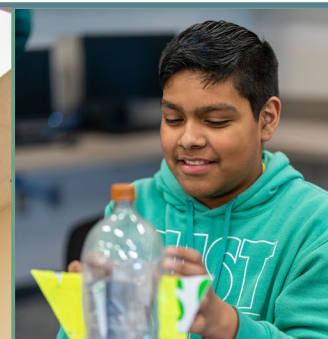


COMPREHENSIVE ANNUAL FINANCIAL REPORT



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Spring Independent School District

16717 Ella Blvd.
Houston, TX 77090

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2020

Prepared by the Office of Financial Services

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SPRING INDEPENDENT SCHOOL DISTRICT

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SPRING INDEPENDENT SCHOOL DISTRICT

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INTRODUCTORY

Section

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16717 ELLA BLVD.
HOUSTON, TEXAS 77090

281-891-6077

www.springisd.org

November 10, 2020

The Honorable Board of Trustees
Spring Independent School District
16717 Ella Blvd.
Houston, Texas 77090

Dear Board Members and Citizens:

The Comprehensive Annual Financial Report of the Spring Independent School District (the “District”, “Spring ISD” or “SISD”), Houston, Texas, for the fiscal year ended June 30, 2020, is submitted herewith. The Comprehensive Annual Financial Report is management’s report of financial operations to the Board of Trustees (the Board), taxpayers, grantor agencies, employees, the Texas Education Agency (TEA), and other interested parties. The government-wide financial statements in this report provide an overview of the District’s governmental activities, while detailed fund financial statements describe specific activities of each fund group used in accounting for the District’s financial transactions. This report was prepared by the District’s Office of Financial Services in accordance with generally accepted accounting principles (GAAP) and reporting standards as promulgated by the Governmental Accounting Standards Board (GASB).

Responsibility for the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District. We believe that the data, as presented, is accurate in all material respects; that information is presented in a manner designed to set forth fairly the financial position and results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District’s financial activities have been included. In order to provide a reasonable basis for making these representations of responsibility, management of the District has established a comprehensive internal control framework that is designed to protect the District’s assets from loss, theft or misuse. Additionally, the internal control framework is designed to compile sufficient reliable information for the preparation of the District’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District’s comprehensive framework of internal controls has been designed to provide reasonable assurance rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The financial statements of the District have been audited by Whitley Penn, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involves examining, on a test basis, evidence

supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements is part of a broader, federally mandated "Single Audit" designed to meet the special need of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's separately issued Single Audit Report.

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

Reporting Entity

An act of the Thirty-Eighth Legislature of the State of Texas in 1923 provided the statutory authority for the creation of independent school districts in the State of Texas. The District was established and incorporated in 1935 by the combination of two separate school districts, the Spring School District and the Harrell School District. As an independent school district, a seven-member board of trustees elected from residents of the District constitutes the governing body. Based on legislative authority codified in the Texas Education Code, the trustees (1) have exclusive power to manage and govern the District; (2) can acquire and hold real and personal property; (3) shall have power to levy and collect taxes and to issue bonds; (4) can contract for appointed officers, teachers, and other personnel as well as for goods and services; and (5) have the right of eminent domain to acquire real property. The District is not included in any other governmental reporting entity and the District is not financially accountable for any other organizations; therefore, no component units are included within the reporting entity.

As required by GAAP, the financial statements of the reporting entity include those of the District (the primary government), an independent reporting entity clearly within the criteria established by GASB.

The District encompasses approximately 58 square miles and is located in northern Harris County, Texas, approximately 20 miles north of downtown Houston. Interstate Highway 45 (I-45) traverses the District north to south, and Farm-to-Market Road 1960 (FM 1960) bisects the District east to west approximately at its midpoint. The unincorporated community of Spring is located in the District.

The District's system presently includes twenty-six elementary schools, seven traditional middle schools, two school-of-choice middle schools, three traditional high schools, a school-of-choice high school, a virtual school, and an early college academy. The ages of the school buildings range from less than one year to fifty-two years.

