$16,610,200 in fiscal year 2020, to \$15,617,213 in fiscal year 2021. Total expenses decreased \$1,754,232 from \$17,346,260 to \$15,592,028.

The District's governmental funds financial statements reported a combined ending fund balance in fiscal year 2021 of \$8.4 million. The combined ending fund balance of the District increased from \$8.1 million in fiscal year 2020 to \$8.4 million in fiscal year 2021. Of this total amount, \$21,532 is Nonspendable, \$422,707 is Restricted, \$401,493 is Committed, \$1,081,520 is Assigned and \$6,515,442 is Unassigned and is available for spending at the District's discretion.

The fund balance in the Debt Service Fund is \$84,792. For fiscal year 2021, a combined tax rate of \$1.4718 per \$100 valuation is comprised of an Interest and Sinking tax rate of \$0.4689 and a Maintenance and Operations tax rate of \$1.0029.

At the end of 2021, assigned fund balance increased \$1,027,037 from \$54,483 to \$1,081,520, assignments were done to fund \$43,520 in technology infrastructure, \$41,000 for facility equipment, and \$997,000 to fund facility improvements/construction. During 2021, no expenditures were made from assigned balance. As of August 31, 2021, the assigned fund balance was \$1,081,520.

On August 31, 2021 the Board of Trustees approved a resolution to commit \$247,820 to the committed balance of 354,905 to a total of \$602,725 to address various District and safety needs. Total commitment included \$158,000 for campus furniture, \$55,940 for student 1:1 technology initiative, \$58,245 to address District safety needs, \$133,770 to replace buses, \$70,000 to repair and replace roofs, \$126,870 to replace vehicles. During 2021, \$133,770 was paid for the replacement bus, \$9,592 for the digital radio upgrades on the buses, and finally, two transportation vehicles were received in the amount of \$ 57,870 As of August 31, 2020, the committed fund balance was \$401,493.

The District scored 92 out of 100 possible points for 2020-2021 Financial Integrity Rating System of Texas (FIRST) based on 2019-2020 data, which resulted in a "Superior Achievement" rating.

Government-Wide Financial Analysis

Our analysis of comparative balances and changes therein compares both current and prior year data and discuss significant changes in the accounts. Our analysis focuses on the net position (Table I) and changes in net position (Table II) of the District's governmental activities.

Net position of the District decreased from \$10,626,169 in fiscal year 2020 to \$10,514,587 in 2021. The decrease in net position is mainly attributed to prior period adjustments due to Covid related pre award grant costs.

Table I
The District's Net Position
(in thousands)

Governmental Activities

	2020	2021
Current and Other Assets	\$9,323	\$9,297
Capital Assets	<u>29,076</u>	<u>28,097</u>
Total Assets	38,399	37,394
Deferred Outflows of Resources	<u>3,561</u>	<u>2,920</u>
Total Assets and Deferred Outflows	<u>41,960</u>	<u>40,314</u>
Current Liabilities	996	709
Long Term Liabilities	<u>27,097</u>	<u>24,769</u>
Total Liabilities	28,093	25,478
Deferred Inflows of Resources	<u>3,240</u>	<u>4,322</u>
Total Liabilities and Deferred Inflows	<u>31,333</u>	<u>29,800</u>
Net Positions:		
Invested in capital assets, net of related debt	11,296	11,078
Restricted	355	340
Unrestricted	<u>(1,024)</u>	<u>(904)</u>
Total Net Position	<u><u>\$10,627</u></u>	<u><u>\$10,514</u></u>

Changes in Net Position

The District's total revenues were \$15.6 million. A significant portion, 65 percent, of the district's revenues comes from state aid formula grants. Approximately 7 percent comes from taxes. The remaining 28 percent comes from investment earnings, federal grants and miscellaneous services. (See figure A-1 below.)

Figure A-1 Sources of Revenues for Fiscal Year 2021

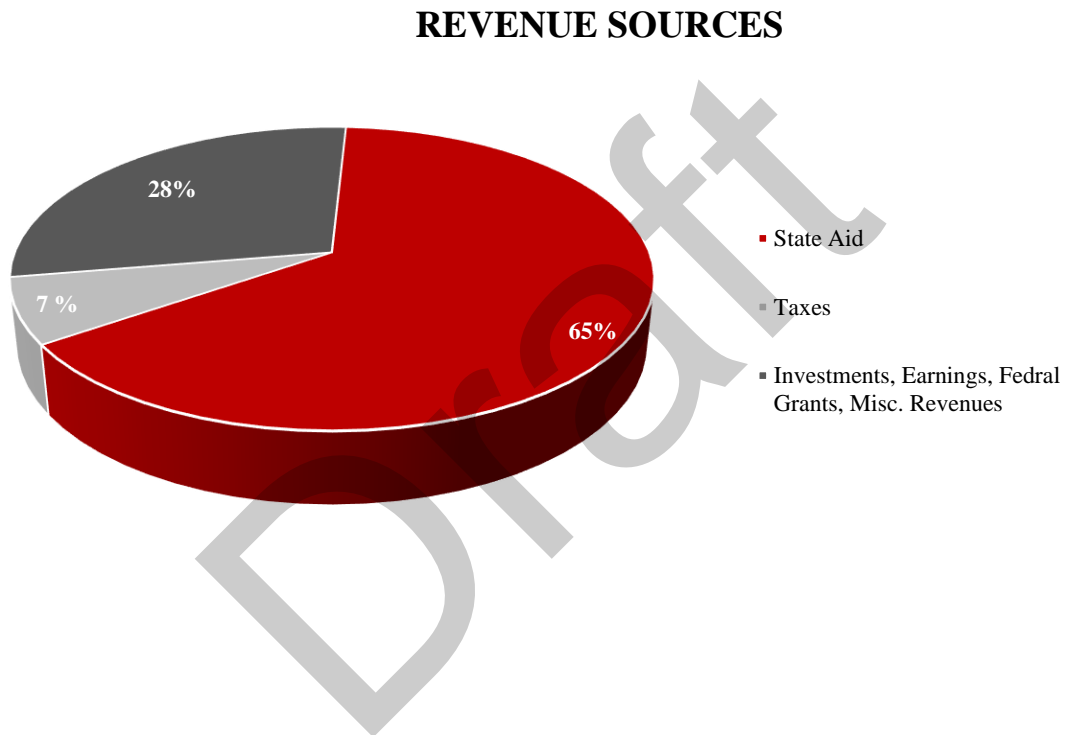
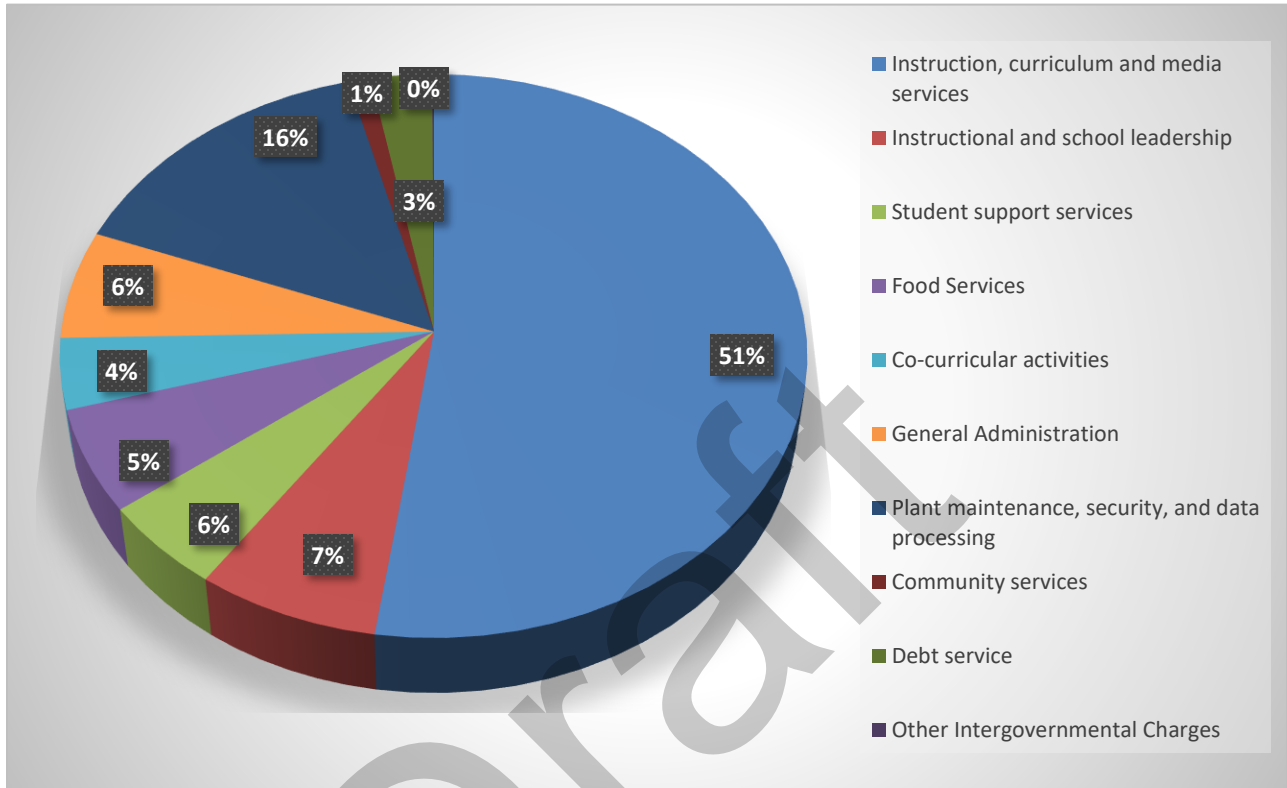


Table II Changes In Net Position
(in thousands)
Government Activities

Revenues:	2020	2021
<u>Program Revenues:</u>		
Charges for Services	\$106	\$112
Operating Grants and Contributions	4,613	3,962
Capital Grants and Contributions	194	54
<u>General Revenues:</u>		
Maintenance & Operations Taxes	844	845
Debt Service Taxes	291	361
State Aid-Formula Grants	10,411	10,233
Investment Earnings	118	8
Miscellaneous Revenue	(21)	41
Total Revenues	<u>16,610</u>	<u>15,616</u>
Expenses:		
Instruction, curriculum and media services	9,077	7,982
Instructional and school leadership	1,268	1,041
Student support services	877	924
Food Services	1,019	831
Co-curricular activities	705	690
General Administration	1,079	944
Plant maintenance, security, and data processing	2,624	2,464
Community services	184	165
Debt service	497	536
Other Intergovernmental Charges	15	15
Total Expenses	<u>17,345</u>	<u>15,592</u>
Increase (decrease) in net position	(735)	24
Beginning net position	<u>11,362</u>	<u>10,627</u>
Prior Period Adjustment	0	(137)
Ending Net Position	<u><u>\$10,627</u></u>	<u><u>\$10,514</u></u>

The total cost of all programs and services was \$15.6 million. 51 percent of these costs were for instructional student services. 7 percent for all programs and services cost was for instructional and school leadership and 16 percent was for plant maintenance, security and data processing services.



THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported combined fund balances of \$8.4 million which increased from last year's total of \$8.1 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021, the District had \$28,097,306 invested in a broad range of capital assets. Current year capital assets additions included the purchase of one bus and two vans and technology and food service equipment.

Debt

At year-end, the District had \$16.2 million in bonds outstanding versus \$16.8 million last year. In December 2020, the District issued \$1,770,000 and \$2,520,000 Unlimited Tax Refunding Bonds to refund portions of the 2012 Bonds and the 2013 Bonds. The refunding saved the District \$209,175 in cash flow.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District's student population continues to show a decrease over previous years. Due to the District's proximity to the Border, it is not unusual to see students return to their Country of Origin especially during the last couple of years in which the wave of violence has decreased in our neighboring city of Cd. Juarez, Mexico. In addition, several families have moved out of the District into neighboring school districts or have relocated to the Midland area seeking employment opportunities in the oil industry. With historic enrollment trends in mind, the Board of Trustees and Administration continue to use a conservative budget approach to ensure next year's budget is balanced. Other areas such as staffing ratios and attendance projections are considered during the budget development process.

Fiscal Year 2021-2022 began with campuses re-opening to 100% in-person instruction; however, safety protocols were implemented to help mitigate the effects of Covid-19. The safety of our students, staff and community remains the District's priority. To help in providing a high-quality education, the District has received federal funding and has implemented a plan to help address the learning loss many students experienced during the pandemic. The pandemic has created many challenges; however, the financial condition of the District continues to be strong, and administration is confident in the resilience of its students and employees to provide a successful school year.

Our Board adopts its budget using conservative Average Daily Attendance estimates. We maintained the local Maintenance and Operations tax rate at \$1.0029 in order to maximize the Tier II State Funding. Tornillo ISD currently qualifies for approximately 80% funding by the state for its debt service obligations; with the remaining 20% satisfied through the District's Debt Service Taxes. It has long been the Board's objective to maintain a significant fund balance to make new construction and/or renovations to existing structures, should the need arise.

The Interest and Sinking tax rate will be maintained at the rate of \$0.4689 during the current year in order to meet the debt obligations. The Maintenance and Operation tax rate has decrease due to increase of property values to \$0.93150 per every hundredth valuation for a combined tax rate of \$1.4004.

The District continues to apply and qualify for various Federal Program Grants that assist in the enhancement of education for students identified with special needs. These funds constitute a significant portion of our operating budget.

BUDGETARY HIGHLIGHTS

GASB Statement 34 required that we provide a discussion on significant variances between the district's original budget, final budget, and actual expenditures, and the impact of these variances on the District's/department's future liquidity.

General Fund. The FY 2021 budget was developed by balancing challenges of an increase in operational cost and maintaining an adequate fund balance reserve to ensure financial stability. The most significant fund for the District is the General Fund, funded primarily through state aide and property tax revenue.

Over the course of the year, the District approved several budget amendments. These amendments increased the function and included:

- Function 11 – Budget amendment in function 11 was to clear short falls on stipends, salary and fringe benefits not budgeted during the budget process (\$316,662),
- Function 13 – Increase as the reclassification of salary for central office employee's salaries (\$51,962),
- Function 23 – increase clerk at the Junior High School (\$52,932),
- Function 31 – Increase as the reclassification of salary for central office employee's salaries (\$23,184),

- Function 34 – The purchase of bus and digital radios (\$151,640),
- Function 73 – Debt refinancing (\$121,803), and
- Various Functions – Amendments related to TRS On-behalf in the amount of \$490,000 affected various functions with Function 11 (\$80,598) being significantly affected.

Budget amendments that increase or decrease the amount in a function are presented to the Tornillo ISD Board of Trustees for approval.

Exhibit G-1 of the financial statements includes a Statement of Revenues, Expenditures, and Changes in Fund Balance report that compares original and final budget amounts to actual amounts as of year-end close. The final column of the report lists of the variance as compared to the final budget.

At the end of the fiscal year, the District’s actual revenues of \$12,293,429 were in line with projected revenues.

The District’s expenditure as compared to the final budget include two negative variances.

- Function 21 - Instructional leadership- End of year reclassifications of expenditures resulted in the negative variance of (\$2,651)
- Function 33 - Health Services - End of year reclassifications of expenditures resulted in the negative variance of (\$1,678)

Total functions within the approved budget did not exceed the total approved appropriation. The variance listed above will not impact future services or liquidity.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the District's Business Office, at Tornillo Independent School District, 19200 Cobb Avenue, Tornillo, Texas.

BASIC FINANCIAL STATEMENTS

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TORNILLO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2021

EXHIBIT A-1

Data Control Codes	Primary Government Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 7,071,342
1220 Property Taxes - Delinquent	211,382
1230 Allowance for Uncollectible Taxes	(10,569)
1240 Due from Other Governments	1,904,660
1267 Due from Fiduciary Funds	1,000
1290 Other Receivables, Net	24,251
1300 Inventories	31,308
1410 Prepayments	63,677
Capital Assets:	
1510 Land	7,243
1520 Buildings, Net	27,295,954
1530 Furniture and Equipment, Net	794,109
1000 Total Assets	37,394,357
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Charge for Refunding	442,056
1705 Deferred Outflow Related to TRS Pension	1,579,142
1706 Deferred Outflow Related to TRS OPEB	898,833
1700 Total Deferred Outflows of Resources	2,920,031
LIABILITIES	
2110 Accounts Payable	186,175
2140 Interest Payable	41,282
2150 Payroll Deductions and Withholdings	84,961
2160 Accrued Wages Payable	315,095
2180 Due to Other Governments	13,905
2190 Due to Student Groups	710
2300 Unearned Revenue	67,189
Noncurrent Liabilities:	
2501 Due Within One Year: Bonds	807,300
Due in More than One Year:	
2502 Bonds and Unamortized Premium/Discount	16,516,603
2540 Net Pension Liability (District's Share)	3,911,445
2545 Net OPEB Liability (District's Share)	3,533,224
2000 Total Liabilities	25,477,889
DEFERRED INFLOWS OF RESOURCES	
2602 Deferred Gain on Refundings	222,962
2605 Deferred Inflow Related to TRS Pension	761,371
2606 Deferred Inflow Related to TRS OPEB	3,337,579
2600 Total Deferred Inflows of Resources	4,321,912
NET POSITION	
3200 Net Investment in Capital Assets	11,078,337
Restricted:	
3820 Restricted for Federal and State Programs	243,310
3850 Restricted for Debt Service	87,929
3870 Restricted for Campus Activities	8,765
3900 Unrestricted	(903,754)
3000 Total Net Position	\$ 10,514,587

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

TORNILLO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	1	Program Revenues	
		3	4
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:			
GOVERNMENTAL ACTIVITIES:			
11 Instruction	\$ 7,196,147	\$ 11,579	\$ 1,096,494
12 Instructional Resources and Media Services	160,093	-	25,328
13 Curriculum and Instructional Staff Development	624,804	-	394,261
21 Instructional Leadership	205,403	-	47,556
23 School Leadership	835,778	772	79,779
31 Guidance, Counseling, and Evaluation Services	385,338	-	72,688
32 Social Work Services	27,129	-	25,913
33 Health Services	181,637	-	36,536
34 Student (Pupil) Transportation	330,292	4,632	16,250
35 Food Services	831,134	54,437	766,111
36 Extracurricular Activities	690,064	3,376	-
41 General Administration	943,978	13,930	277,466
51 Facilities Maintenance and Operations	1,569,615	17,755	116,760
52 Security and Monitoring Services	322,329	3,860	62,657
53 Data Processing Services	572,349	-	35,410
61 Community Services	164,947	1,544	49,379
72 Debt Service - Interest on Long-Term Debt	371,425	-	859,975
73 Debt Service - Bond Issuance Cost and Fees	164,296	-	-
99 Other Intergovernmental Charges	15,270	-	-
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 15,592,028	\$ 111,885	\$ 3,962,563