The District is one of twenty-one public school districts located in Harris County. It provides a program of public education from pre-kindergarten through grade twelve. The purpose and responsibility of the District is to provide a thorough and efficient educational system for the children enrolled in public schools within its boundaries whereby each child has access to programs and services that are appropriate to his or her educational needs. In addition to the regular educational program, the District offers programs in areas such as career and technical education, special education, gifted and talented, bilingual, and compensatory education. All District schools are fully accredited by the TEA and the Southern Association of Colleges and Schools.

The District's average daily attendance (ADA) has been slowly declining over the last few years. ADA was 32,293 in 2020 and 32,373 in 2019, a decrease of 80 and a decrease of 481 students respectively.

Long-term Financial Planning

The original enrollment projection for 2020-2021 anticipated flat or a slight decrease in enrollment. However, given the unprecedented uncertainty created by the COVID-19 pandemic which caused global disruptions beginning in early 2020, there is no reliable prediction of enrollment for the 2020-2021 and 2021-2022 school year. Currently, there are 577 students per square mile in the District.

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures. The budget must be adopted by the Board of Trustees at a scheduled meeting after giving ten days public notice of the meeting. The District annually adopts a legally authorized appropriated budget for the General Fund, Debt Service Fund, and Child Nutrition Fund. The District's approach to operating in a restricted funding environment with increasing academic standards has been to ensure that the budget process is led by data driven decisions and guided by the Five-Year Strategic Plan. The major budget priorities are to ensure financial stability in an ever changing economic environment while providing engaging learning opportunities for staff and students.

Organization Purpose

Vision Statement

This statement reads, "Spring Independent School District will be a district of choice known for high quality academics with innovative and specialized programs that meet the needs of all students in a positive learning environment."

Mission Statement

The mission of the Spring Independent School District is to prepare students to be lifelong learners, critical thinkers, and responsible citizens who display good character – ready to contribute, compete, and lead in today's global society.

Guiding Principles

1. High-quality teaching drives student learning.
2. Literacy is the foundation of academic success.
3. The learning needs of each student must be met.

4. Students learn best in safe environments where school leaders cultivate parent and community partnerships.
5. Every district resource must center on student learning with a focus on accountability.

Core Values

- We base our decisions on what is best for our students.
- We strive for excellence in all we do.
- We build trust through integrity and lead by example.
- We communicate openly.
- We value diversity and treat everyone with dignity and respect.
- We win as a team.

Key Imperatives to Drive Change

Preparing students for success in college, career and life should be the mission of every school district and every school – both here in the United States and abroad. Unfortunately, many students today – including students here at Spring ISD – are graduating from high school lacking some of the needed skills to compete in an ever-more-complex global marketplace. Whereas in the past, content mastery and good problem-solving skills were the goals set for education systems, today the bar is much higher. Nowadays, to be truly college and career ready, students must be able to work collaboratively, use technology to problem solve and communicate, have an awareness of cultural differences, and demonstrate basic proficiency in a second language.

This is indeed a high bar – a bar that only the most committed and innovative school districts can reach. As we started our strategic planning process, this was the bar that we set for ourselves. It was also the bar that our community expects us to reach. We know it will require hard work; but we also know that our students and the Spring community deserve the best.

While the details of our five-year plan are complex, it has been organized around five straightforward key imperatives – designed to be true levers for the needed changes across the Spring Independent School District.

Naturally, these strategic imperatives start with our students at the center of everything we do. Currently, Spring ISD serves approximately 35,000 students. Like so many communities across Houston, the state of Texas and the nation, the diversity of our students and their families has grown exponentially over the last two decades. Today, 58 different languages are spoken at homes across the district and more than one out of every ten students receives bilingual education support in our schools. While diversity can challenge many education systems, EVERY CHILD 2020 is designed to value the diversity found here in Spring and leverage it as a competitive advantage for our students who will live – and compete – in a global society.

As you'll see, each key imperative is supported by strong commitments from the District – goals that we will work toward, communicating progress frequently and with transparency.



reach EVERY STUDENT

- Commitment 1: Strong Literacy Foundation for All
- Commitment 2: Excellent Curriculum and Instruction
- Commitment 3: Excellent Systems of Support and Acceleration
- Commitment 4: Graduates Who Are 21st Century Learners

excellence IN EVERY SCHOOL

- Commitment 1: Excellent Leadership Teams in Every School
- Commitment 2: Operational Excellence Across Every School and Every Department
- Commitment 3: Safe and Secure Learning and Work Environments for All

high performance FROM EVERY EMPLOYEE

- Commitment 1: Excellent Recruitment and Retention
- Commitment 2: Comprehensive, Job-Embedded Workforce Development
- Commitment 3: Culture of High Performance

opportunities & choice FOR EVERY FAMILY

- Commitment 1: Best-in-Class Specialized Programs
- Commitment 2: Excellent Early Childhood Programs
- Commitment 3: Strong College Readiness Support Structure

engaged stakeholders IN EVERY COMMUNITY

- Commitment 1: Culture of High Community Engagement
- Commitment 2: Families as Partners in Student Success
- Commitment 3: Trusted Source of Information

Education Foundation

The District receives support from the Spring Education Foundation (the Foundation), a non-profit organization. The Foundation seeks funds to support initiatives related to the District's Five-Year Strategic Plan. The goal of the Foundation is to raise funds for teacher initiative projects and for campus initiative projects that attempt to improve student achievement and success. Grant awards are up to \$1,000 for teacher or classroom projects, up to \$5,000 for campus teams, and up to \$10,000 for multi-campus projects. During 2019-2020, grants were awarded totaling \$25,596 to

improve services to students. The Foundation has awarded over \$1,200,000 in grants since it began in 1993. The Foundation does not meet the criteria for inclusion in the District's financial statements under the provisions of GASB Statement No. 39.

Economic Condition and Outlook

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

The Houston metropolitan area ranks as the sixth-largest metropolitan area in the country. Demographically and economically, the region has rapidly diversified into a cosmopolitan, international center of business and industry. The District must be prepared to meet the challenges of educating an increasingly heterogeneous student population. Furthermore, in light of the recent growth of service-sector jobs in the Houston area, these children must be prepared for careers requiring high-level skills in mathematics, science, and technology in addition to solid reading and writing skills.

The COVID-19 pandemic created global disruptions beginning in early spring 2020. In an effort to effectively manage the outbreak, restrictions were implemented which caused businesses and schools to close for an extended period of time. Though some restrictions were lifted a few months into the pandemic, several restrictions continued into the third and fourth quarters of the year. The impact of the closures and restrictions will be felt for many years to come and will leave a lasting impression on the world's economy. Due to the unprecedented uncertainty of the length and duration of the pandemic, long-term projections related to the economic condition and outlook will be challenging to predict.

Local Economy

The District is primarily commercial in character with numerous shopping centers, automobile dealerships, hotels and combination business park/multi-family developments that have been built along I-45 and FM 1960. ExxonMobil's state-of-the-art complex is located on a 385-acre wooded site within the boundaries of Spring ISD. It contains multiple low-rise office buildings, a laboratory, conference and training centers and facilities such as child care, a wellness center and other employee amenities. The campus houses more than 10,000 ExxonMobil personnel devoted to energy exploration, refining, chemicals, corporate law, finance, and other aspects of the business. With a value of over \$1 billion in tax year 2019, the ExxonMobil campus makes up approximately 8% of the District's tax base.

The following is a summary of the tax base by category for fiscal years 2020 and 2019:

<u>Type of Property</u>	<u>2020</u>		<u>2019</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Residential	\$7,023,012,640	41.29%	\$6,375,054,709	40.81%
Commercial, Industrial, and Multi-Family	9,353,736,102	54.99%	8,607,541,644	55.11%
Acreage	58,648,695	0.34%	46,726,300	0.30%
Vacant Lots and Tracts	406,952,597	2.39%	439,131,028	2.81%
Utilities	157,363,944	0.93%	146,575,435	0.94%
Mineral Reserves	10,421,808	0.06%	4,045,995	0.03%
Total Assessed Value	17,010,135,786	100%	15,619,075,111	100%
Less: Exemptions	(2,670,047,489)		(2,520,746,034)	
Actual Taxable Value	<u>\$14,340,088,297</u>		<u>\$13,098,329,077</u>	

The percentage mix of property values by category in the District has been consistent over the past few years.

Residential Properties

For the 2020 fiscal year, the Harris County Appraisal District listed 44,297 single-family residences. This compares to 43,825 dwellings in this category for last year. Developers continue to develop new subdivisions throughout all geographic areas. The 472 new residences occurred throughout the District.