Data
Control
Codes

General Revenues:

Taxes:

MT	Property Taxes, Levied for General Purposes
DT	Property Taxes, Levied for Debt Service
SF	State Aid - Formula Grants
IE	Investment Earnings
MI	Miscellaneous Local and Intermediate Revenue
TR	Total General Revenues
CN	Change in Net Position
NB	Net Position - Beginning
PA	Prior Period Adjustment
NE	Net Position - Ending

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

Net (Expense) Revenue and Changes in Net Position	
5	6
Capital Grants and Contributions	Governmental Activities
\$ -	\$ (6,088,074)
-	(134,765)
-	(230,543)
-	(157,847)
-	(755,227)
-	(312,650)
-	(1,216)
-	(145,101)
54,125	(255,285)
-	(10,586)
-	(686,688)
-	(652,582)
-	(1,435,100)
-	(255,812)
-	(536,939)
-	(114,024)
-	488,550
-	(164,296)
-	(15,270)
<u>\$ 54,125</u>	<u>(11,463,455)</u>

845,576
 361,221
 10,233,304
 8,013
 40,526

 11,488,640

 25,185
 10,626,169
 (136,767)

\$ 10,514,587

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

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TORNILLO INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2021

Data Control Codes	10 General Fund	Other Funds	Total Governmental Funds
ASSETS			
1110 Cash and Cash Equivalents	\$ 6,804,186	\$ 267,156	\$ 7,071,342
1220 Property Taxes - Delinquent	160,193	51,189	211,382
1230 Allowance for Uncollectible Taxes	(8,010)	(2,559)	(10,569)
1240 Due from Other Governments	1,571,839	332,821	1,904,660
1260 Due from Other Funds	472,864	157,572	630,436
1290 Other Receivables	24,251	-	24,251
1300 Inventories	31,308	-	31,308
1410 Prepayments	-	63,677	63,677
1000 Total Assets	<u>\$ 9,056,631</u>	<u>\$ 869,856</u>	<u>\$ 9,926,487</u>
LIABILITIES			
2110 Accounts Payable	\$ 165,069	\$ 21,106	\$ 186,175
2150 Payroll Deductions and Withholdings Payable	84,961	-	84,961
2160 Accrued Wages Payable	298,977	16,118	315,095
2170 Due to Other Funds	135,409	494,027	629,436
2180 Due to Other Governments	157	13,748	13,905
2190 Due to Student Groups	710	-	710
2300 Unearned Revenue	10,777	56,412	67,189
2000 Total Liabilities	<u>696,060</u>	<u>601,411</u>	<u>1,297,471</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	141,903	44,419	186,322
2600 Total Deferred Inflows of Resources	<u>141,903</u>	<u>44,419</u>	<u>186,322</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3410 Inventories	21,532	-	21,532
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	198,681	44,629	243,310
3470 Capital Acquisition and Contractual Obligation	-	85,840	85,840
3480 Retirement of Long-Term Debt	-	84,792	84,792
3490 Other Restricted Fund Balance	-	8,765	8,765
Committed Fund Balance:			
3530 Capital Expenditures for Equipment	158,000	-	158,000
3545 Other Committed Fund Balance	243,493	-	243,493
Assigned Fund Balance:			
3550 Construction	997,000	-	997,000
3570 Capital Expenditures for Equipment	41,000	-	41,000
3590 Other Assigned Fund Balance	43,520	-	43,520
3600 Unassigned Fund Balance	6,515,442	-	6,515,442
3000 Total Fund Balances	<u>8,218,668</u>	<u>224,026</u>	<u>8,442,694</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 9,056,631</u>	<u>\$ 869,856</u>	<u>\$ 9,926,487</u>

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

TORNILLO INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AUGUST 31, 2021

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$	8,442,694
1 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$45,351,436 and the accumulated depreciation was (\$16,275,277). In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.		11,209,946
2 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2021 capital outlays and debt principal payments is to increase net position.		988,803
3 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68. The net position related to TRS included a deferred resource outflow in the amount of \$1,579,142, a deferred resource inflow in the amount of \$761,371, and a net pension liability in the amount of \$3,911,445. This resulted in a decrease in net position.		(3,093,674)
4 Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75. The net position related to TRS included a deferred resource outflow in the amount of \$898,833, a deferred resource inflow in the amount of \$3,337,579, and a net OPEB liability in the amount of \$3,533,224. This resulted in a decrease in net position.		(5,971,970)
5 The 2021 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.		(1,247,534)
6 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.		186,322
19 Net Position of Governmental Activities	\$	10,514,587

TORNILLO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	10 General Fund	Other Funds	Total Governmental Funds
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 963,302	\$ 437,795	\$ 1,401,097
5800 State Program Revenues	10,812,451	991,928	11,804,379
5900 Federal Program Revenues	517,676	1,777,934	2,295,610
5020 Total Revenues	<u>12,293,429</u>	<u>3,207,657</u>	<u>15,501,086</u>
EXPENDITURES:			
Current:			
0011 Instruction	5,730,433	633,051	6,363,484
0012 Instructional Resources and Media Services	125,464	18,381	143,845
0013 Curriculum and Instructional Staff Development	225,941	380,107	606,048
0021 Instructional Leadership	162,106	32,931	195,037
0023 School Leadership	789,202	17,264	806,466
0031 Guidance, Counseling, and Evaluation Services	327,733	47,031	374,764
0032 Social Work Services	-	25,879	25,879
0033 Health Services	166,925	9,375	176,300
0034 Student (Pupil) Transportation	409,397	58,348	467,745
0035 Food Services	215,699	584,808	800,507
0036 Extracurricular Activities	372,371	-	372,371
0041 General Administration	902,359	14,422	916,781
0051 Facilities Maintenance and Operations	1,450,406	60,234	1,510,640
0052 Security and Monitoring Services	290,255	14,229	304,484
0053 Data Processing Services	546,484	7,120	553,604
0061 Community Services	102,878	50,854	153,732
Debt Service:			
0071 Principal on Long-Term Debt	-	638,640	638,640
0072 Interest on Long-Term Debt	-	663,179	663,179
0073 Bond Issuance Cost and Fees	-	120,435	120,435
Intergovernmental:			
0099 Other Intergovernmental Charges	15,270	-	15,270
6030 Total Expenditures	<u>11,832,923</u>	<u>3,376,288</u>	<u>15,209,211</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>460,506</u>	<u>(168,631)</u>	<u>291,875</u>
OTHER FINANCING SOURCES (USES):			
7901 Refunding Bonds Issued	-	4,290,000	4,290,000
7916 Premium or Discount on Issuance of Bonds	-	420,044	420,044
8940 Payment to Bond Refunding Escrow Agent (Use)	-	(4,588,241)	(4,588,241)
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>121,803</u>	<u>121,803</u>
1200 Net Change in Fund Balances	460,506	(46,828)	413,678
0100 Fund Balance - September 1 (Beginning)	7,894,929	270,854	8,165,783
1300 Prior Period Adjustment	(136,767)	-	(136,767)
3000 Fund Balance - August 31 (Ending)	<u>\$ 8,218,668</u>	<u>\$ 224,026</u>	<u>\$ 8,442,694</u>

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

TORNILLO INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2021

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$	413,678
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2021 capital outlays and debt principal payments is to increase net position.		1,033,411
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position.		(1,247,534)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to decrease net position.		(19,662)
GASB 68 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$318,353. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. This caused a decrease in the change in net position totaling \$318,416. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense decreased the change in net position by \$304,291. The net result is a decrease in the change in net position.		(304,354)
GASB 75 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$65,803. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net OPEB liability. This caused a decrease in the change in net position totaling \$74,082. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense increased the change in net position by \$157,925. The net result is an increase in the change in net position.		149,646
Change in Net Position of Governmental Activities	\$	25,185

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FIDUCIARY FUND FINANCIAL STATEMENTS

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TORNILLO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2021

	Total Custodial Funds
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 36,865
Total Assets	<u>36,865</u>
LIABILITIES	
Accounts Payable	1,585
Due to Other Funds	<u>1,000</u>
Total Liabilities	<u>2,585</u>
NET POSITION	
Restricted for Individuals and Organizations	<u>34,280</u>
Total Net Position	<u><u>\$ 34,280</u></u>

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

TORNILLO INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2021

	Total Custodial Funds
ADDITIONS:	
Contributions to Student Groups	\$ 11,431
Total Additions	11,431
DEDUCTIONS:	
Supplies and Materials	9,670
Total Deductions	9,670
Change in Fiduciary Net Position	1,761
Total Net Position - September 1 (Beginning)	-
Prior Period Adjustment	32,519
Total Net Position - August 31 (Ending)	\$ 34,280

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

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Tornillo Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven member Board of Trustees (the "Board") elected by registered voters of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board and it complies with the requirements of the appropriate version of Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

A. Reporting Entity

The Board of Trustees (the "Board") is elected by the public and has the authority to make decisions, appoint administrators and managers, and significantly influence operations. The Board also has primary accountability for fiscal matters; therefore, the District is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board ("GASB").

The decisions to include or exclude a potential component unit in the reporting entity were made by applying standards contained in GAAP. The primary standard for including or excluding a potential component unit is whether it is financially dependent on the reporting entity. The fiscal dependency criterion also requires that a financial benefit or burden relationship be present in order for a potential component unit to be included in the financial reporting entity. Other manifestations of the ability to exercise oversight responsibility include, but certainly are not limited to, the selection of the governing authority, the designation of management, the ability to materially influence operations, and accountability for fiscal matters. The second standard used to evaluate potential component units is the scope of public services. Application of this standard entails considering whether the activity benefits the District or whether the activity is conducted within the geographic boundaries of the District and is generally available to its citizens. The third standard involved in evaluating whether potential component units are included or excluded from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities.

Based upon the application of these criteria, there are no component units to be included within the reporting entity.

B. Government-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the District's nonfiduciary activities with most of the interfund activities removed. Governmental activities include programs supported primarily by taxes, charges to school districts for services, state funds, grants, and other intergovernmental revenues.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement category represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. For pensions and OPEB, these outflows result from pension plan and OPEB contributions made after the measurement date of the net pension and OPEB liabilities and the net differences between projected and actual earnings on pension and OPEB plan investments; results of changes in actuarial assumptions; differences between expected and actual economic experiences; and changes in the District's proportional share of net pension and OPEB liabilities. The deferred outflows of resources related to pensions and OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension and OPEB liabilities in the next fiscal year. The other pension and OPEB related deferred outflows will be amortized over a systematic and rational method over a closed period.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement category represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For pensions and OPEB, these inflows result from pension plan and OPEB changes in actuarial assumptions; differences between expected and actual economic experiences; and changes in the District's proportional share of net pension and OPEB liabilities. These inflows will be amortized over a systematic and rational method over a closed period.

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 outflow 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. The Plan's fiduciary net position has been determined on the same basis as that used by the Plan. 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 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.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs through program revenues. The “Charges for Services” column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Direct expenses are those that are clearly identifiable with a specific function or segment. Examples of program revenues include tuition paid by students not residing in the district, school lunch charges, etc. The “Grants and Contributions” column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If a revenue is not a program revenue, it is a general revenue used to support all of the District’s functions. Taxes are always general revenues.

Interfund activities between governmental funds appear as due to/due from on the Governmental Fund Balance Sheet. All interfund transactions between governmental funds are eliminated on the government-wide statements. Interfund activities between governmental funds and fiduciary funds remain as due to or due from on the government-wide Statement of Net Position.

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The District considers all revenues, other than property tax revenue, available if they are collectible within one year after year end. School Health and Related Services (SHARS) revenue is recognized as revenue when it is earned and when the annual Cost Report is acknowledged by the Texas Health and Human Service Commission.

Revenues from local sources consist primarily of property taxes and related penalties and interest. Revenues received from the State are recognized under the susceptible-to-accrual concept, that is, when they are both measurable and available. The District considers property tax revenue available if they will be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Unavailable revenue from property taxes arises only under modified accrual basis of accounting. The governmental funds report this unavailable revenue as deferred inflow of resources, which is recognized revenue in the period that the amounts become available.

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

The Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. Within this measurement focus, assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the fund Statement of Net Position.

D. Fund Accounting

The District reports the following major governmental fund:

1. General Fund - The General Fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Additionally, the District reports the following fund types:

GOVERNMENTAL FUNDS:

1. Special Revenue Funds - The District accounts for resources restricted for specific purposes by a grantor in a special revenue fund. Most federal and state financial assistance is accounted for in a Special Revenue Fund, and sometimes unused balances are returned to the grantor at the close of specified project periods.
2. Debt Service Fund - The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund.
3. Capital Projects Fund - The proceeds from long-term debt financing will be used to construct, renovate, acquire and equip school buildings in the District and pay any associated costs.
4. Permanent Funds - Account for donations for which the donor has stipulated that the principal may not be expended and where the income may only be used for purposes that support the District's program. The District has no permanent funds.

PROPRIETARY FUNDS:

5. Enterprise Funds - The District's activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities are accounted for in an enterprise fund. The District has no enterprise funds.
6. Internal Service Funds - These funds are used to account for financing of goods or services provided by one department to other departments of the District on a cost-reimbursement basis. The District has no internal service funds.

FIDUCIARY FUNDS:

7. Private Purpose Trust Funds - This fund is used to report all fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds or investment trust funds and are held in a trust. The District has no Private Purpose Trust Fund.
8. Pension (and Other Employee Benefit) Trust Funds - These funds are used to report fiduciary activities for pensions plans and OPEB plans that are administered through trusts and other employee benefit plans for which resources are held in a trust. The District has no Pension Trust Funds..
9. Investment Trust Fund - This fund is used to report fiduciary activities from the external position of investments pools and individual investment accounts that are held in a trust. The District has no investment trust funds.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Custodial Funds - These funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private trust funds. The District's custodial fund is the Student Activity Fund and consists of funds that are property of students and others and cannot be used in the District in operations.

E. Other Accounting Policies

1. For the purposes of the statement of cash flows for proprietary and similar fund-types, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.
2. Investments with an original maturity greater than one year from date of purchase are stated at fair value based on quoted market prices as of year end, except for nonparticipating interest-earning investment contracts which are reported at cost. Investments with an original maturity of less than one year are reported at amortized cost, which approximates fair value.
3. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.
4. The District reports inventories of supplies using the first in first out (FIFO) method and include food and non-food supplies, consumable maintenance, instructional, office, athletic, and transportation items. Supplies are recorded as expenditures when they are consumed. Inventories of food commodities are recorded at market values supplied by the Texas Department of Agriculture. Although commodities are received at no cost, their fair market value is supplied by the Texas Department of Agriculture and recorded as inventory and unearned revenue when received. When requisitioned, inventory and unearned revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount.

Prepaid items on the balance sheet are accounted for using the consumption method and are recognized as expenditures over the periods in which the service is provided.

5. The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the **Depository Contract Law**. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Credit Risk:

Deposits - The District is not exposed to credit risk.

Temporary Investments - To limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations, the District limits investments in public funds investment pools to those that have received top ratings issued by nationally recognized statistical rating organizations (NRSROs). As of August 31, 2021, the District's investments in Lone Star investment pool was rated AAAM by Standard & Poors.

Custodial Credit Risk:

Deposits - State law required governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. Since the District complies with this law, it has minimal custodial credit risk for deposits.

Temporary Investments - To limit the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in possession of an outside party, the District requires counterparties to register the securities in the name of the District and hand them over to the District or its designated agent. This includes securities in securities lending transactions. Investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book-entry form.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Credit Risk:

Deposits - The District is not exposed to concentration of credit risk.

Temporary Investments - To limit the risk of loss attributed to the magnitude of a government's investment in a single issuer, the District's policy states that the portfolio must be diversified. Concentration of Credit Risk is not applicable to investment pools since the purpose of these pools is to diversify the District's investment portfolio.

Interest Rate Risk:

Deposits - The District is not exposed to interest rate risk.

Temporary Investments - To limit the risk that changes in interest rates will adversely affect the fair value of the investments, the District requires its investment portfolio to have maturities of less than one year on a weighted average maturity (WAM) basis. All of the District's investment pools use amortized cost and therefore the interest rate disclosure is not applicable.

Foreign Currency Risk:

Deposits - The District attempts to limit the risk that changes in exchange rates will adversely affect a deposit by avoiding deposits denominated in a foreign currency.

Temporary Investments - The District attempts to limit the risk that changes in exchange rates will adversely affect the fair value of an investment by avoiding investment pools which are denominated in a foreign currency.

8. In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. When applicable, premiums and discounts are presented as a component of liabilities while deferred losses on refundings are presented as deferred outflows of resources. Both items are deferred and amortized over the life of the related debt using the straight line method. Long-term debt is reported net of the applicable bond premium or discount.

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

9. It is the District's policy to permit some employees to accumulate earned but unused vacation, sick leave, and local days. There is no liability for unpaid accumulated vacation, sick leave, and local days since the District does not have a policy to pay any amounts when employees separate from service with the District.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Buildings, furniture and equipment, and library books and media of the District are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 to 50
Furniture & Equipment	5 to 15
Library Books & Media	5

11. Net Position on the Statement of Net Position include the following:

Net investment in capital assets - this component of net position consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt will be included in this component of net position.

Restricted for federal and state programs - this component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, which are restricted by federal and state granting agency(s).

Restricted for Debt Service - this component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The assets arise from bond issuance which have constraints placed on them by the bond covenant(s) for the purpose of future debt service payments.

Restricted for Campus Activities - this component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, which are restricted transactions related to a principal’s activity fund.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unrestricted - this component of net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District considers restricted resources to have been spent.

12. The District reports the following fund balance categories which describe the nature and the relative strength of the spending constraints:

Nonspendable Fund Balance - Represents amounts that are not in spendable form or are legally or contractually required to be maintained intact, such as inventories.

Restricted Fund Balance - Represents amounts that are restricted to specific purposes, with constraints placed on the use of resources by (a) external creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or (c) enabling legislation.

Committed Fund Balance - Represents amounts that are restricted for purposes which the Board of Trustees, the District's highest level of decision-making authority, has designated their use. These amounts are committed through a formal resolution, requiring funds to be used only for specific purposes. These amounts can only be re-allocated by the same formal action that was taken to originally commit those amounts. The Board of Trustees shall take action to commit funds for a specific purpose prior to the end of the fiscal year.

Assigned Fund Balance - Represents amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The governing body has delegated authority to the Superintendent or designated managers. Should the Board opt not to commit any balances, it will implicitly defer to the designees to make appropriate assignments.

Unassigned Fund Balance - Represents amounts that are available for any purpose and have not been restricted, committed, or assigned for specific purposes. Positive amounts are reported only in the general fund.

The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a formal resolution. Assigned fund balance is established by the Superintendent or designated managers through adoption or amendment of the budget as intended for specific purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes of which amounts in any of those unrestricted fund balance classifications could be used, unless the Board of Trustees or designee's have provided otherwise in its commitment or assignment actions.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. The Data Control Codes refer to the account code structure prescribed by TEA in the *Financial Accountability System Resource Guide*. Texas Education Agency requires school districts to display these codes in the financial statements filed with the Agency in order to insure accuracy in building a state-wide data base for policy development and funding plans.
 14. The District receives substantial amounts of funding from special revenue sources. The majority of this money is cost reimbursement to the District by the federal government or Texas Education Agency. The portion of revenue allowable for indirect cost is credited as revenue to the General Fund and as a reduction to revenue in the Special Revenue Fund, as appropriate. The indirect cost revenue is fully allocated to function 41, General Administration, in the Government-wide Statement of Activities as operating grants and contributions.
 15. In accordance with the Resource Guide, the District has adopted and installed an accounting system which meets as least the minimum requirements presented by the Texas State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure presented in the Resource Guide. Mandatory codes are recorded in the order provided in the Resource Guide.
 16. Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the school fiscal year.
 17. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.
- F. The District implemented GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying fiduciary activities of all state and local governments.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

Exhibit C-2 provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net position for governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bond payable, and the District's proportionate share of the net pension and OPEB liabilities are not due and payable in the current period and are not reported as liabilities in the funds.

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

Exhibit C-4 provides a reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances and the changes in net position of governmental activities as reported on the government-wide statement of activities. One element of that reconciliation explains that current year capital outlays and debt principal payments are expenditures in the fund financial statements, but should be shown as increases in capital assets and decreases in long-term debt in the government-wide statements. This adjustment affects both the net position balance and the change in net position.

Another element of the reconciliation on the Exhibit C-4 include recognizing property tax revenue considered available and recognizing accruals of interest on long-term debt along with various other reclassifications. In addition, certain pension and OPEB expenditures are de-expended and the District recorded its proportionate share of the pension and OPEB expense. These adjustments are necessary to convert from the modified accrual basis of accounting to the full accrual basis of accounting.

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

At August 31, 2021, the carrying amount of the District's deposits (cash, and interest-bearing savings accounts including fiduciary funds cash) was \$441,107 and the bank balance was \$545,195. The District's cash deposits at August 31, 2021 were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

- a. Depository: WestStar Bank.
- b. The market value of bonds and securities pledged as of the date of the highest combined balance on deposit was \$2,534,356.
- c. The highest combined balances of cash, savings, and time deposit accounts amounted to \$1,303,802 and occurred during the month of April 2021.
- d. Total amount of FDIC coverage at the time of the largest combined balance was \$250,000.

Due to the immediate availability of the funds, the District's temporary investments are presented as cash and cash equivalents as of August 31, 2021 and, include the following:

	<u>Account Balance</u>
Lone Star: Corporate and Government Overnight Fund (amortized cost)	<u>\$ 6,667,100</u>
	<u><u>\$ 6,667,100</u></u>

The Lone Star Investment Pool is a member owned, member-governed public funds investment pool. It is managed by an eleven member Board of Trustees and the Board is authorized to adopt and maintain bylaws. There is also an Advisory Board composed of participants that gathers and exchanges information from participants relating to the operation of the Pool. Each fund within the Pool has received the rating of AAAM, from Standard & Poor's as required by the Public Fund's Investment Act. Lone Star Investment Pool issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by calling Lone Star at 1-800-558-8875. Management is not aware of the presence of any limitations or restrictions on withdrawals such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates.

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

B. Due from Other Governments

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. A majority of the federal grants are passed through the TEA.

Amounts due from federal and state governments as of August 31, 2021 are summarized below.

	General Fund	Nonmajor Governmental Funds	Total
Federal Grants	\$ 95,891	\$ 318,316	\$ 414,207
State Support	1,475,948	14,505	1,490,453
Total	\$ 1,571,839	\$ 332,821	\$ 1,904,660

C. Interfund Receivables and Payables

Interfund balances are a result of normal operations and are eliminated periodically. Management intends to pay out these balances within one year.

Interfund balances at August 31, 2021 consisted of the following individual amounts:

	Due From Other Funds	Due To Other Funds
General Fund		
Nonmajor Governmental Funds	\$ 471,864	\$ 135,409
Fiduciary Funds	1,000	-
Total General Fund	472,864	135,409
Nonmajor Governmental Funds		
General Fund	135,409	471,864
Nonmajor Governmental Funds	22,163	22,163
Total Nonmajor Governmental Funds	157,572	494,027
Fiduciary Funds		
General Fund	-	1,000
Total	\$ 630,436	\$ 630,436

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Asset Activity

Capital asset activity for the District for the year ended August 31, 2021, was as follows:

	Primary Governments			
	Beginning Balance	Additions	Deletion, Reclassification and Adjustment	Ending Balance
<u>Governmental activities:</u>				
Land	\$ 7,243	\$ -	\$ -	\$ 7,243
Buildings and Improvements	42,319,151	-	-	42,319,151
Furniture and Equipment	2,922,319	272,593	(342,183)	2,852,729
Library Books & Media	102,723	-	-	102,723
Totals at Historic Cost	45,351,436	272,593	(342,183)	45,281,846
Less Accumulated Depreciation for:				
Buildings and Improvements	13,945,417	1,077,780	-	15,023,197
Furniture and Equipment	2,229,704	167,187	(338,271)	2,058,620
Library Books and Media	100,156	2,567	-	102,723
Total Accumulated Depreciation	16,275,277	1,247,534	(338,271)	17,184,540
Governmental Activities Capital Assets, net	\$ 29,076,159	\$ (974,941)	\$ (3,912)	\$ 28,097,306

A portion of the buildings are located on leased land. See Note R.

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 689,031
Instructional resources and media services	14,552
Instructional leadership	1,943
School leadership	5,896
Guidance, counseling and evaluation services	1,465
Health services	1,892
Student (pupil) transportation	105,385
Food services	28,304
Cocurricular/extracurricular activities	313,574
General administration	4,340
Facilities maintenance and operations	44,253
Security and monitoring services	13,019
Data processing services	16,412
Community services	7,468
Total depreciation expense	\$ 1,247,534

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

E. Unearned Revenue

Unearned revenue at year end consisted of the following:

	General Fund	Non Major Governmental Funds	Total
Federal, State, and Local Grants	\$ 8,963	\$ 56,412	\$ 65,375
USDA Commodities	1,814	-	1,814
Total Unearned Revenue	\$ 10,777	\$ 56,412	\$ 67,189

F. Deferred Outflows and Inflows of Resources

Deferred losses on refunding of bonds for the year ended August 31, 2021, presented as deferred outflows of resources, were as follows:

	Beginning Balance	New Issues	Amortization	Ending Balance
Series 2012	\$ 186,970	\$ -	\$ 19,823	\$ 167,147
Series 2013	298,948	-	24,039	274,909
	\$ 485,918	\$ -	\$ 43,862	\$ 442,056

Deferred gain on refunding of bonds for the year ended August 31, 2021, presented as deferred inflows of resources, was as follow:

	Beginning Balance	New Issues	Amortization	Ending Balance
Series 2015	\$ 42,209	\$ -	\$ 4,044	\$ 38,165
Series 2020	-	103,190	7,552	95,638
Series 2020A	-	94,352	5,193	89,159
	\$ 42,209	\$ 197,542	\$ 16,789	\$ 222,962

(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

G. Changes in Long-Term Liabilities

A summary of changes in general long-term liabilities for the year ended August 31, 2021 is as follows:

Funded by:	Beginning Balance	Addition	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
<u>Bonds Payable:</u>					
Debt Service Fund	\$ 7,362,341	\$ 4,290,000	\$ 4,807,341	\$ 6,845,000	\$ 675,000
Refunding Series					
Unlimited Tax Building Bonds	9,140,000	-	80,000	9,060,000	85,000
Unlimited Tax Building Bond - Private Placement	348,600	-	46,300	302,300	47,300
Debt Service Fund					
Accretion Payable	209,144	3,514	212,658	-	-
Unamortized Premium/ Discount on Debt	1,249,837	420,045	553,279	1,116,603	-
Total Governmental Long-term Liabilities	\$ 18,309,922	\$ 4,713,559	\$ 5,699,578	\$ 17,323,903	\$ 807,300

H. Bonds Payable

A summary of changes in the bonds payable for the year ended August 31, 2021 is as follows:

Description	Interest Rate and Maturity Date	Amounts Original Issue	Interest Current Year	Outstanding 08/31/20	Issued	Retired	Outstanding 8/31/21	Due Within One Year
Refunding Series 2012								
Current interest bonds	2% - 3.75% 02/01/2026	\$ 1,940,000	\$ 7,287	\$ 1,425,000	\$ -	\$ 1,160,000	\$ 265,000	\$ 265,000
Current interest term bonds	2% - 3.75% 02/01/2030	860,000	-	610,000	-	610,000	-	-
Capital appreciation bonds	02/01/2021	114,998	212,658	52,341	-	52,341	-	-
Refunding Series 2013								
Current interest bonds	2% - 3.5% 02/01/2033	2,740,000	15,450	2,230,000	-	1,815,000	415,000	205,000
Current interest term bonds	3% - 3.5% 02/01/2027	910,000	-	910,000	-	910,000	-	-
Refunding Series 2015								
Current interest serial bonds	2% - 3% 02/01/2025	1,850,000	71,800	1,060,000	-	200,000	860,000	205,000
Current interest term bonds	4.0% 02/01/2031	1,075,000	-	1,075,000	-	-	1,075,000	-

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TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

Description	Interest Rate and Maturity Date	Amounts Original Issue	Interest Current Year	Outstanding 08/31/20	Issued	Retired	Outstanding 8/31/21	Due Within One Year
Unlimited Tax Building Bond Series 2016								
Current interest serial bonds	3.0% 02/01/2043	5,715,000	273,000	5,475,000	-	80,000	5,395,000	85,000
Current interest term bonds	3.0% 02/01/2043	3,665,000	-	3,665,000	-	-	3,665,000	-
Unlimited Tax Building Bond Series 2017 (Private Placement)								
	2.46% 02/01/2027	395,000	8,006	348,600	-	46,300	302,300	47,300
Unlimited Tax Refunding Bonds, Series 2020								
	2% - 3.5% 02/01/2030	1,770,000	27,905	-	1,770,000	25,000	1,745,000	-
Unlimited Tax Refunding Bonds, Series 2020A								
	1.84% - 4% 02/01/2033	2,520,000	47,070	-	2,520,000	35,000	2,485,000	-
		<u>\$23,554,998</u>	<u>\$ 663,176</u>	<u>\$ 16,850,941</u>	<u>\$ 4,290,000</u>	<u>\$4,933,641</u>	<u>\$ 16,207,300</u>	<u>\$ 807,300</u>

On December 30, 2020, the District issued Unlimited Tax Refunding Bonds, Series 2020 in the amount of \$1,770,000. The bonds and interest are payable on February 1 and August 1 of each year, commencing on February 1, 2021 and ending on February 1, 2030. The bonds were issued to refund portions of the Unlimited Tax Refunding Bonds Series 2012 and to pay the cost associated with the issuance sale of the bonds. As a result, \$1,770,000 of the 2012 Series bonds are considered to be defeased and not presented in these financial statements. The amount of defeased debt still outstanding at August 31, 2021 was \$1,770,000 and the related escrow balance was \$1,798,402. The refundings resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$103,190. This difference, reported in the accompanying financial statements in the deferred inflow of resources category, is amortized over the shorter of the remaining life of the old debt or the maturity date of the new debt. The refunding reduced future debt service costs (difference between cash flow to service old debt and that required for new debt) by \$85,248, and resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$82,262.

On December 30, 2020, the District issued Unlimited Tax Refunding Bonds, Series 2020A in the amount of \$2,520,000. The bonds and interest are payable on February 1 and August 1 of each year, commencing on February 1, 2021 and ending on February 1, 2033. The bonds were issued to refund portions of the Unlimited Tax Refunding Bonds Series 2013 and to pay the cost associated with the issuance sale of the bonds. As a result, \$2,525,000 of the 2012 Series bonds are considered to be defeased and not present on these financial statements. The amount of defeased debt still outstanding at August 31, 2021 was \$2,525,000 and the related escrow balance was \$2,648,414. The refundings resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$94,352. This difference, reported in the accompanying financial statements in the deferred inflow of resources category, is amortized over the shorter of the remaining life of the old debt or the maturity date of the new debt. The refunding reduced future debt service costs (difference between cash flow to service old debt and that required for new debt) by \$142,148, and resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$126,869.

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TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

Unamortized Premiums/Discounts on Debt for the year ended August 31, 2021 are as follows:

Description	Beginning Balance	Premiums and Discounts on New Issues	Net Amortization Recognized	Outstanding 8/31/21
Refunding Series 2012	\$ 201,572	\$ -	\$ 190,132	\$ 11,440
Refunding Series 2013	339,771	-	295,712	44,059
Refunding Series 2015	184,655	-	17,706	166,949
Unlimited Tax Building Bond Series 2016	523,839	-	23,345	500,494
Refunding Series 2020	-	173,955	12,786	161,169
Refunding Series 2020A	-	246,090	13,598	232,492
	<u>\$ 1,249,837</u>	<u>\$ 420,045</u>	<u>\$ 553,279</u>	<u>\$ 1,116,603</u>

Debt service requirements are as follows:

Year Ended August 31,	Principal (Private Placement)	Interest (Private Placement)	Principal	Interest	Total Requirements
2022	\$ 47,300	\$ 6,855	\$ 760,000	\$ 476,873	\$ 1,291,028
2023	48,500	5,676	790,000	453,954	1,298,130
2024	49,700	4,469	800,000	431,529	1,285,698
2025	51,000	3,230	825,000	408,954	1,288,184
2026	52,200	1,961	850,000	381,929	1,286,090
2027 - 2031	53,600	659	4,735,000	1,437,315	6,226,574
2032 - 2036	-	-	3,480,000	751,234	4,231,234
2037 - 2041	-	-	2,540,000	363,900	2,903,900
2042-2043	-	-	1,125,000	33,975	1,158,975
	<u>\$ 302,300</u>	<u>\$ 22,850</u>	<u>\$15,905,000</u>	<u>\$4,739,663</u>	<u>\$ 20,969,813</u>

There are a number of limitations and restrictions contained in the general obligation bond indenture. Management has indicated that the District is in compliance with all significant limitations and restrictions at August 31, 2021. For the year ended August 31, 2021 the District paid \$663,179 in interest costs related to bonds payable. As of August 31, 2021, the District has no capital appreciation bonds.

Rebatable Arbitrage - The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least five years. Arbitrage is evaluated and estimated on an annual basis by a third party. The company has estimated no liability for the District as of August 31, 2021.

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TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. Defined Benefit Pension Plan

Plan Description: The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). 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 Teacher Retirement System's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the internet at https://www.trs.texas.gov/TRS%20Documents/cafr_2020.pdf; 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. 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.

In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increases 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 13th 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.

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(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

Contributions: Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member’s annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS’ unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in this manner are determined by the System’s actuary.

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

	<u>Contribution Rates</u>	
	<u>Plan Fiscal Year</u>	
	<u>2020</u>	<u>2021</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	7.5%	7.5%
Employers	7.5%	7.5%

<u>Contributions Required and Made</u>	
2021 Employer Contributions	\$ 318,353
2021 Member Contributions	647,971
2020 Plan Year NECE On-Behalf Contributions (State)	450,567

Contributors to the plan include active 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).

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (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, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50 percent of the state contribution rate for certain instructional or administrative employees; and 100 percent of the state contribution rate for all other employees.

Included in the employer contributions amount listed above for fiscal year 2021, the District paid \$17,863 in retiree surcharges and \$103,464 for the Public Education Employer Contribution. These two additional surcharges an employer is subject to are summarized as follows:

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.
- All public schools, charter schools and regional education service centers must contribute 1.5 percent of the member's salary beginning in fiscal year 2020, gradually increasing to 2 percent in fiscal year 2025.

Actuarial Assumptions: The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the total pension liability to August 31, 2020. The actuarial methods and assumption used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. The total pension liability is determined by an annual actuarial valuation. The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the Plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the three year period ending August 31, 2017 and were adopted in July 2018. The following table discloses the assumptions that were applied to this measurement period:

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Mortality Assumption	The active mortality rates were based on 90 percent of RP 2014 Employee Mortality Tables for males and females with full generational mortality. The post-retirement mortality rates were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables with full generational projection using the ultimate improvement rates from the most recently published projection scale U-MP.
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	3.05% to 9.05% including inflation
Ad hoc post-employment benefit changes	None

(Continued)¹¹⁶

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

Discount Rate: A single discount rate used to measure the total pension liability was 7.25 percent. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the Legislature during the 2019 legislative session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return on pension plan investments is 7.25 percent and was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the System’s 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%
Private Equity	14.00%	6.70%	1.41%
Stable Value			
Government Bonds	16.00%	-0.70%	-0.05%
Absolute Return (Including Credit Sensitive Investments)	-	1.80%	-
Stable Value Hedge Funds	5.00%	1.90%	0.11%
Real Return			
Real Estate	15.00%	4.60%	1.02%
Energy, Natural Resources and Infrastructure	6.00%	6.00%	0.42%
Commodities	-	0.80%	-
Risk Parity			
Risk Parity	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%
Total	100.00%		7.33%

*Target allocations are based on the FY2020 policy model

**Capital Market Assumptions come from Aon Hewitt (as of 8/31/2020)

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

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

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

	1% Decrease 6.25%	Current Single Discount Rate 7.25%	1% Increase 8.25%
District's proportionate share of the net pension liability	\$ 6,031,377	\$ 3,911,445	\$ 2,189,045

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At August 30, 2021, the District reported a liability of \$3,911,445 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:

The District's proportionate share of the collective net pension liability	\$ 3,911,445
State's proportionate share that is associated with the District	<u>5,848,596</u>
Total	<u><u>\$ 9,760,041</u></u>

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 that date. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2019 through August 31, 2020.