The average actual taxable value of the residential property in the 2020 fiscal year was \$135,479 which compares to \$119,404 in the 2019 fiscal year. This represents an 13.46% increase in the average actual taxable home value from the prior year. During the 2020 fiscal year, the assessed value for residential properties increased \$647,957,931 or 10.16% over the previous year.

Commercial, Industrial and Multi-Family Properties

We have seen an increase in commercial growth due to market value increases in the following property types: multi-family, retail multi-occupancy, convenience food market and neighborhood shopping centers. During the 2020 fiscal year, the assessed value for commercial properties increased \$746,194,458 or 8.67% over the previous year.

Acreage, Vacant Lots and Tracts

The value of acreage in the District increased. The total number of vacant lots continuously changes due to new subdivision sections.

Utilities

The assessed value for utilities increased by \$10,788,509 or 7.36%. The increase was primarily caused by the increase in the value of railroads, pipelines and electric companies.

Mineral Reserves

The assessed value for the various mineral reserves experienced an increase of \$6,375,813 or 157.58% over the previous year primarily due to revaluation and new mineral leases.

Financial Reporting Awards

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ASBO Certificate of Excellence

The District received the Association of School Business Officials' (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2019. This award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the ASBO. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Excellence Program's requirements and we are submitting it to the ASBO to determine its eligibility for another certificate.

Acknowledgements

The preparation of this report on a timely basis could not be accomplished without the dedicated services of the entire staff of the Office of Financial Services. Also, we would like to express our appreciation to other divisions, departments, schools, and individuals who assisted in its preparation. Moreover, we wish to thank and express appreciation to the administrators and other employees of the District for their interest and support in planning and conducting the financial affairs of the District in a responsible and progressive manner.

Respectively submitted,



Mary Welch, RTSBA
Director of Accounting
Office of Financial Services



Ann Westbrook, CPA, RTSBA
Chief Financial Officer
Office of Financial Services



Rodney E. Watson, Ph.D.
Superintendent of Schools



Government Finance Officers Association

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

Presented to

**Spring Independent School District
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Spring Independent School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

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



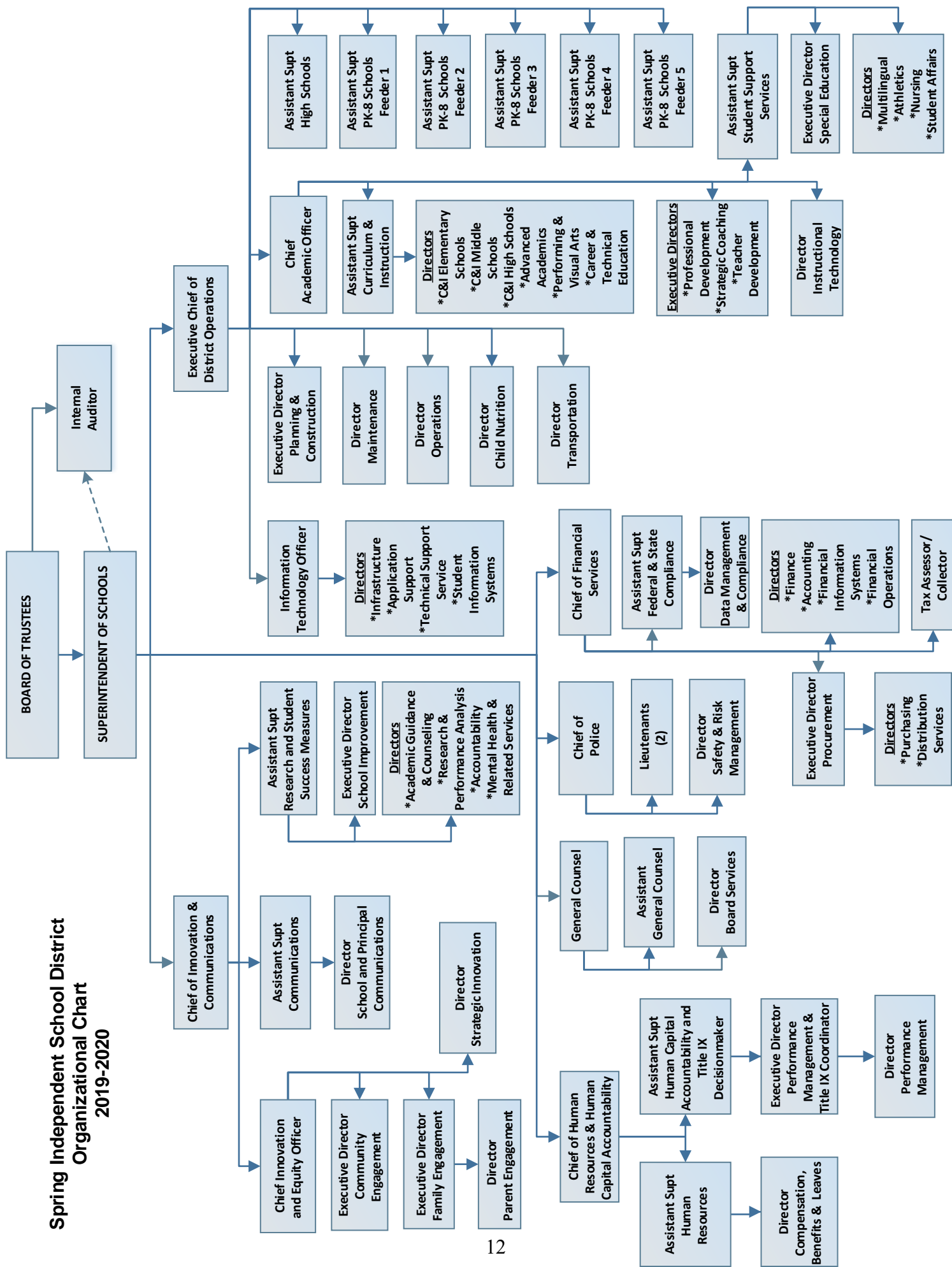
A handwritten signature in black ink, reading 'Claire Hertz'.