At August 31, 2020 the employer's proportion of the collective net pension liability was 0.0073031993% which was a decrease of 0.0001590009% 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.

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

For the year ended August 31, 2021, the District recognized pension expense of \$703,456 and revenue of \$703,456 for support provided by the State.

The amount of pension expense recognized by the District in the reporting period was \$1,326,163.

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

At August 31, 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 experience	\$ 7,142	\$ 109,158
Changes in actuarial assumptions	907,594	385,903
Net difference between projected and actual investment earnings	79,184	-
Changes in proportion and difference between District's contributions and proportionate share of contributions	266,869	266,310
District contributions to TRS subsequent to the measurement date	318,353	-
Total	\$ 1,579,142	\$ 761,371

The \$318,353 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending August 31, 2022.

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

Year Ended August 31	Amount
2022	\$ 145,569
2023	184,493
2024	152,061
2025	61,042
2026	(39,582)
Thereafter	(4,165)
	\$ 499,418

Changes in Net Pension Liability:

	Beginning Balance	Additions	Reductions	Ending Balance
Net Pension Liability	\$ 3,879,085	\$ 333,692	\$ 301,332	\$ 3,911,445

Payable to the Pension Plan: At August 31, 2021, the District reported a payable of \$81,782 to the pension plan for the outstanding amount of contractually required contributions related to past service costs. Member contributions included in this payable were \$53,625.

(Continued)¹¹⁹

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

J. 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. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

OPEB Plan Fiduciary Net Position: Detail information about the TRS-Care’s fiduciary net position is available in the separately-issued TRS Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the internet at https://www.trs.texas.gov/TRS%20Documents/cafr_2020.pdf; by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698; or by calling (512) 542-6592.

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

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes; including automatic COLAs.

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

TRS-Care Monthly Plan Premium Rates				
	Medicare		Non-Medicare	
Retiree or Surviving Spouse	\$	135	\$	200
Retiree and Spouse		529		689
Retiree or Surviving Spouse and Children		468		408
Retiree and Family		1,020		999

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

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

Texas Insurance Code, section 1575.202 establishes the state’s contribution rate which is 1.25 percent of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is 0.65 percent of salary. 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 or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

	<u>Contributions Rates</u>	
	2020	2021
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private Funding remitted by Employers	1.25%	1.25%
2021 Employer Contributions	\$ 65,803	
2021 Member Contributions	54,698	
2020 Plan Year NECE On-behalf Contributions (State)	94,927	

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, employers are required to pay to TRS Care a monthly surcharge of \$535 per retiree. During the year ended August 31, 2021, the District did not employ TRS retirees and therefore did not pay any surcharge amounts to TRS-Care.

A supplemental appropriation was authorized by Senate Bill 1264 of the 86th Texas Legislature to provide \$2,208,137, for fiscal year 2020 and \$3,312,206 for fiscal year 2021, for consumer protections against medical and health care billing by certain out-of-network providers. Funding will be in fiscal year 2021.

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

Actuarial Assumptions: The total OPEB liability (TOL) in the August 31, 2019 actuarial valuation was rolled forward to August 31, 2020 using update procedures. The actuarial valuation of TRS-Care is similar to the actuarial valuations performed for the pension plan, except that the OPEB valuation is more complex. All of the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in the OPEB valuation were identical to those used in the respective TRS pension valuation. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.

The total OPEB liability in the August 31, 2019 actuarial valuation was determined using the actuarial assumptions below. Those assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 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	Salary Increases
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% as of August 31, 2020
Salary Increases	3.05% to 9.05%, including inflation
Demographic Assumptions	The rates of mortality, retirement, termination and disability incidence are identical to the assumptions used to value the pension liabilities of TRS. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.
Mortality Assumption	The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females, with full generational mortality using Scale BB. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published scale (“U-MP”).

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

Health Care Trend Rates	Initial medical trend rates of 9.00 percent for Medicare retirees and 7.3 percent for non-Medicare retirees. Initial prescription drug trend rate of 9.00 percent for all retirees. Initial trend rates decrease to an ultimate trend rate of 4.25 over a period of 13 years.
Election Rates	Normal Retirement: 65 percent participation prior to age 65 and 40 percent participation after age 65; 25 percent pre-65 retirees are assumed to discontinue coverage at age 65
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.
Other Information	
Ad hoc post-employment benefit changes	None
Notes	Assumption changes include a discount rate change from 2.63% as of August 31, 2019 to 2.33% as of August 31, 2020, lowering the participation rate assumption for employees who retire after the age of 65, and lowering the ultimate health care trend assumption to reflect the repeal of the excise (Cadillac) tax on high-cost employer health plans.

Discount Rate: A single discount rate of 2.33 percent was used to measure the total OPEB liability. There was a decrease of 0.30 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 used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2020 using the fixed-income municipal bonds with 20 years to maturity that include only federally tax exempt municipal bonds.

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

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

	1% Decrease in Discount Rate 1.33%	Current Single Discount Rate 2.33%	1% Increase in Discount Rate 3.33%
District's proportionate share of the Net OPEB Liability:	\$ 4,239,861	\$ 3,533,224	\$ 2,975,083

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 health-care cost trend rate:

	1% Decrease	Current Healthcare Trend Rate	1% Increase
District's proportionate share of the Net OPEB Liability:	\$ 2,866,192	\$ 3,533,224	\$ 4,394,981

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs: At August 31, 2021, the District reported a liability of \$3,533,224 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:

The District's proportionate share of the collective Net OPEB Liability	\$ 3,533,224
State's proportionate share that is associated with the District	4,747,807
Total	\$ 8,281,031

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 the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2019 through August 31, 2020.

At August 31, 2020 the employer's proportion of the collective Net OPEB Liability was 0.0092944087%, which was a decrease of 0.0010855537% from its proportion measured as of August 31, 2019.

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

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

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

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

For the year ended August 31, 2021, the District recognized OPEB expense of \$(32,967) and revenue of \$(32,967) for support provided by the State.

The amount of OPEB expense recognized by the District in the reporting period was \$(116,810).

At August 31, 2021, the District reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to other post-employment benefits (OPEB) from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 184,998	\$ 1,616,984
Changes in actuarial assumptions	217,926	970,242
Difference between projected and actual investment earnings	1,148	-
Changes in proportion and difference between the District’s contributions and the proportionate share of contributions	428,958	750,353
Contributions paid to TRS subsequent to the measurement date	65,803	-
Total	\$ 898,833	\$ 3,337,579

The \$65,803 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended August 31, 2022. The net amounts of the employer’s balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

Year Ended August 31:	OPEB Expense Amount
2022	\$ (401,462)
2023	(401,615)
2024	(401,703)
2025	(401,680)
2026	(307,307)
Thereafter	(590,782)
	\$ (2,504,549)

Changes in Net OPEB Liability:

	Beginning Balance	Additions	Reductions	Ending Balance
Net OPEB Liability	\$ 4,908,811	\$ \$ 1,375,587	\$ 3,533,224	

Payable to the OPEB Plan: At August 31, 2021, the District reported a payable of \$10,427 to the OPEB plan for the outstanding amount of contractually required contributions related to past service costs. Member contributions included in this payable were \$4,527.

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. Medicare Part D contributions made on behalf of the District’s employees for the year ended August 31, 2021, 2020 and 2019 were \$39,901, \$34,528, and \$28,140, respectively. These amounts are recorded as equal revenues and expenditures in the governmental fund financial statements of the District.

K. Health Care Coverage

During the year ended August 31, 2021, Tornillo Independent School District participated in the TRS - Active Care Health Insurance Program. During the year ended August 31, 2021, employees of the District were covered by the District’s insurance Plan (the “Plan”). Under this plan, the District and State (Teacher Retirement System of Texas) contribute approximately \$275 and \$75, respectively to the employee’s premium. The Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreement. There were no other liabilities associated with the Plan.

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

L. Unemployment Compensation Pool

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

The fund meets its quarterly obligations to the Texas Workforce Commission. Expenses are accrued monthly until the quarterly payment has been made. Expenses can be reasonably estimated; therefore there is no need for specific or aggregate stop loss coverage for the Unemployment Compensation pool. For the year ended August 31, 2021, the Fund anticipates that Tornillo ISD has no additional liability beyond the contractual obligation for payment of contribution.

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

M. Worker's Compensation Program

As required by law the District has acquired adequate worker's compensation insurance coverage contracted through Claims Administrative Services, Inc. The District has chosen to participate in a political subdivision risk pool, which means that the District shares its exposure with other school districts and public entities with similar employee populations. Currently, the District employs about 177 full-time and part-time employees. The District paid \$53,482 in worker's compensation premium for the plan year 2020-2021. This premium is considered sufficient by Claims Administrative Services, Inc. and no contingent liability is required to be reported. This total amount paid for worker's compensation costs is less than 1% of annual payroll.

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

N. Fund Balance

As of August 31, 2021, fund balances are composed of the following:

	General Fund	Non Major Governmental Funds	Total
Nonspendable:			
Inventories	\$ 21,532	\$ -	\$ 21,532
Restricted:			
Food Service	198,681	-	198,681
Capital Acquisition and Contractual Obligation	-	85,840	85,840
Summer Feeding Program	-	42,974	42,974
Advanced Placement Incentives	-	1,655	1,655
Debt Service	-	84,792	84,792
Campus Activities	-	8,765	8,765
Committed:			
Capital Expenditures for Equipment	158,000	-	158,000
Other Committed	243,493	-	243,493
Assigned:			
Construction	997,000	-	997,000
Capital Expenditures for Equipment	41,000	-	41,000
Other Assigned	43,520	-	43,520
Unassigned	6,515,442	-	6,515,442
Total	<u>\$ 8,218,668</u>	<u>\$ 224,026</u>	<u>\$ 8,442,694</u>

O. Revenue from Local and Intermediate Sources

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

	General Fund	Non Major Governmental Funds	Total
Property Taxes	\$ 840,888	\$ 385,571	\$ 1,226,459
Penalties and Interest on Taxes	32,879	11,561	44,440
Investment Income	7,751	262	8,013
Food Sales	6,360	24,147	30,507
Co-curricular Student Activities	3,376	-	3,376
Local Grants	-	10,302	10,302
Other	72,048	5,952	78,000
Total	<u>\$ 963,302</u>	<u>\$ 437,795</u>	<u>\$ 1,401,097</u>

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TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

P. School Health and Related Services (SHARS)

SHARS is a Medicaid financing program and allows local school districts to obtain Medicaid reimbursement for certain health-related services provided to student in special education. Since SHARS settle-up amounts are usually calculated and received in arrears, the District does not have adequate information to make an estimate of the receivable related to the current year on the government wide financial statements. However, the receivable and related revenues are recorded in the fiscal year the preliminary settle-up amounts are available, which is usually one year in arrears.

As this is the first year the District participated in the program, no revenue was recorded in the current period related to settle-up amounts.

Q. Litigation

During the normal course of business the District is subject to various legal claims. As of August 31, 2021, management is not aware of any such claim which would have a material adverse effect on the financial statements.

R. Other Significant Commitments and Contingencies

Commitments Under Leases - Tornillo Independent School District leases 282 acres of land in El Paso County, Texas from the University of Texas System Board of Regents. The term of this lease agreement was for a period of ten years which commenced October 1, 2006. The lease was renewed on June 24, 2015 for an additional ten year period commencing on October 1, 2016. This lease provides for rent of \$5,000 for the entire lease term. The land is only permitted to be used for the purpose of public education facilities and for necessary and desirable purposes incidental thereto, and for no other purpose. The District constructed a new high school facility on this land.

The District entered into a commercial lease with The University of Texas System Board of Regents for approximately 8.81 acres of land. The term of this lease agreement is for a period of ten years commenced August 11, 2015 through June 30, 2025. This lease provided for rent of \$4,000 for the entire lease term. The land is permitted to be used for the purpose of public education facilities and for purposes incidental thereto, and for no other purpose. The District uses the land as a baseball/softball dirt field.

Other Commitments - The District entered into an interlocal agreement with County of El Paso on December 14, 2009 for the improvement of facilities and services at Coyote Park playground and baseball park located within the bounds of the Tornillo Independent School District. The County will design, purchase, and install all playground equipment, canopies, basketball equipment and grass for the park and softball field. The District will be responsible for the management, maintenance and security of said park areas including maintenance of all County provided equipment. The agreement remains in effect until September 30, 2029.

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

The District entered into a second interlocal agreement with County of El Paso on January 23, 2019 for the improvements and maintenance of Coyote Park located within the bounds of the Tornillo Independent School District. The County will purchase and install sod and irrigation lay structure, sidewalk and hike and bike trail swings, benches and picnic shelters, solar lighting, landscaping, park equipment and parking. The District will be responsible for providing year-round maintenance of such premises, including maintenance of all improvements, manage and operate premises, operate and maintain landscaping, irrigation systems and equipment, and pay all electric, gas, and water utilities costs and expenses relating to operation and maintenance of premises. The agreement remains in effect until November 30, 2038.

Federal and State Funding - Tornillo Independent School District participates in numerous state and federal grant programs that are subject to audit by the Texas Education Agency and various Federal and/or State audit agencies. These programs have complex compliance requirements, and should State or Federal auditors discover areas of material noncompliance, those District funds may be subject to refund if so determined by administrative audit review.

In the opinion of administration, 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.

S. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board maintains insurance policies acquired from independent insurance carriers covering all structural property, automobiles, dishonesty, errors and omissions, boiler and machinery, personal property, and general liability. There have been no significant reductions in insurance coverage from prior years and settlements have not exceeded insurance coverage.

For the year ended August 31, 2021, Tornillo Independent School District carried insurance for building and contents in the amount of \$48,579,739 with deductibles ranging from \$10,000 to \$250,000, per occurrence. Equipment, general liability, educator's legal liability, and cyber suite coverage had deductibles ranging from \$1,000 to \$10,000. Automobile physical damage had a deductible of \$1,000. Automobile liability had a deductible of \$1,000 with a \$1,000,000 limit per accident.

T. Related Party Transactions

From time to time, the District may enter into transactions with related parties through the normal course of business. If a Board member has a conflict of interest, proper documentation is completed and he/she is required to abstain from any discussion or voting regarding the matter.

Management is not aware of any material related party transactions that occurred during the 2020-2021 fiscal year.

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

U. New Accounting Pronouncements

The District has not completed the process of evaluating the impact on its financial position that will result from adopting the following Governmental Accounting Standards Board (GASB) Statements:

- GASB No. 87, *Leases*, effective for fiscal years beginning after June 15, 2021. GASB No. 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases.
- GASB No. 89, *Accounting for Interest Costs Incurred before the End of a Construction Period*, effective for fiscal years beginning after December 15, 2020. GASB No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period.
- GASB No. 91, *Conduit Debt Obligations*, effective for periods beginning after December 15, 2019. GASB No. 91 requires issuers to disclose information about their conduit debt obligations.
- GASB No. 92, *Omnibus*, effective for periods beginning after June 15, 2021. GASB No. 92 enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.
- GASB No. 94, *Public-Private and Public-Public Partnerships and Availability Arrangements*, effective for periods beginning after June 15, 2022. GASB No. 94 improves financial reporting by addressing issues related to public private and public-public partnerships arrangements (PPPs) as well as availability payment arrangements (APAs).
- GASB No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans*, effective for periods beginning after June 15, 2021. GASB No. 97 provides specific guidance related to (1) reporting of fiduciary component units that perform duties of a governing board; (2) narrows applicability of certain requirements from GASB No. 84 related to defined benefit pension and OPEB plans and; (3) specific guidance for Internal Revenue Code Section 457 plans that meet the definition of a pension plan and for benefits provided through those plans.

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(Continued)

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

AUGUST 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

V. COVID-19

As a result of the public health emergency related to the outbreak of COVID-19 in the United States, the Texas Education Agency has been awarded Coronavirus financial aid packages which are being distributed to the various school districts in Texas. Tornillo ISD received \$154,710 and \$30,758 in ESSER I funds and in Coronavirus Relief Fund Operation Connectivity Prior Purchase Reimbursement Program, respectively, for the 2020-2021 fiscal year.

In September of 2021, the District received \$1.8M in ESSER II funds and \$2.7M in ESSER III funds. ESSER II has a pre-award period starting March 2020 with the grant period ending September 2022. TEA supplanted approximately \$247,801 of the ESSER II total for the hold harmless provision.

As of September 2, 2021, the Texas Education Agency (TEA) informed local education agencies (LEAs) that it has no plans to issue missed school day waivers due to COVID-19 during the 2021-2022 school year of the LEA or its campuses are closed. Each LEA will need to plan to make up time for school closures during the school year and may need to add additional instructional days and/or minutes to their calendar to meet the 75,600 operational minute requirement. As of the date of this report, the District has not had any missed school days due to COVID-19 and as such, has not determined the impact, if any, on the District.

W. Prior Period Adjustment

For the student activity funds that met the criteria to be included as fiduciary funds, the District re-evaluated the opening amounts of the "Due to Student Groups" in relation to GASB 84. As a result, these amounts were reclassified from "Due to Student Groups" to restricted net position in the custodial fund in the amount of \$32,519.

During fiscal year 2021, the District reclassified 2020 expenses (originally charged to the ESSER I grant in 2020) to another allowable grant. Appropriate adjustments were made on the ESSER I reimbursement requests. The effect was to reduce the general fund balance in the amount of \$136,767 for these 2020 expenditures. The revenue was received and recognized in 2021 in the general fund.