Claire Hertz, SFO
President

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

David J. Lewis
Executive Director

Spring Independent School District Organizational Chart 2019-2020



**SPRING INDEPENDENT SCHOOL DISTRICT
PRINCIPAL OFFICIALS AND ADVISORS**

BOARD OF TRUSTEES

Rhonda Newhouse, President
Retired Educator

Dr. Deborah Jensen, Vice President
Retired STEM Professional Development Program Leader

Dr. Donald Davis, Secretary
Retired Educator

Winford Adams Jr., Assistant Secretary
Harris County Department of Education Public Information and Policy Manager

Kelly P. Hodges, Member
Executive Director, Houston Texans YMCA

Justine Durant, Member
Regional Director, Cigna Healthcare

Jana Gonzales, Member
Vice President, InvesTex Credit Union

ADMINISTRATION

Dr. Rodney E. Watson, Superintendent of Schools

Julie F. Hill, J.D., Chief of Human Resources and Human Capital Accountability

Tiffany Dunne-Oldfield, Chief of Innovation and Communications

Ann Westbrook, Chief Financial Officer

Mark Miranda, Executive Chief of District Operations

Kenneth Culbreath, Chief of Police

Jeremy Binkley, General Counsel

CONSULTANTS AND ADVISORS

Whitley Penn, L.L.P., Independent Auditors

Thompson & Horton, L.L.P., Legal Counsel

Perdue, Brandon, Fielder, Collins & Mott, L.L.P., Tax Attorneys

RBC Capital Markets, L.L.C., Financial Advisors

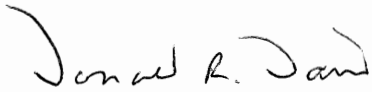
CERTIFICATE OF BOARD

Spring Independent School District
Name of School District

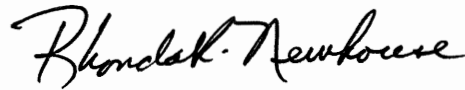
Harris
County

101-919
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and approved for the year ended June 30, 2020, at a meeting of the Board of Trustees of such school district on the 10th day of November, 2020.



Signature of Board Secretary



Signature of Board President



FINANCIAL

Section

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REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees
Spring Independent School District
Houston, Texas

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 Spring Independent School District (the “District”), as of and for the year ended June 30, 2020, 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 fraud or error.

Auditor’s Responsibility

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

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

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

To the Board of Trustees
Spring Independent School District
Houston, Texas

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 June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 19 through 29 and budgetary comparison information, pension information, and other-post employment benefit information on pages 77 through 84, 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

In our opinion, the combining and individual fund financial statements and schedules and other supplementary information are fairly stated in all material respects in relation to the basic financial statements as a whole.

To the Board of Trustees
Spring Independent School District
Houston, Texas

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2020, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas
November 4, 2020

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SPRING INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Spring Independent School District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2020. It should be read in conjunction with the District's financial statements.

Financial Highlights

On the government-wide financial statements, the liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources of the District at June 30, 2020, by \$19,059,364. Of this amount, (\$120,140,381) is unrestricted.

At June 30, 2020, the District's governmental funds financial statements reported combined ending fund balances of \$252,787,655. Of this amount, \$6,770,541 is non-spendable in the General Fund, \$5,000,000 is committed, \$45,676,543 is assigned and \$65,300,238 is unassigned and available to spend at the District's discretion.

At the end of the current fiscal year, total fund balance for the General Fund was \$122,747,322 or 39.56% of total General Fund expenditures.

Overview of the Financial Statements

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

Government-wide Financial Statements

All the District's services are reported in the government-wide financial statements, including instruction, student transportation, general administration, school leadership, and child nutrition services. Property taxes, state and federal aid, and interest and investment earnings finance most of the activities. Additionally, all capital and debt financing activities are reported here.

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

The statement of net position presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Fund Financial Statements

The District uses fund accounting to record and report specific sources of funding and spending for particular purposes. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds. The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the District's activities are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out, and (2) the balances left at year-end that are available. However, unlike the government-wide financial statements, governmental fund financial statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information in Figure A-1 that explains the relationship (or differences) between them.

The District's governmental funds are the General Fund, Debt Service Fund, Capital Projects Fund, Elementary and Secondary School Emergency Relief (ESSER) Fund, and Non-Major Governmental Funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Capital Projects Fund and the ESSER Fund, each of which is considered to be a major fund. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations and/or other funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary assets and liabilities and a statement of changes in fiduciary assets and liabilities. The District's fiduciary fund is considered to be an agency fund which accounts for the District's Student Activity Funds. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets.

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes to the basic financial statements, this report also presents required supplementary information concerning the District's compliance with its General Fund budget and its progress in funding its obligations to provide pension and other post-employment benefits to its employees.

The combining and individual fund statements and schedules referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements. Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain.

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

Type of Statements	Government-wide	Fund Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District's governmental activities (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary	Instances in which the District is the trustee or agent for someone else's resources: student activity funds
Required financial statements	Statement of net position	Balance sheet	Statement of fiduciary assets and liabilities
	Statement of activities	Statement of revenues, expenditures and changes in fund balances	Statement of changes in assets and liabilities
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and custodial in nature
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term
Type of inflow/outflow	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Financial Analysis

The District's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$19.1 million at June 30, 2020, which is a decrease in the net position of \$8.8 million compared to last fiscal year.

Figure A-2 The District's Net Position

	<u>Governmental Activities</u>	
	2020	2019
Current and other assets	\$322,833,448	\$447,426,117
Capital assets	782,080,535	688,081,572
Total Assets	1,104,913,983	1,135,507,689
 Total deferred outflows of resources	 90,756,787	 101,063,209
 Current liabilities	 73,711,396	 80,451,791
Noncurrent liabilities	1,055,387,197	1,109,007,178
Total Liabilities	1,129,098,593	1,189,458,969
 Total deferred inflows of resources	 85,631,541	 57,349,537
 Net Position:		
Net investment in capital assets	39,605,746	34,470,958
Restricted	61,475,271	60,241,147
Unrestricted	(120,140,381)	(104,949,713)
Total Net Position	<u>(\$19,059,364)</u>	<u>(\$10,237,608)</u>

The District's net position is comprised of the following elements as illustrated in Figure A-2: *Net Investment in Capital Assets* \$39.6 million reflects the District's investment of \$782.1 million in capital assets (e.g., land, construction-in-progress, buildings and equipment) less the outstanding debt used to acquire those assets.