REQUIRED SUPPLEMENTARY INFORMATION

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TORNILLO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 949,518	\$ 949,518	\$ 963,302	\$ 13,784
5800 State Program Revenues	10,544,931	10,714,954	10,812,451	97,497
5900 Federal Program Revenues	992,260	992,260	517,676	(474,584)
5020 Total Revenues	12,486,709	12,656,732	12,293,429	(363,303)
EXPENDITURES:				
Current:				
0011 Instruction	5,524,141	5,840,803	5,730,433	110,370
0012 Instructional Resources and Media Services	173,963	142,209	125,464	16,745
0013 Curriculum and Instructional Staff Development	218,343	270,306	225,941	44,365
0021 Instructional Leadership	251,616	159,455	162,106	(2,651)
0023 School Leadership	761,890	814,822	789,202	25,620
0031 Guidance, Counseling, and Evaluation Services	310,434	333,618	327,733	5,885
0033 Health Services	154,521	165,247	166,925	(1,678)
0034 Student (Pupil) Transportation	286,805	438,445	409,397	29,048
0035 Food Services	898,660	898,660	215,699	682,961
0036 Extracurricular Activities	463,352	423,352	372,371	50,981
0041 General Administration	956,108	947,607	902,359	45,248
0051 Facilities Maintenance and Operations	1,512,806	1,489,954	1,450,406	39,548
0052 Security and Monitoring Services	284,928	294,763	290,255	4,508
0053 Data Processing Services	566,292	561,224	546,484	14,740
0061 Community Services	105,850	105,850	102,878	2,972
Intergovernmental:				
0099 Other Intergovernmental Charges	17,000	17,000	15,270	1,730
6030 Total Expenditures	12,486,709	12,903,315	11,832,923	1,070,392
1200 Net Change in Fund Balances	-	(246,583)	460,506	707,089
0100 Fund Balance - September 1 (Beginning)	7,894,929	7,894,929	7,894,929	-
1300 Prior Period Adjustment	-	-	(136,767)	(136,767)
3000 Fund Balance - August 31 (Ending)	\$ 7,894,929	\$ 7,648,346	\$ 8,218,668	\$ 570,322

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION BUDGET AND ACTUAL GENERAL FUND

FOR THE YEAR ENDED AUGUST 31, 2021

Budgets and Budgetary Accounting

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the General, National School Breakfast and Lunch Program, and Debt Service funds before the beginning of the fiscal year. For fiscal years beginning September 1, the Texas Education Code requires the budget to be adopted by August 31st of each year. The District's administration determines budgetary funding priorities and the budgets are prepared on the same basis of accounting that is used for reporting in accordance with generally accepted accounting principles. Final budget allocations are determined by the Board, which subsequently establishes a tax rate sufficient to support the approved budget. The annual budget, which is prepared on the modified accrual basis of accounting, must be adopted by the Board at a scheduled meeting after giving ten days public notice of the meeting. The District annually adopts legally authorized appropriated budgets for the General, National School Breakfast and Lunch Program, and Debt Service funds. On August 26, 2020, the 2020-2021 budget was legally adopted by the Board.

The District's administration performs budget reviews during the year in which budget requirements are re-evaluated and revisions are recommended to the Board. The Board must approve amendments to the budget at the fund and functional expenditure categories or revenue object accounts as defined by the TEA. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end. Several amendments were necessary during the year. Significant budget amendments approved by the Board were related to substitutes pay, stipends, extra duty for extended year tutoring and the purchase of buses and vehicles.

Expenditures may not legally exceed budgeted appropriations, as amended, at the function level by fund. Unexpended appropriations lapse at year-end.

The Budget and Actual - General Fund includes the District's Child Nutrition Program which is separately presented as Exhibit J-2.

Exhibit G-1 presents an unfavorable budget variance in function 21 - Instructional Leadership due to expenditures that were reclassified from a special revenue fund for which the District did not received reimbursement for and in function 33 - Health Services due to personal protective equipment (PPE) that was received in prior year but used in current year; therefore, the amount of PPE used was reclassified out of inventory and expensed in current year. Overall, the general fund budget reported a favorable budget variance of \$707,089.

Exhibit J-3 presents an unfavorable budget variance in function 71 - Principal on Long-Term Debt due to the principal payments for the bond series 2020 and 2020A being budgeted in function 72 - Interest on Long-Term Debt. Overall, the debt service fund budget reported a favorable budget variance of \$3,918.

TORNILLO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018
District's Proportion of the Net Pension Liability (Asset)	0.007303199%	0.0074622%	0.00702745%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 3,911,445	\$ 3,879,085	\$ 3,868,079
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	5,848,596	6,072,243	5,750,937
Total	<u>\$ 9,760,041</u>	<u>\$ 9,951,328</u>	<u>\$ 9,619,016</u>
District's Covered Payroll	\$ 8,521,925	\$ 7,810,067	\$ 7,815,556
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	45.90%	49.67%	49.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.54%	75.24%	73.74%

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

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

FY 2018 Plan Year 2017	FY 2017 Plan Year 2016	FY 2016 Plan Year 2015	FY 2015 Plan Year 2014
0.007518392%	0.008308592%	0.0076823%	0.0055566%
\$ 2,403,977	\$ 3,139,693	\$ 2,715,591	\$ 1,484,245
3,878,395	4,232,506	4,208,755	3,644,005
<u>\$ 6,282,372</u>	<u>\$ 7,372,199</u>	<u>\$ 6,924,346</u>	<u>\$ 5,128,250</u>
\$ 7,891,834	\$ 7,563,210	\$ 7,198,540	\$ 5,128,250
30.46%	41.51%	37.72%	28.94%
82.17%	78.00%	78.43%	83.25%

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

	2021	2020	2019
Contractually Required Contribution	\$ 318,353	\$ 318,416	\$ 260,751
Contribution in Relation to the Contractually Required Contribution	(318,353)	(318,416)	(260,751)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 8,415,190	\$ 8,521,925	\$ 7,810,067
Contributions as a Percentage of Covered Payroll	3.78%	3.74%	3.34%

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

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

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	2018	2017	2016	2015
\$	234,824	\$ 238,898	\$ 233,325	\$ 181,259
	(234,824)	(238,898)	(233,325)	(181,259)
\$	-	\$ -	\$ -	\$ -
\$	7,815,556	\$ 7,891,834	\$ 7,563,210	\$ 7,198,540
	3.00%	3.03%	3.08%	2.52%

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TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION

TEACHER RETIREMENT SYSTEM OF TEXAS

FOR THE YEAR ENDED AUGUST 31, 2021

Changes of Benefit Terms

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

Changes of Assumptions

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

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TORNILLO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.009294409%	0.010379962%	0.009494575%	0.009842449%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 3,533,224	\$ 4,908,811	\$ 4,740,728	\$ 4,280,112
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	4,747,807	6,522,712	6,139,670	5,919,200
Total	<u>\$ 8,281,031</u>	<u>\$ 11,431,523</u>	<u>\$ 10,880,398</u>	<u>\$ 10,199,312</u>
District's Covered Payroll	\$ 8,521,925	\$ 7,810,067	\$ 7,815,556	\$ 7,891,834
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	41.46%	62.85%	60.66%	54.23%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	4.99%	2.66%	1.57%	0.91%

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

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

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

	2021	2020	2019	2018
Contractually Required Contribution	\$ 65,803	\$ 74,082	\$ 71,896	\$ 65,739
Contribution in Relation to the Contractually Required Contribution	(65,803)	(74,082)	(71,896)	(65,739)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 8,415,190	\$ 8,521,925	\$ 7,810,067	\$ 7,815,556
Contributions as a Percentage of Covered Payroll	0.78%	0.87%	0.92%	0.84%

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

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

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY OPEB INFORMATION

TEACHER RETIREMENT SYSTEM OF TEXAS

FOR THE YEAR ENDED AUGUST 31, 2021

Changes of Benefit Terms Since the Prior Measurement Period

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

Changes Since the Prior Actuarial Valuation

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

- The discount rate changed from 2.63 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the total OPEB liability.
- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.
- The ultimate health care trend rate assumption was lowered from 4.50 percent to 4.25 percent as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB Liability.
- The primary reasons for this year's liability reduction related to the difference between expected and actual experience were due to (a) savings to the fully-insured Medicare Advantage premiums, which resulted from Congress' repeal of the Health Insurer Fees in December 2019 and vendor premium guarantees, and (b) favorable claims and rebate experience for the prescription drug benefits provided to Medicare retirees.

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SUPPLEMENTARY INFORMATION

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TORNILLO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2021

Data Control Codes	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
ASSETS				
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -
1220	Property Taxes - Delinquent	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-
1240	Due from Other Governments	68,078	17,407	-
1260	Due from Other Funds	-	-	-
1410	Prepayments	-	-	-
1000	Total Assets	<u>\$ 68,078</u>	<u>\$ 17,407</u>	<u>\$ -</u>
LIABILITIES				
2110	Accounts Payable	\$ 99	\$ 740	\$ -
2160	Accrued Wages Payable	5,325	4,732	-
2170	Due to Other Funds	62,654	11,935	-
2180	Due to Other Governments	-	-	-
2300	Unearned Revenue	-	-	-
2000	Total Liabilities	<u>68,078</u>	<u>17,407</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
2601	Unavailable Revenue - Property Taxes	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	-	-	-
3470	Capital Acquisition and Contractual Obligation	-	-	-
3480	Retirement of Long-Term Debt	-	-	-
3490	Other Restricted Fund Balance	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 68,078</u>	<u>\$ 17,407</u>	<u>\$ -</u>

242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER I and PPRP	270 ESEA VI, Pt B Rural & Low Income	276 Instructional Continuity	281 CRRSA ESSER II
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	21,330	7,500	1,000	3,606	-	6,707
52,752	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 52,752</u>	<u>\$ -</u>	<u>\$ 21,330</u>	<u>\$ 7,500</u>	<u>\$ 1,000</u>	<u>\$ 3,606</u>	<u>\$ -</u>	<u>\$ 6,707</u>
\$ 9,778	\$ -	\$ 798	\$ 7,500	\$ -	\$ -	\$ -	\$ 114
-	-	846	-	-	-	-	-
-	-	19,686	-	1,000	3,606	-	6,593
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>9,778</u>	<u>-</u>	<u>21,330</u>	<u>7,500</u>	<u>1,000</u>	<u>3,606</u>	<u>-</u>	<u>6,707</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
42,974	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>42,974</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 52,752</u>	<u>\$ -</u>	<u>\$ 21,330</u>	<u>\$ 7,500</u>	<u>\$ 1,000</u>	<u>\$ 3,606</u>	<u>\$ -</u>	<u>\$ 6,707</u>

TORNILLO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2021

Data Control Codes	282 ARP ESSER III	288 Emergency Impact Aid	289 Title IV, A Subpart 1	397 Advanced Placement Incentives
ASSETS				
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1220 Property Taxes - Delinquent	-	-	-	-
1230 Allowance for Uncollectible Taxes	-	-	-	-
1240 Due from Other Governments	185,250	-	7,437	-
1260 Due from Other Funds	-	339	-	1,655
1410 Prepayments	-	-	-	-
1000 Total Assets	<u>\$ 185,250</u>	<u>\$ 339</u>	<u>\$ 7,437</u>	<u>\$ 1,655</u>
LIABILITIES				
2110 Accounts Payable	\$ -	\$ -	\$ -	\$ -
2160 Accrued Wages Payable	5,215	-	-	-
2170 Due to Other Funds	180,035	-	7,437	-
2180 Due to Other Governments	-	-	-	-
2300 Unearned Revenue	-	339	-	-
2000 Total Liabilities	<u>185,250</u>	<u>339</u>	<u>7,437</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
2601 Unavailable Revenue - Property Taxes	-	-	-	-
2600 Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	-	1,655
3470 Capital Acquisition and Contractual Obligation	-	-	-	-
3480 Retirement of Long-Term Debt	-	-	-	-
3490 Other Restricted Fund Balance	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,655</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 185,250</u>	<u>\$ 339</u>	<u>\$ 7,437</u>	<u>\$ 1,655</u>

404 Student Success Initiative	410 State Instructional Materials	428 Texas Volkswagen Environmental	429 Other State Special Revenue Funds	461 Campus Activity Funds	480 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds	599 Debt Service Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 267,156
-	-	-	-	-	-	-	51,189
-	-	-	-	-	-	-	(2,559)
-	-	-	-	-	-	318,315	14,506
13,748	14,319	-	-	9,881	42,715	135,409	-
-	-	-	-	-	-	-	-
<u>\$ 13,748</u>	<u>\$ 14,319</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,881</u>	<u>\$ 42,715</u>	<u>\$ 453,724</u>	<u>\$ 330,292</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,116	\$ 961	\$ 21,106	\$ -
-	-	-	-	-	-	16,118	-
-	-	-	-	-	-	292,946	201,081
13,748	-	-	-	-	-	13,748	-
-	14,319	-	-	-	41,754	56,412	-
<u>13,748</u>	<u>14,319</u>	<u>-</u>	<u>-</u>	<u>1,116</u>	<u>42,715</u>	<u>400,330</u>	<u>201,081</u>
-	-	-	-	-	-	-	44,419
-	-	-	-	-	-	-	44,419
-	-	-	-	-	-	44,629	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	84,792
-	-	-	-	8,765	-	8,765	-
-	-	-	-	8,765	-	53,394	84,792
<u>\$ 13,748</u>	<u>\$ 14,319</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,881</u>	<u>\$ 42,715</u>	<u>\$ 453,724</u>	<u>\$ 330,292</u>

TORNILLO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2021

Data Control Codes	698 Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS		
1110 Cash and Cash Equivalents	\$ -	\$ 267,156
1220 Property Taxes - Delinquent	-	51,189
1230 Allowance for Uncollectible Taxes	-	(2,559)
1240 Due from Other Governments	-	332,821
1260 Due from Other Funds	22,163	157,572
1410 Prepayments	63,677	63,677
1000 Total Assets	<u>\$ 85,840</u>	<u>\$ 869,856</u>
LIABILITIES		
2110 Accounts Payable	\$ -	\$ 21,106
2160 Accrued Wages Payable	-	16,118
2170 Due to Other Funds	-	494,027
2180 Due to Other Governments	-	13,748
2300 Unearned Revenue	-	56,412
2000 Total Liabilities	<u>-</u>	<u>601,411</u>
DEFERRED INFLOWS OF RESOURCES		
2601 Unavailable Revenue - Property Taxes	-	44,419
2600 Total Deferred Inflows of Resources	<u>-</u>	<u>44,419</u>
FUND BALANCES		
Restricted Fund Balance:		
3450 Federal or State Funds Grant Restriction	-	44,629
3470 Capital Acquisition and Contractual Obligation	85,840	85,840
3480 Retirement of Long-Term Debt	-	84,792
3490 Other Restricted Fund Balance	-	8,765
3000 Total Fund Balances	<u>85,840</u>	<u>224,026</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 85,840</u>	<u>\$ 869,856</u>

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TORNILLO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	477,561	17,629	132,499	916
5020 Total Revenues	477,561	17,629	132,499	916
EXPENDITURES:				
Current:				
0011 Instruction	164,994	-	65,539	916
0012 Instructional Resources and Media Services	14,208	-	-	-
0013 Curriculum and Instructional Staff Development	249,564	-	-	-
0021 Instructional Leadership	4,554	17,629	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	42,260	-
0032 Social Work Services	-	-	24,700	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	44,241	-	-	-
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0072 Interest on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
6030 Total Expenditures	477,561	17,629	132,499	916
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7901 Refunding Bonds Issued	-	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	-	-
8940 Payment to Bond Refunding Escrow Agent (Use)	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-	-
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER I and PPRP	270 ESEA VI, Pt B Rural & Low Income	276 Instructional Continuity	281 CRRSA ESSER II
\$ 24,147	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,527	-	-	-	-	-	-	-
556,687	19,252	71,325	57,096	185,468	19,400	16,560	6,707
584,361	19,252	71,325	57,096	185,468	19,400	16,560	6,707
-	19,252	15,565	3,117	133,044	3,606	16,560	6,592
-	-	-	-	-	-	-	115
-	-	55,361	53,000	330	14,047	-	-
-	-	-	-	373	-	-	-
-	-	399	-	2,144	-	-	-
-	-	-	-	495	-	-	-
-	-	-	-	165	-	-	-
-	-	-	-	6,331	-	-	-
-	-	-	-	165	-	-	-
584,148	-	-	-	660	-	-	-
-	-	-	-	1,284	-	-	-
-	-	-	-	37,915	-	-	-
-	-	-	-	165	-	-	-
-	-	-	-	1,033	-	-	-
-	-	-	979	1,364	1,747	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
584,148	19,252	71,325	57,096	185,468	19,400	16,560	6,707
213	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
213	-	-	-	-	-	-	-
42,761	-	-	-	-	-	-	-
\$ 42,974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TORNILLO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	282 ARP ESSER III	288 Emergency Impact Aid	289 Title IV, A Subpart 1	397 Advanced Placement Incentives
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	185,250	-	31,584	-
5020 Total Revenues	185,250	-	31,584	-
EXPENDITURES:				
Current:				
0011 Instruction	94,830	-	30,866	-
0012 Instructional Resources and Media Services	4,058	-	-	-
0013 Curriculum and Instructional Staff Development	4,058	-	500	-
0021 Instructional Leadership	10,375	-	-	-
0023 School Leadership	12,581	-	-	-
0031 Guidance, Counseling, and Evaluation Services	4,058	-	218	-
0032 Social Work Services	1,014	-	-	-
0033 Health Services	3,044	-	-	-
0034 Student (Pupil) Transportation	4,058	-	-	-
0035 Food Services	-	-	-	-
0041 General Administration	10,145	-	-	-
0051 Facilities Maintenance and Operations	22,319	-	-	-
0052 Security and Monitoring Services	7,609	-	-	-
0053 Data Processing Services	6,087	-	-	-
0061 Community Services	1,014	-	-	-
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0072 Interest on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
6030 Total Expenditures	185,250	-	31,584	-
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7901 Refunding Bonds Issued	-	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	-	-
8940 Payment to Bond Refunding Escrow Agent (Use)	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-	1,655
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ 1,655

404 Student Success Initiative	410 State Instructional Materials	428 Texas Volkswagen Environmental	429 Other State Special Revenue Funds	461 Campus Activity Funds	480 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds	599 Debt Service Fund
\$ -	\$ -	\$ -	\$ -	\$ 5,952	\$ 10,302	\$ 40,401	\$ 397,394
-	50,002	54,125	24,299	-	-	131,953	859,975
-	-	-	-	-	-	1,777,934	-
-	50,002	54,125	24,299	5,952	10,302	1,950,288	1,257,369
-	50,002	-	17,844	3,269	7,055	633,051	-
-	-	-	-	-	-	18,381	-
-	-	-	-	-	3,247	380,107	-
-	-	-	-	-	-	32,931	-
-	-	-	-	2,140	-	17,264	-
-	-	-	-	-	-	47,031	-
-	-	-	-	-	-	25,879	-
-	-	-	-	-	-	9,375	-
-	-	54,125	-	-	-	58,348	-
-	-	-	-	-	-	584,808	-
-	-	-	-	2,993	-	14,422	-
-	-	-	-	-	-	60,234	-
-	-	-	6,455	-	-	14,229	-
-	-	-	-	-	-	7,120	-
-	-	-	-	1,509	-	50,854	-
-	-	-	-	-	-	-	638,640
-	-	-	-	-	-	-	663,179
-	-	-	-	-	-	-	120,435
-	50,002	54,125	24,299	9,911	10,302	1,954,034	1,422,254
-	-	-	-	(3,959)	-	(3,746)	(164,885)
-	-	-	-	-	-	-	4,290,000
-	-	-	-	-	-	-	420,044
-	-	-	-	-	-	-	(4,588,241)
-	-	-	-	-	-	-	121,803
-	-	-	-	(3,959)	-	(3,746)	(43,082)
-	-	-	-	12,724	-	57,140	127,874
\$ -	\$ -	\$ -	\$ -	\$ 8,765	\$ -	\$ 53,394	\$ 84,792

TORNILLO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	698 Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES:		
5700 Total Local and Intermediate Sources	\$ -	\$ 437,795
5800 State Program Revenues	-	991,928
5900 Federal Program Revenues	-	1,777,934
5020 Total Revenues	-	3,207,657
EXPENDITURES:		
Current:		
0011 Instruction	-	633,051
0012 Instructional Resources and Media Services	-	18,381
0013 Curriculum and Instructional Staff Development	-	380,107
0021 Instructional Leadership	-	32,931
0023 School Leadership	-	17,264
0031 Guidance, Counseling, and Evaluation Services	-	47,031
0032 Social Work Services	-	25,879
0033 Health Services	-	9,375
0034 Student (Pupil) Transportation	-	58,348
0035 Food Services	-	584,808
0041 General Administration	-	14,422
0051 Facilities Maintenance and Operations	-	60,234
0052 Security and Monitoring Services	-	14,229
0053 Data Processing Services	-	7,120
0061 Community Services	-	50,854
Debt Service:		
0071 Principal on Long-Term Debt	-	638,640
0072 Interest on Long-Term Debt	-	663,179
0073 Bond Issuance Cost and Fees	-	120,435
6030 Total Expenditures	-	3,376,288
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(168,631)
OTHER FINANCING SOURCES (USES):		
7901 Refunding Bonds Issued	-	4,290,000
7916 Premium or Discount on Issuance of Bonds	-	420,044
8940 Payment to Bond Refunding Escrow Agent (Use)	-	(4,588,241)
7080 Total Other Financing Sources (Uses)	-	121,803
1200 Net Change in Fund Balance	-	(46,828)
0100 Fund Balance - September 1 (Beginning)	85,840	270,854
3000 Fund Balance - August 31 (Ending)	\$ 85,840	\$ 224,026

OTHER INFORMATION - REQUIRED TEA SCHEDULES

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TORNILLO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FISCAL YEAR ENDED AUGUST 31, 2021

Last 10 Years Ended August 31	(1) (2)		(3) Assessed/Appraised Value for School Tax Purposes
	Tax Rates		
	Maintenance	Debt Service	
2012 and prior years	Various	Various	\$ Various
2013	1.090100	0.213600	55,057,509
2014	1.090100	0.213600	57,985,327
2015	1.090100	0.213600	62,229,604
2016	1.090100	0.213600	61,401,358
2017	1.090100	0.310700	66,480,248
2018	1.090100	0.310700	72,774,713
2019	1.090100	0.310700	74,584,345
2020	1.016500	0.384300	83,753,955
2021 (School year under audit)	1.002900	0.468900	84,798,477
1000 TOTALS			

(10) Beginning Balance 9/1/2020	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2021
\$ 74,890	\$ -	\$ 2,101	\$ 360	\$ (7,809)	\$ 64,620
6,866	-	335	66	-	6,465
9,634	-	330	65	-	9,239
8,751	-	1,072	210	-	7,469
8,663	-	2,391	469	1,262	7,065
8,405	-	3,195	911	1,356	5,655
16,178	-	6,256	1,783	1,356	9,495
30,568	-	14,520	4,138	3,254	15,164
74,183	-	32,100	12,136	(1,939)	28,008
-	1,207,969	783,463	366,304	-	58,202
<u>\$ 238,138</u>	<u>\$ 1,207,969</u>	<u>\$ 845,763</u>	<u>\$ 386,442</u>	<u>\$ (2,520)</u>	<u>\$ 211,382</u>

TORNILLO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
 FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 76,000	\$ 76,000	\$ 30,337	\$ (45,663)
5800 State Program Revenues	5,400	5,400	-	(5,400)
5900 Federal Program Revenues	817,260	817,260	205,100	(612,160)
5020 Total Revenues	898,660	898,660	235,437	(663,223)
EXPENDITURES:				
Current:				
0035 Food Services	898,660	898,660	215,699	682,961
6030 Total Expenditures	898,660	898,660	215,699	682,961
1200 Net Change in Fund Balances	-	-	19,738	19,738
0100 Fund Balance - September 1 (Beginning)	200,475	200,475	200,475	-
3000 Fund Balance - August 31 (Ending)	\$ 200,475	\$ 200,475	\$ 220,213	\$ 19,738

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TORNILLO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 387,435	\$ 387,435	\$ 397,394	\$ 9,959
5800 State Program Revenues	879,465	879,465	859,975	(19,490)
5020 Total Revenues	1,266,900	1,266,900	1,257,369	(9,531)
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Debt	578,640	578,640	638,640	(60,000)
0072 Interest on Long-Term Debt	733,160	733,160	663,179	69,981
0073 Bond Issuance Cost and Fees	2,100	123,903	120,435	3,468
6030 Total Expenditures	1,313,900	1,435,703	1,422,254	13,449
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	(47,000)	(168,803)	(164,885)	3,918
OTHER FINANCING SOURCES (USES):				
7901 Refunding Bonds Issued	-	4,290,000	4,290,000	-
7916 Premium or Discount on Issuance of Bonds	-	420,044	420,044	-
8940 Payment to Bond Refunding Escrow Agent (Use)	-	(4,588,241)	(4,588,241)	-
7080 Total Other Financing Sources (Uses)	-	121,803	121,803	-
1200 Net Change in Fund Balances	(47,000)	(47,000)	(43,082)	3,918
0100 Fund Balance - September 1 (Beginning)	127,874	127,874	127,874	-
3000 Fund Balance - August 31 (Ending)	\$ 80,874	\$ 80,874	\$ 84,792	\$ 3,918

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FEDERAL AWARDS SECTION

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

To the Board of Trustees
Tornillo Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tornillo Independent School District, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise Tornillo Independent School District's basic financial statements, and have issued our report thereon dated _____.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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.

Gibson Ruddock Patterson LLC
El Paso, Texas
_____, 2022

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

To the Board of Trustees
Tornillo Independent School District

Report on Compliance for Each Major Federal Program

We have audited the Tornillo Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Tornillo Independent School District's major federal programs for the year ended August 31, 2021. Tornillo Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Tornillo Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2021.

Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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.

Gibson Ruddock Patterson LLC
El Paso, Texas
_____, 2022

TORNILLO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2021

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Were significant deficiencies in internal control disclosed? None reported

Were material weaknesses in internal control disclosed? No

Was any noncompliance disclosed that is material to the financial statements of the auditee, which would be required to be reported in accordance with Government Auditing Standards? No

Federal Awards

Internal control over major federal award programs:

Were significant deficiencies in internal control over major programs disclosed? None reported

Were material weaknesses in internal control over major programs disclosed? No

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

Were there any audit findings that the auditor is required to disclosed under Title 2 CFR 200.516 Audit findings paragraph (a)? No

Major Federal Programs: ESEA Title I, Part A, Assistance Listing 84.010A

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

Did auditee qualified as low-risk auditee under 2 CFR 200.520 Criteria for a low-risk auditee? Yes

TORNILLO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2021

FINANCIAL STATEMENT FINDINGS

There were no current year findings.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no current year findings or questioned costs.

Draft

TORNILLO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF STATUS OF **PRIOR AUDIT FINDINGS**
FOR THE YEAR ENDED AUGUST 31, 2021

FINANCIAL STATEMENT FINDINGS

There were no prior year findings.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no prior year findings or questioned costs.

Draft

TORNILLO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2021

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Passed Through State Department of Education</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	21610101071908	\$ 510,543
ESEA, Title I, Part A - Improving Basic Programs	84.010A	22610101071908	15,008
Total Assistance Listing Number 84.010A			525,551
ESEA, Title I, Part C - Migratory Children	84.011	20615001071908	19,407
*IDEA - Part B, Formula	84.027	206600010719086600	33,071
*IDEA - Part B, Formula	84.027	216600010719086600	112,748
Total Assistance Listing Number 84.027			145,819
*IDEA - Part B, Preschool	84.173	216610010719086610	943
Total Special Education Cluster (IDEA)			146,762
Career and Technical - Basic Grant	84.048	21420006071908	20,215
ESEA, Title II, Part A, Supporting Effective Inst.	84.367A	20694501071908	19,654
ESEA, Title II, Part A, Supporting Effective Inst.	84.367A	21694501071908	53,786
ESEA, Title II, Part A, Supporting Effective Inst.	84.367A	22694501071908	5,003
Total Assistance Listing Number 84.367A			78,443
Title III, Part A - English Language Acquisition	84.365A	20671001071908	12,217
Title III, Part A - English Language Acquisition	84.365A	21671001071908	46,022
Total Assistance Listing Number 84.365A			58,239
COVID-19 CRF Operation Connectivity PPRP	84.425D	52102035	30,758
COVID-19 ESSER - School Emergency Relief	84.425D	20521001071908	154,710
COVID-19 CRRSA ESSER II	84.425D	21521001071908	6,707
COVID-19 ARP ESSER III	84.425U	21528001071908	185,250
Total Assistance Listing Number 84.425			377,425
ESEA, Title VI, Part B - Rural & Low Income Prog.	84.358B	20696001071908	1,923
ESEA, Title VI, Part B - Rural & Low Income Prog.	84.358B	21696001071908	19,425
Total Assistance Listing Number 84.358B			21,348
Instructional Continuity	84.377A	17610740071908	18,000
Title IV, Part A Subpart 1	84.424A	20680101071908	206
Title IV, Part A Subpart 1	84.424A	21680101071908	34,541
Total Assistance Listing Number 84.424A			34,747
Total Passed Through State Department of Education			1,300,137
TOTAL U.S. DEPARTMENT OF EDUCATION			1,300,137
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the State Department of Agriculture</u>			
**School Breakfast Program	10.553	806780706	23,459
**National School Lunch Program - Cash Assistance	10.555	806780706	71,316

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

TORNILLO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED AUGUST 31, 2021

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
**National School Lunch Prog.- Non-Cash Assistance	10.555	806780706	59,765
**COVID-19 USDA Emergency Operational Costs	10.555	806780706	66,061
Total Assistance Listing Number 10.555			197,142
**Summer Feeding Program - Cash Assistance	10.559	806780706	631,854
Total Child Nutrition Cluster			852,455
Total Passed Through the State Department of Agriculture			852,455
TOTAL U.S. DEPARTMENT OF AGRICULTURE			852,455
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 2,152,592

*, ** Clustered Programs

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TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED AUGUST 31, 2021

1. BASIS OF ACCOUNTING

The District accounts for all awards under federal programs in the general fund or a special revenue fund in accordance with the Texas Education Agency's *Financial Accountability System Resource Guide*. Special revenue funds are used to account for resources restricted to, or committed for specific purposes by a grantor. Federal and state financial assistance is generally accounted for in a special revenue fund. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount. For the year ended August 31, 2021, the District predominately accounted for federal grant funds in special revenue funds, with the exception of the National School Lunch and Breakfast Program, SHARS, and indirect costs, which were accounted for in the general fund.

These programs are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance.

The modified accrual basis of accounting is used for these funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due, and certain compensated absences, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. When grant funds are received before expenditures are made, they are recorded as unearned revenues until earned. Due to the nature of the reporting process for the SHARS program, the District recognizes SHARS revenue upon receipt of the reimbursement notice from federal government.

2. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "schedule") includes the federal activity of the District under programs of the federal government for the year ended August 31, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

Period of performance - 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 90 days beyond the federal project period ending date, in accordance with provisions in Section H. Period of Performance of Federal Funds, Part 3, OMB Compliance Supplement - July 2021 and the Compliance Supplement Addendum - December 2021.

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED AUGUST 31, 2021

2. BASIS OF PRESENTATION (Continued)

Matching - To assist local education agencies in meeting match requirements for the Texas Education Agency/Region 4 Bulk-order Local Match Reimbursement, the El Paso County, Texas matched a total of \$8,075 for the District for the Coronavirus Relief Grant, Assistance Listing No. 21.019.

Program Income - The Child Nutrition Cluster generated program income in the amount of \$30,507 for the year ended August 31, 2021.

Commodities - Commodity assistance is reported by the Assistance Listing number of the programs under which USDA donated the commodities identified as non-cash assistance.

3. INDIRECT COST RATE

The District did not elect to use the 10% de minimis indirect cost rate but used the indirect cost rate assigned by Texas Education Agency.

The District accounted for federally funded indirect costs in the General Fund as follows:

Program Title	Federal CFDA Number	Amount
Title I, Part A - Improving Basic Programs	84.010A	\$ 47,991
Title I, Part C - Migrant	84.011A	1,778
IDEA - Part B, Formula	84.027A	13,321
IDEA - Part B, Preschool	84.173A	26
Carl D. Perkins Basic Formula Grant	84.048A	963
Title II, Part A, Supporting Effective Instruction	84.367A	7,117
Title III, Part A - LEP/LEA	84.365A	1,142
Title V. B SP 2 - Rural & Low Income School	84.358B	1,948
Instructional Continuity	84.377A	1,440
Title IV, Part A, Subpart 1	84.424A	3,163
School Breakfast Program	10.553	3,837
National School Lunch Program	10.555	11,665
Summer Feeding School Program	10.559	75,168
Total Indirect Costs		<u>\$ 169,559</u>

TORNILLO INDEPENDENT SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED AUGUST 31, 2021

4. RECONCILIATIONS

Of the federal expenditures presented in schedule K-1, the District accounted for certain funds in the General Fund as follows:

Program Title	Federal CFDA Number	Amount
School Breakfast Program	10.553	\$ 19,622
National School Lunch Program - Cash Assistance	10.555	59,651
National School Lunch Program - Non-Cash Assistance	10.555	59,765
COVID-19 USDA Emergency Operational Costs	10.555	66,061
Indirect Costs	Various	<u>169,559</u>
		374,658
Reimbursement for prior year expenditures:		
Bulk Purchase Program Connectivity Grant	21.019	16,150
Coronavirus Relief Fund - TDEM	21.019	88,693
Prior Purchase Reimbursement Program	84.425D	31,922
SHARS (not included in Exhibit K-1)		<u>6,253</u>
Total General Fund federal revenue per Exhibit C-3		<u><u>\$ 517,676</u></u>

The total federal revenue presented on exhibit K-1 can be reconciled to Exhibit C-3 as follows:

Expenditures of federal awards per Exhibit K-1	\$ 2,152,592
Reimbursement for prior year expenditures:	
Bulk Purchase Program Connectivity Grant	16,150
Coronavirus Relief Fund - TDEM	88,693
Prior Purchase Reimbursement Program	31,922
School Health and Related Services (SHARS) reimbursements	<u>6,253</u>
Total federal revenue per Exhibit C-3	<u><u>\$ 2,295,610</u></u>



Technology Department

19200 Cobb Avenue

Tornillo, TX 79853

Phone 915.765.3035

Fax 915.765.3099

MEMORANDUM

To:

From:

Subject:

Date:

HISTORY:

RATIONALE:

BUDGET IMPACT:

ADMINISTRATIVE RECOMMENDATION:

November 17, 2021

Client: Tornillo Independent School District

Attn: Carlos Garcia

Thank you for your interest in GovConnection, Inc.'s dba Connection (Service Provider) Professional Service offerings. We are pleased to present this Professional Services Estimate (PSE) to Tornillo Independent School District ("Client") to provide high level information including anticipated project tasks, deliverables, assumptions and estimated pricing for the Services Tornillo Independent School District has requested in support of its Tornillo Main Fiber project ("Service").

Anticipated Scope of Work

Project Tasks

Service Provider anticipates providing engineering resource(s) to assist Tornillo Independent School District personnel with their Tornillo Main Fiber project. Based on our experience with similar projects and our initial understanding of your needs, Service Provider anticipates that the following tasks may be performed:

1. Service Provider will order the material necessary to install up to twelve thousand (12,000) feet of Single mode fiber.
2. Service Provider will inventory material at the Tornillo Independent District Cabling before the installation of the project.
3. Service Provider will install and dress an ariel solution of up to 12,000 feet of Single mode fiber at specified locations as per walkthrough with the Client.
4. Service Provider will terminate up to twenty-four (24) strands of Single mode fiber.
5. Service Provider will test and Certify Single Mode Fiber Optic.

Project Deliverables

The following Project Deliverable(s) may be associated with the delivery of the Service described in this PSE:

1. Install and dress an ariel solution of up to twelve thousand (12,000) feet of Single mode fiber.
2. Test and Certify Single Mode Fiber Optic.