The second element of net position shown in Figure A-2 is *Restricted*, which is used to segregate the net position on which external constraints have been placed (e.g., constraints imposed by creditors, grantors or by law). The District is reporting a balance of \$61.5 million which represents balances for debt service, federal and state programs, and local grants.

The third element of net position is *Unrestricted*, which consists of the net position that does not meet the criteria of the other two elements described above. The District is reporting a balance of (\$120.1) million in this category.

Changes in Net Position

The District's total revenues for the fiscal year ended June 30, 2020, were \$465,137,133. A significant portion of the District's revenue (43.17%) comes from taxes. State aid and other grant revenues represent 34.60%, while only 0.74% relate to charges for services (See Figure A-3). The total cost of all programs and services was \$473,958,889 of which 54.55% is for instruction and instructional-related services (See Figure A-4).

Figure A-3 Sources of Revenue for the Fiscal Year Ended June 30, 2020

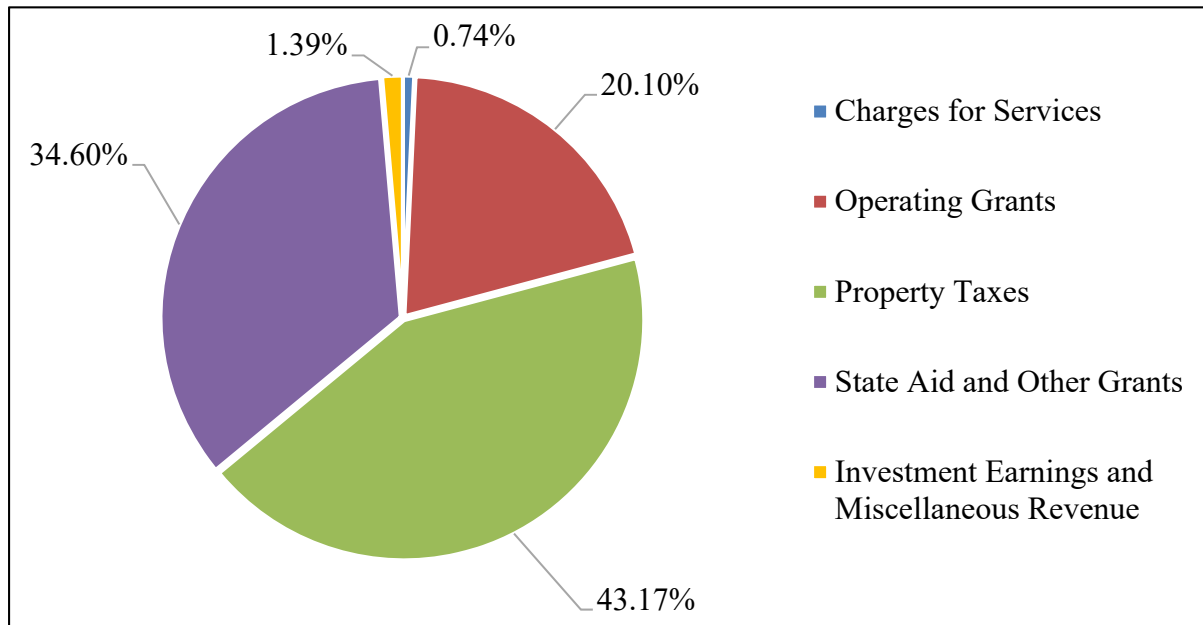
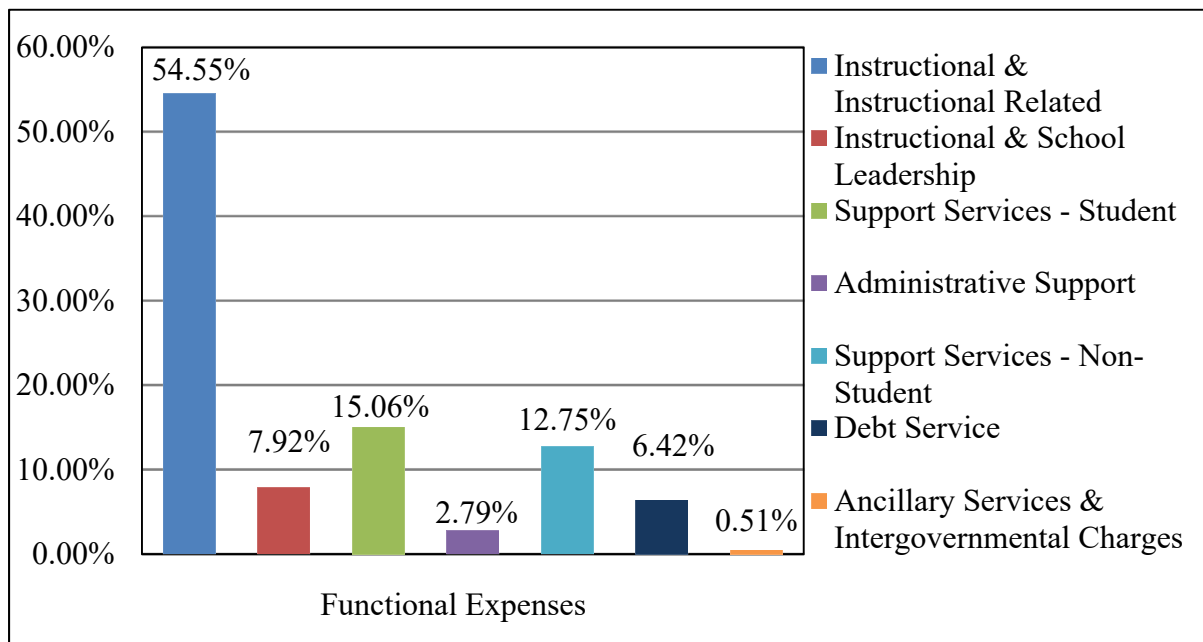