Project Assumptions

The following Project Assumptions will be associated with this anticipated Scope of Work:

1. Client is responsible for a complete a full and complete backup (including System State Information) of the existing environment before any work will take place and Service Provider assumes that the existing environment is stable, properly configured and free of critical errors in the Event Logs.
2. Prices includes the rental of a two (2)"Boom Lifts".
3. All required hardware, software and licensing will be on-site and racked, configured and boot tested prior to Service Provider arrival on-site unless otherwise agreed to by Service Provider.
4. While Service Provider has made every effort to present the content of this proposal accurately based on information gathered from conversations with Tornillo Independent School District, Service Provider does not assume any responsibility for inaccuracies, errors, or omissions that may be contained herein. Under no circumstances will Service Provider or its affiliates have any liability with respect to any claims or damages (whether direct or indirect, special, incidental, consequential or punitive) resulting from any defect or omission in this document, even if advised of the possibility of such damages.
5. **IMPORTANT NOTE: THE SERVICE TASKS & SERVICE PRICING LISTED IS ESTIMATED BASED ON SERVICE PROVIDER'S 'HIGH LEVEL' UNDERSTANDING OF THESE SERVICES, NO SERVICES MAY BE ORDERED BASED SOLEY ON THIS DOCUMENT AND FINAL TASKS AND PRICING WILL BE PRESENTED IN A FORMAL SOW.**

Anticipated Pricing

Qty	Description	Unit Price	Extended Price
1	TornilloISD Main Fiber Install	\$ 35,500.00	\$ 35,500.00
Total:			\$ 35,500.00

- ✓ Unit Price listed is based on quantity listed and in the event of a quantity change the Unit Price may change as well
- ✓ Pricing in this document is estimated based on Service Provider understanding of the Service Tasks to be performed
- ✓ Unless otherwise stated, pricing is based on the project tasks being provided on a Time & Material basis with separate expenses and monthly invoicing
- ✓ Unless otherwise stated, the project work to be performed will be completed during normally scheduled working hours (8:00 a.m. to 5:00 p.m. local time Monday through Friday), excluding Service Provider observed holidays

Next Steps

If Tornillo Independent School District would like to move forward with the Services estimated within this PSE, please contact your Account Manager listed below to schedule a follow up call to further develop a detailed Statement of Work to contractually describe all aspects of the project to be presented to Tornillo Independent School District for approval in order to commence project Services.

GovConnection, Inc. dba Connection is excited for the opportunity to assist Tornillo Independent School District meet their technology needs and we look forward to hearing from you soon.

Brian Massey
 Account Manager
 GovConnection, Inc. dba Connection
 800-800-0019 Ext. 78074
 brain.massey@connection.com

Ernesto Saucedo
 Project Manager
 GovConnection, Inc. dba Connection
 603-683-2000 Ext. 77623
 ernesto.saucedo@connection.com

WARRANTY

The PermaLink® Warranty provides that any indoor Superior Essex Category 5e, 6 and 6A premises copper cables and premises fiber optic network installations will conform substantially to the ANSI/TIA-568 series industry specifications in force at the time of purchase for a period of (i) twenty-five (25) years from the delivery date if the approved connectivity manufacturer is Legrand/Ortronics, or (ii) twenty (20) years from the delivery date for any other approved connectivity manufacturer (the "PermaLink Warranty").

The same warranty will also be provided for CMP/CMX and CMP/Indoor Outdoor* rated products (cables having FEP, PVDF, or similar jacket materials approved by Superior Essex) even if exposed to water or moisture (see exclusion #5) so long as Technical Guideline TG114 *Installation of CMP/CMX & CMP/Indoor Outdoor Rated Cables in Conduit* special installation instructions are followed to avoid the ingress of water via the cable end and to avoid cable jacket damage. Superior Essex retains the sole right to determine whether a cable is covered by the extended warranty. Please see product data sheet to see if special installation instructions apply.

The same warranty will also be provided for PowerWise® Extended Distance applications so long as the limitations as seen in TG115 PowerWise® Extended Distance Frequently Asked Questions (FAQs) tables "PowerWise® Extended Distance Maximum Supported Lengths" are not exceeded and the installation passes the extended distance electrical performance test.

*These cables are not intended as a substitute for Outside Plant (OSP) cables nor for direct burial.

SCOPE

The PermaLink Warranty covers the Cabling Subsystem(s) of the network as defined by the ANSI/TIA-568, which includes the qualifying premises cable and connecting hardware. The PermaLink Warranty does not cover other elements of the cabling, such as patch cords and workstation cords. The PermaLink Warranty does not cover inter-building premises cables.

QUALIFICATION

To qualify for the PermaLink Warranty, customer must meet the following conditions:

- The connectivity components used in the network must be supplied by one or more of the approved connectivity manufacturers AND each component must be manufactured, tested, and independently verified by UL, ITS/ETL, or any approved independent testing agency to meet the ANSI/TIA-568 series industry standard in force at the time of purchase. The approved connectivity manufacturers are subject to change at any time. Please contact Superior Essex at Warranties@spsx.com for an up-to-date list. The companies currently recognized as approved connectivity manufacturers are:

• 3M	• Leviton	• Superior Modular (OCC)
• AllenTel	• Molex	• Systemax/CommScope
• Belden IBDN	• OFS	• TE Connectivity
• Bell Stewart	• Panduit	• Uniprise/CommScope
• Corning	• Platinum Tools	• US Conec Ltd.
• Hellermann Tyton	• Sentinel	
• Hubbell	• Siemon	
• Legrand/Ortronics	• Sumitomo Electric	
- The network system must be designed and installed by "BICSI Certified" or Superior Essex approved designers and installers;
- For CMP/CMX and CMP/Indoor Outdoor* rated products, Technical Guideline TG114 *Installation of CMP/CMX & CMP/Indoor Outdoor Rated Cables in Conduit* special installation instructions must be followed to avoid the ingress of water via the cable end. Please see product data sheet to see if special installation instructions apply.
- Each link in the network must be field tested in accordance with the ANSI/TIA-568 series industry standard in force at the time of purchase AND the installed network links must have passed all ANSI/TIA-568 requirements unless the cable is being used in a direct attach (2-connector Permanent Link) extended distance application, in which case it must meet the corresponding extended distance electrical test such as Fluke's "Superior Essex PowerWise Perm Link";
- The PermaLink Warranty application form must be properly completed and submitted to Superior Essex within 10 days of installation completion;

- Copies of all test reports must be submitted along with the warranty application form and the Bill of Materials (BOM) to Superior Essex and be kept on file by the customer for submission to Superior Essex in the event of a warranty claim. Data must be submitted in the original native file format of the tester (see below) used in the installation and submitted via CD or electronically with the warranty application form. Text or spreadsheet files will not be accepted;
- The following field testers are acceptable for use to certify installations for warranty coverage:

FLUKE NETWORKS:	IDEAL INDUSTRIES:	AGILENT:
• DSP-4000 Series	• LANTEK® 6, 6a, 7, 7g Series	• WireScope 350
• DSX Series	• LT 8000 Series	JDSU:
• DTX Series	• LANTEK II 350, 500, 1000 and LANTEK II FiberTEK FDX	• Certifier40G
• OMNIScanner 2		• NGC-4500-FA
PSIBER DATA SYSTEMS:		• T-BERD® Optical Fiber OTDR and LTS
• WireXpert		

Utilized test equipment must have valid certificate of calibration at time of testing. The acceptable field testers are subject to change at any time. Please contact Superior Essex at Warranties@spsx.com for an up-to-date list; and

- Superior Essex has issued a registered warranty certificate to the customer for the PermaLink Warranty.

The PermaLink Warranty will be void unless the system is maintained in accordance with industry standards and no changes are made after warranty issuance and acceptance date, unless Superior Essex grants written consent.

WARRANTY EXCLUSIONS

The PermaLink Warranty does not cover:

- The installation and maintenance of any other non-performing portions of the Cabling Subsystem(s);
- Products not specifically designated as being eligible for the PermaLink Warranty coverage;
- Products not supplied directly by Superior Essex or obtained through unapproved channels;
- Products which were falsely represented as being in compliance with the PermaLink Warranty registration requirements and procedures;
- Products that are exposed to moisture, liquids (such as paint), or water except as outlined under the Warranty section for CMP/CMX and CMP/Indoor Outdoor* rated products;
- Defects resulting from environmental or third party materials, including but not limited to work areas, patching or equipment cords, or from moves, additions and changes by parties other than a Certified Contractor;
- Defects resulting from a noncompliant or improper system design, installation, use, repair, or any system alterations, misuse, neglect, accident or abuse; or
- Damage caused by persons, machinery, foreign objects, animals, chemicals, acts of God, or by other means that are beyond normal use.

ADMINISTRATION

Warranty applications will be approved or disapproved with a response sent to the applicant. Warranty applications and supporting documentation may be sent using one of the following below:

- PermaLink Warranty Superior Essex
5770 Powers Ferry Road, Suite 300
Atlanta, GA 30327
- E-mail: Warranties@spsx.com
- Fax: 800.249.9938

Goes Underground to Junction
box Behind Main Hallway JR High High School

Goes Underground in
Innerduct then goes back
up due to railroad tracks





Map data ©2021 200 ft

Measure distance
Total distance: 3,138.71 ft (956.68 m)



Human Resources Department

19200 Cobb Street
Tornillo, TX 79853
Phone 915.765.3050

MEMORANDUM

To:
From:
Subject:
Date:

HISTORY:

RATIONALE:

BUDGET IMPACT:

ADMINISTRATIVE RECOMMENDATION:

PROPOSED REVISIONS

Personnel Duties	The Superintendent shall define the qualifications, duties, and responsibilities of all positions and shall ensure that job descriptions are current and accessible to employees and supervisors.
Posting Vacancies	The Superintendent or designee shall establish guidelines for advertising employment opportunities and posting notices of vacancies. These guidelines shall advance the Board's commitment to equal opportunity employment and to recruiting well-qualified candidates. Current District employees may apply for any vacancy for which they have appropriate qualifications.
Applications	All applicants shall complete the application form supplied by the District. Information on applications shall be confirmed before a contract is offered for a contractual position and before hiring or as soon as possible thereafter for a noncontractual position. [For information related to the evaluation of criminal history records, see DBAA.]
Employment of Contractual Personnel	The Board retains final authority for the employment of contractual personnel at the level of coordinator or above. The Board delegates to the Superintendent final authority for the employment of contractual personnel at the level below coordinator (including teachers). [See DCA, DCB, DCC, and DCE as appropriate]
Employment of Noncontractual Personnel	The Board delegates to the Superintendent final authority to employ and dismiss noncontractual employees on an at-will basis; <u>however, the Board retains final authority to employ noncontractual employees on an at-will basis, who the Superintendent is prohibited from employing in accordance with DBE(LEGAL).</u> [See DCD]
Employment Assistance Prohibited	No District employee shall assist another employee of the District or of any school district in obtaining a new job if the employee knows, or has probable cause to believe, that the other employee engaged in sexual misconduct regarding a minor or student in violation of the law. Routine transmission of an administrative or personnel file does not violate this prohibition. [See CJ for prohibitions relating to contractors and agents and DH(EXHIBIT) for the Educators' Code of Ethics.]



Human Resources Department

19200 Cobb Street
Tornillo, TX 79853
Phone 915.765.3050

MEMORANDUM

To:
From:
Subject:
Date:

HISTORY:

RATIONALE:

BUDGET IMPACT:

ADMINISTRATIVE RECOMMENDATION:

Tornillo Independent School District

Human Resources

Job Description

Job Title:	Athletic Director	Wage/Hour Status:	Exempt/Professional
Reports To:	District Academic Coordinator	Schedule:	As Needed
Department/School:	District wide	Date Revised:	1/11/2022

Primary Purpose:

The primary purpose of this **extra-curricular position** is to oversee and support the overall operation of the athletic department.

Qualifications:

Education/Certification:

- Bachelor's Degree
- Valid Texas teaching certificate
- **Full time employee with Tornillo ISD (fill one of the full-time vacant teaching positions)**

Special Knowledge/Skills:

- Knowledge of overall operations of an athletic program
- Knowledge of state and UIL policies governing athletics
- Ability to interpret policy, procedures, and data
- Ability to manage budget, personnel, and coordinate district functions

Major Responsibilities and Duties:

1. Organizes and administers the overall program of UIL athletic activities for the district.
2. Maintains records of middle school and high school athletic contests.
3. Assumes responsibility for the organization and scheduling of all athletic events.
4. Fosters good school/community relations by keeping the community aware and responsive to the athletic program.
5. Oversees the Tornillo ISD Athletics Web Page and works with staff to continuously improve the presentation of information in order to better serve Tornillo ISD students, staff and community members.
6. Maintains a positive working relationship with El Paso and regional media.
7. Organizes and administers the game management for athletic contests.
8. Prepares and administers the Athletics budget.
9. Prepares and recommends campus athletic budget allocations.
10. Coordinates post season travel arrangements and contests for all athletic programs.
11. Coordinates the ticket sales for athletic contests.
12. Coordinates the contracting for out-of-town regular season athletic contests and for post season athletic contests.
13. Administers the district student athletic insurance program.
14. Coordinates the process of athletic equipment recertification, repair and maintenance.
15. Supervises Concessions operations.
16. Evaluates district athletic facilities and provides input for repairs as well as recommendations for major repairs and renovations over a multi-year timeframe.
17. Provides input for the construction of athletic facilities on new and existing campuses.
18. Develops and disseminates district athletic program information including participation expectations, eligibility, physical exams, travel and other information pertinent to enhancing program effectiveness via the Athletic Handbook.
19. Prepares the Tornillo ISD UIL Eligibility Calendar based on TEA/UIL Guidelines.



20. Works effectively with area and regional athletic directors in scheduling, organizing, conducting and evaluating athletic activities.
21. Develops professional skills and takes an active role in state (THSADA) and national (NIAAA) athletic administration associations.
22. Upholds and adheres to safety rules and policies of the Tornillo ISD safety program.
23. Supports the goals and objectives of the school district and follows all district policies.
24. Support the district's social media efforts that highlight the hard work of our students and staff as well as increase communication with all stakeholders. (i.e. direct your Twitter to followers to newspapers, TV segments, and Twitter posts that feature campus and district accomplishments/news.)
25. Demonstrates the ability to attend work on a regular and routine basis to avoid disruption to district operations.
26. Demonstrates a high level of independent, ethical, and professional conduct.
27. Performs any other duties as assigned by the appropriate supervisor.
28. Provides optimal customer service to all students, employees, parents, community members and any other stakeholders of the district.

Working Conditions:

Mental Demands: Ability to communicate effectively (verbal and written); interpret policy; procedures and data; coordinate district functions; maintain emotional control under stress.

Physical Demands/Environmental Factors: Frequent district and statewide travel; frequent prolonged and irregular hours.

The foregoing statements describe the general purpose and responsibilities assigned to this job and are not an exhaustive list of all responsibilities and duties that may be assigned or skills that may be required.

Approved By: (HR)

Date:

Board Approved Date:





Human Resources Department

19200 Cobb Street
Tornillo, TX 79853
Phone 915.765.3050
Fax 915.765.3099

MEMORANDUM

To:
From:
Subject:
Date:

HISTORY:

RATIONALE:

BUDGET IMPACT:

ADMINISTRATIVE RECOMMENDATION:



MINUTES OF REGULAR BOARD MEETING

W.E. Neill Service Center, 19210 Cobb, Tornillo, Texas

Wednesday, December 15, 2021

- 6:00PM –
6:01PM
- 1. (OTHER) First Order of Business**
- A. Establish a quorum and call the meeting to order
The meeting was called to order at 6:00 PM by Board President, Marlene Bullard, and it was established that a quorum was present.
- MEMBERS PRESENT:
Marlene Bullard, President
Ida Estrada, Vice President
Ofelia Bosquez, Secretary
Daniel Dozal
Hector Lopez
Maria Saldana
Enrique Vega
- SUPERINTENDENT
Rosa Isela Vega-Barrio, Superintendent
- B. Pledge of Allegiance to the United States
Marlene Bullard, Board President, led the Board of Trustees in the Pledge of Allegiance to the United States of America.
- 6:01PM –
6:04PM
- 2. (OTHER) Superintendent’s Report**
- Mrs. Rosa Vega-Barrio, Superintendent, provided the Board of Trustees with the Superintendent’s report.
No Action Necessary.
- 6:04PM –
6:07PM
- 3. (OTHER) District Recognitions**
- A. Honoring the 97th Celebration of Tornillo Independent School District
LSG Students presented the Board of Trustees with a script from Moments in Time: A History of the Tornillo Community and Its People by Frances Segulia, in honor of the 97th Celebration of the Tornillo Independent School District.
No Action Necessary.
- 6:07PM –
6:09PM
- B. Football Recognitions
Mr. Luis Vega, Interim Athletic Director, recognized Alex Navarrette, Senior Football All Star, and Erik Alvidrez, Jr. High Football All Star.
- 6:09PM –
6:10PM
- C. Student Recognition
Lindsey Hernandez, LSG Student, recognized THS Art students whose artwork was published.
- 6:10PM –
6:17PM
- D. Employee Recognition

Alfredo Garcia, 2nd grade student, recognized Leticia Macias, TISD Substitute, for her work at Tornillo Elementary School.

- 6:17PM –
6:18PM
- E. Introduction of New Tornillo ISD Staff
Alyssa Delgado, LSG Student, presented Maria Espinoza, THS Instructional Specialist, to the Board of Trustees.
- 6:18PM –
6:22PM
- 4. (OTHER) Open Forum**
Mrs. Myrna Lopez, TES Principal, participated in Open Forum. Mrs. Lopez recognized Alfredo Garcia, TES Student, for his participation in TES Coyote Patrol.
- 6:22PM –
6:25PM
- 5. Lone Star Governance**
A. Student Outcome Monitoring: Goal 1 & Goal 2
1. TAPR Report
Mr. Rodrigo Portillo, District Academic Coordinator, presented the Board of Trustees with the TAPR Report.
No Action Necessary.
- 6:25PM –
6:28PM
- B. (Accountability 1) Review, Discussion, and Possible Action Regarding Board’s Time Use Trackers
Marlene Bullard, Board President, facilitated the review of the Board’s Time Use Trackers.
Ofelia Bosquez made the motion and Daniel Dozal seconded the motion to approve the Board’s Time Use Trackers, as presented.
Motion Passed Unanimously.
- 6:28PM –
6:31PM
- 6. (ADVOCACY) Community Engagement on Student Outcome Goals**
Mrs. Nadia De La Rosa, TMS Principal, participated in Community Engagement on Student Outcome Goals. Mrs. De La Rosa recognized the custodians at TMS.
- 6:31PM –
6:33PM
- 7. (VISION Y) Information / Reports / Presentations**
A. Financial Reports - Information Only
Mr. Luis M. Guerra, Director of Finance, presented the Board of Trustees with the Financial Reports for November 2021.
No Action Necessary.
- 6:33PM –
6:52PM
- B. TCLAS Decision 7
Ms. Lizeth Carroll, HR/Compliance Director, presented the Board of Trustees with information on TCLAS Decision 7.
No Action Necessary.
- 6:52PM –
7:03PM
- C. Transcend Overview
TISD Transcend Team presented the Board of Trustees with the Transcend Overview.
No Action Necessary.
- 7:04PM –
7:10PM
- 8. (VISION Y) Board Items**
A. Discussion and Possible Action Regarding Date for Transcend Workshop

Mrs. Rosa Vega-Barrio, Superintendent, presented the Board of Trustees with dates regarding the Transcend Workshop.

Ofelia Bosquez made the motion and Daniel Dozal seconded the motion for the Transcend Workshop to be held on January 8, 2022.

Motion Passed Unanimously.

7:10PM –
7:17PM

- B. Consider Approval of Transcend Grant Incentives
Mr. Rodrigo Portillo, District Academic Coordinator, presented the Board of Trustees with the Transcend Grant Incentives.
Ofelia Bosquez made the motion and Enrique Vega seconded the motion to approve the Transcend Grant Incentives, as presented.
Motion Passed Unanimously.

7:17PM –
7:24PM

- C. Consider Approval of School Action Fund Incentives
Mr. Rodrigo Portillo, District Academic Coordinator, presented the Board of Trustees with the School Action Fund Incentives.
Ofelia Bosquez made the motion and Daniel Dozal seconded the motion to approve the School Action Fund Incentives, as presented.
Motion Passed Unanimously.

7:24PM –
7:38PM

- D. Discussion and Possible Action Regarding Decision Points 1 and 7
Mr. Rodrigo Portillo, District Academic Coordinator, presented the Board of Trustees with Decision Point 7.
Ofelia Bosquez made the motion and Daniel Dozal seconded the motion to approve Decision Point 7, as presented.
Motion Passed Unanimously.

7:38PM –
7:41PM

- E. Consider Approval for Substitute – Wellness Department Position
Ms. Lizeth Carroll, HR/Compliance Director, presented the Board of Trustees with the Substitute – Wellness Department Position.
Ofelia Bosquez made the motion and Enrique Vega seconded the motion to approve the Substitute – Wellness Department Position, as presented.
Motion Passed Unanimously.

7:41PM –
7:43PM

- F. Consider Approval for Library/Media Specialist Position
Ms. Lizeth Carroll, HR/Compliance Director, presented the Board of Trustees with the Library/Media Specialist Position.
Ofelia Bosquez made the motion and Daniel Dozal seconded the motion to approve the Library/Media Specialist Position, as presented.
Motion Passed Unanimously.

9. (STRUCTURE) Consent Agenda

7:43PM –
7:49PM

- A. Approve minutes from previous meetings:
1. Regular Board Meeting Minutes – 11/15/2021
B. Consider Approval of Board Constraints Progress Monitoring #3: The Board shall not make decisions that will impact student outcomes without being well trained, informed, and prepared.

- C. Consider Approval of School Health and Related Services Partnership with Frontline/TSBS
- D. Consider Approval of Services Agreement between the University of Pittsburgh and Tornillo ISD
- E. E-Rate Request for Proposal Bid Awards
- F. Consider Approval of Budget Amendments
- G. Consider Approval of Revised 2021-2022 Academic Calendar

Marlene Bullard requested item 9.G.-Consider Approval of Revised 2021-2022 Academic Calendar, to be removed from the consent agenda for individual consideration.

*With item 9.G. pulled from consent agenda, Ofelia Bosquez made the motion and Enrique Vega seconded the motion to approve all consent agenda items, as presented.
Motion Passed Unanimously.*

9.G.-Consider Approval of Revised 2021-2022 Academic Calendar
Mrs. Rosa Vega-Barrio, Superintendent, provided clarification on the Revised 2021-2022 Academic Calendar.

*Ofelia Bosquez made the motion and Ida Estrada seconded the motion to approve the Revised 2021-2022 Academic Calendar, as presented.
Motion Passed Unanimously.*

7:49PM –
8:28PM

10. (OTHER) Executive Session. The Board will enter into a closed meeting to discuss personnel matters, to consult with attorney, under Sections 551.071 and 551.074, Texas Government Code. The Board will reconvene into open session to take any necessary action.

- A. Private Consultation with Attorney Regarding Options for Filing Vacant Athletic Director Position

No Action was taken during Executive Session.

The Board of Trustees reconvened from Executive Session at 8:28 PM.

8:28PM –
8:29PM

11. Next Meeting Tentative Date: Regular Board Meeting –January 26, 2022

There being no further business, Ofelia Bosquez made the motion and Enrique Vega seconded the motion to adjourn meeting. Motion passed unanimously. Meeting adjourned at 8:29 PM.

Marlene Bullard
President, Board of Trustees

Date

Ofelia Bosquez
Secretary, Board of Trustees

Date



TORNILLO INDEPENDENT SCHOOL DISTRICT

INNOVATING – EMPOWERING – THRIVING

MINUTES OF BOARD OF TRUSTEES TRAINING

Marriott El Paso, 1600 Airway Blvd. El Paso, TX 79925

Saturday, January 8, 2022

- 1:39PM –
1:39PM
1. **(OTHER) First Order of Business**
 - A. Establish a quorum and call the meeting to order
The meeting was called to order at 1:39 PM by Board President, Marlene Bullard, and it was established that a quorum was present.

MEMBERS PRESENT:
 Marlene Bullard, President
 Ida Estrada, Vice President
 Ofelia Bosquez, Secretary
 Hector Lopez
 Maria Saldana
 Enrique Vega

MEMBERS ABSENT:
 Daniel Dozal

- B. Pledge of Allegiance to the United States
Marlene Bullard, Board President, led the Board of Trustees in the Pledge of Allegiance to the United States of America.

- 1:39PM –
1:40PM
2. **(OTHER) Open Forum** – None

- 1:40PM –
4:12PM
3. **(VISION Y) Board Items**
 - A. Transcend: A Case for Change Training
Mr. Rodrigo Portillo, District Academic Coordinator, and District Transcend Team provided the Board of Trustees present with the Case for Change Training.
No Action Necessary.

- 4:12PM –
4:12PM
4. **Next Meeting Tentative Date:** Regular Board Meeting –January 26, 2022
There being no further business, Ofelia Bosquez made the motion and Enrique Vega seconded the motion to adjourn meeting. Motion passed unanimously. Meeting adjourned at 8:29 PM.

 Marlene Bullard Date
 President, Board of Trustees

 Ofelia Bosquez Date
 Secretary, Board of Trustees



MEMORANDUM

To: Members of the Board of Trustees
From: Luis Guerra, Director of Finance
Subject: Consider Approval of 2022-2023 Budget Timeline
Date: January 26, 2022

TORNILLO INDEPENDENT SCHOOL DISTRICT

2022-2023 Budget Timeline

January 26, 2022	Board review of proposed budget timeline for 2022-2023
February 25, 2022	District Budget Training - Principals & Department Heads <ul style="list-style-type: none">Budget Allocations Provided
March 25, 2022	Budget Allocations Submitted by Campuses and Departments
March 28-31, 2022	Campus & Department Budget and Personnel Need Reviews
April 01-30, 2022	Compile budgets, update projections, and receive preliminary property values from EPCAD
May 2022 (TBD)	Budget Workshop with Board of Trustees <ul style="list-style-type: none">Personnel & Operational BudgetsCompensation & Stipend ProposalReview Property valuesProposed Tax Rate
July 24, 2022	Receive certified property tax values from EPCAD
August 24, 2022	Public Hearing on Proposed Budget Board Adopts Budget and Tax Rate for 2022-2023

TORNILLO INDEPENDENT
SCHOOL DISTRICT
Educating children today to be the leaders of tomorrow.



Tornillo Independent School District
 Donation Acknowledgement Form

Date of Request: _____ School/Department: _____

On behalf of Tornillo Independent School District, I am asking that the Board of Trustees approves the acceptance of the following items:

Donation Description	Quantity	Value

Purpose of donation:

Donor or Donor Organization Name: _____
 Address, City, State & Zip Code: _____

Check one Non-monetary donation
 This donation will be recorded in the campus/department activity account
 This donation is for the benefit of the following club or team and will be recorded in their account if the donation is monetary in
 Club Name: _____
 Account Number: _____ - _____ - _____ - _____ - _____ - _____
 Sponsor Signature: _____ Date: _____

Requestor's Signature: _____ Date: _____

Board President Signature: _____ Date: _____

Copy to Finance Department & Requestor

Original to be kept by Executive Secretary

Vision: Believe we can succeed with pride we will achieve.
Mission: The mission of the District is to educate and inspire students in a safe and supportive environment which will result in closing the achievement gap by preparing all students for college readiness and success in a global society.



DONATION REQUEST FORM

My name is _____ . I would like to make a

- Monetary Donation of \$ _____
- Non-monetary donation of _____
(Please check one)

Please indicate the campus and campus organization, to which you would like to designate this donation to:

Campus: _____ Campus Organization: _____

****If no program or club is selected the Administrator will decide what student or campus activity fund will receive the donation.***

Yes No

Please indicate if you would like to designate this donation for a specific project _____

****If the answer is no the District will use the funds as necessary for the club or program of your choice.***

****If the answer is yes, please briefly explain how you would like the funds to be spent:***

Donor Printed Name: _____

Donor Signature: _____ Date: _____

Recipient Printed Name _____

Recipient Signature: _____ Date: _____

Indicate the following if donation is monetary: Cash: _____ Check _____
Check Number: _____

****Please make checks payable to Tornillo ISD***

Alfonso Chavez	Check	\$75
Amazing Lash Studio	Gift Card	\$140
Applebee's	Gift Cards	\$20
Blackboard	Tech	Amazon Echo Show & Dot
Boss Chicken	Gift Cards	2 meals
Chick-Fil-A	Gift Cards	\$20
Cinemark	Tickets	4 movie passes
Cotton Eye Joe's	Gift Card	25
Don Pancho	Gift Card	Never picked up
El Paso Symphony Orchestra	Tickets	16 concert passes
EP Tech	Gift Cards	5 - \$100 = 500
Five R Enterprises	Check	\$200
Flick's Pizza	Gift Cards	5 - 1 large pizza
Frenchie Vega	Gift Card	\$25
Georgina Miramontes	Cash	\$130
La Quinta Inn	Gift Card	1 night stay
Licon Dairy	Gift Card	\$50
Olive Garden	Gift Card	2 for 25
Outlaw Saloon & Grill	Gift Card	\$50
Patricio Pazmino	Check	\$50
Peter Piper Pizza	Gift Card	50 dollar Meal
Red Lobster	Gift Card	2 for 25
Rosie Hernandez	Gift Card	\$30
Speaking Rock	Check	\$5,000
Spectrum Technologies	Gift Cards	2 - \$100
Subway	Gift Card	25
UTEP	Tickets	Nutcracker Tickets 8
Victor Garcia		I dont know who that is?
Walmart	Gift Card	\$25
Walmart	Gift Card	25
Dr. Chavez	Check	75
El Meson de Don Poncho	Gift Card	25
Mamacitas	Gift Card	2 for 25
Hangry Bibes	Cash	turned in to finance
Dunkin Doughnuts	Donation	4 dozens
Project 15:11 Christmas	Gifts	20 Families
El Paso Ministries Christmas	Gifts	40 Families



MEMORANDUM

To: Members of the Board of Trustees
From: Luis M Guerra, Director of Finance
Subject: Budget Amendment - Administration
Date: June 14, 2021

Budget Amendment Request – Function 35 Child Nutrition

1. Requesting a budget transfer from function 35-Child Nutrition. Reason: To set up funding under the awarded 2021 NSLP equipment grant.

Increase:

101-00-5939-00-000-00-0-00	Amount: \$76,000
101-35-6639-00-901-00-0-00	Amount: \$6,000
101-35-6639-00-902-00-0-00	Amount: \$6,000
101-35-6639-00-903-00-0-00	Amount: \$64,000

Board President: _____ Date: _____

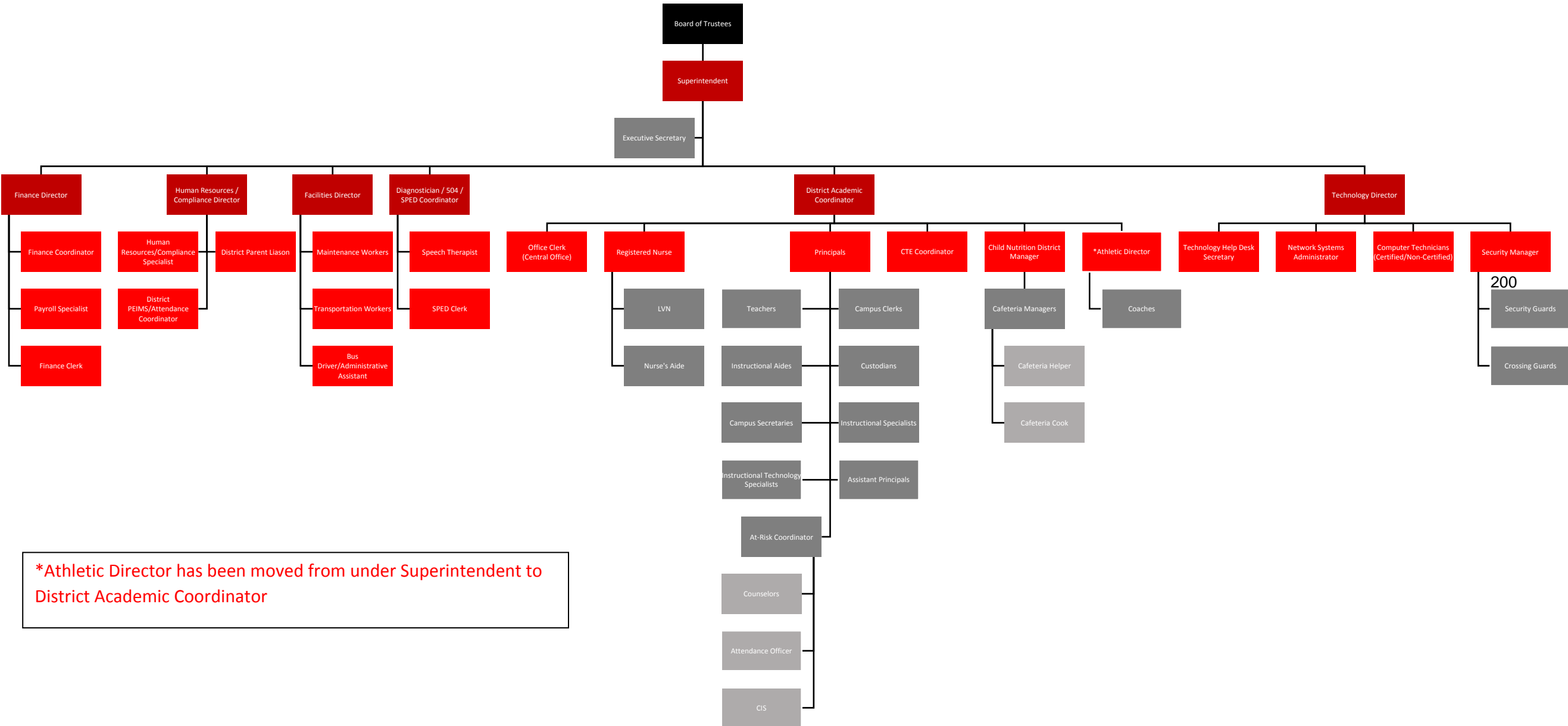
Board Secretary: _____ Date: _____

2021 NSLP Equipment Grant Recipients

CE No	CE Name	Site No	Site Name	Equipment Awarded	Qty	Total Award
00352	Tornillo ISD	00001	Tornillo H S	Cooler: Beverage/Milk	1	\$5,000.00
				Cooler: Merchandiser or Display Case	1	\$5,000.00
				Oven	1	\$23,000.00
		00041	Tornillo JH	Oven: Convection	1	\$23,000.00
				Salad, Fruit and/or Vegetable bar (Free Standing or Self-Serv)	1	\$2,000.00
				Serving Line: Hot/Cold; Mobile or Stationary	1	\$6,000.00
00101	Tornillo Elementary	Serving Line: Hot/Cold; Mobile or Stationary	1	\$6,000.00		
00371	Savoy ISD	00101	Savoy El	Oven: Convection	1	\$7,000.00
00379	Roby Cons ISD	00001	Roby CISD	Serving Line: Hot/Cold; Mobile or Stationary	2	\$32,709.46
00386	Fort Bend ISD	00122	Hunters Glen El	Cooler: Beverage/Milk	1	\$14,000.00
		00124	Mission Glen El	Cooler: Beverage/Milk	1	\$14,000.00
		00129	Mission West El	Cooler: Beverage/Milk	1	\$14,000.00
		00158	Fort Bend ISD Early Literacy Center	Steamer: Convection Pressureless	1	\$30,000.00
00390	Fairfield ISD	00002	Fairfield H S	Oven: Convection	1	\$9,500.00
		00041	Fairfield J H	Oven: Convection	1	\$9,500.00
		00043	Fairfield Intermediate	Cooler: Beverage/Milk	2	\$5,700.00
		00101	Fairfield El	Cabinet: Hot/Cold Holding; Mobile/Transport; Stationary/Reach-In; Warmer	2	\$6,568.00
00393	Dew ISD	00101	Dew El	Serving Line: Hot/Cold; Mobile or Stationary	1	\$45,000.00
00396	Seagraves ISD	00001	Seagraves School	Range/Cooktop	2	\$13,400.00
				Serving Line: Hot/Cold; Mobile or Stationary	1	\$6,600.00
00406	Texas City ISD	00002	La Marque H S	Oven: Convection	2	\$20,000.00
				Steamer: Convection Pressureless	1	\$20,000.00
00421	Mclean ISD	00000	Central Kitchen	Oven: Convection	2	\$32,000.00
00424	Bells ISD	00101	Bells El	Oven: Convection	1	\$15,048.00
				Steamer: Pressure	1	\$19,103.41
00440	Pine Tree ISD	00104	Birch El	Cart: Hot/Cold Mobile "Grab & Go"	2	\$7,000.00
00464	Chillicothe ISD	00000	Central Kitchen	Cooler: Beverage/Milk	1	\$1,560.00



2021 – 2022 Organizational Chart



*Athletic Director has been moved from under Superintendent to District Academic Coordinator