Figure A-4 Expenses by Major Function for the Fiscal Year Ended June 30, 2020



Governmental Activities

Governmental activities decreased the District's net position by \$8,821,756 for the fiscal year ended June 30, 2020. The following table presents the changes in the District's net position for the fiscal years ended June 30, 2020 and 2019:

Changes in the District's Net Position

	<u>Governmental Activities</u>	
	<u>2020</u>	<u>2019</u>
Revenues		
Program Revenues:		
Charges for services	\$3,455,499	\$4,873,452
Operating grants and contributions	93,473,848	78,609,832
General Revenues:		
Property taxes	200,815,253	192,707,614
State aid and other grants	160,956,996	177,454,989
Investment earnings	4,807,782	7,955,011
Miscellaneous	1,627,755	1,123,532
Total revenues	<u>465,137,133</u>	<u>462,724,430</u>
Expenses		
Instruction	243,666,374	221,328,291
Instructional resources and media services	4,930,008	4,746,773
Curriculum/staff development	9,930,777	8,358,199
Instructional leadership	11,239,721	11,053,479
School leadership	26,281,214	24,203,136
Guidance and counseling services	18,285,681	15,180,620
Social work services	580,413	589,023
Health services	3,382,338	3,113,606
Student (pupil) transportation	15,900,731	17,907,605
Child nutrition services	25,974,075	27,487,164
Co-curricular activities	7,285,082	7,430,235
General administration	13,253,838	12,581,802
Plant maintenance and operations	40,753,335	35,338,383
Security and monitoring services	7,213,046	6,550,805
Data processing services	10,699,787	9,161,986
Community services	1,756,214	1,558,176
Interest and fiscal charges	30,415,744	29,010,433
Fiscal agent/shared services arrangement	7,900	18,816
Alternative education	17,000	64,800
Payments to tax increment fund	919,413	695,707
Other intergovernmental charges	1,466,198	1,411,069
Total governmental activities	<u>473,958,889</u>	<u>437,790,108</u>
Change in net position	(8,821,756)	24,934,322
Beginning Net Position	<u>(10,237,608)</u>	<u>(35,171,930)</u>
Ending Net Position	<u><u>(\$19,059,364)</u></u>	<u><u>(\$10,237,608)</u></u>

The increase in revenues is primarily due to increased property tax collections as a result of increased property values and an increase in the interest and sinking portion of the tax rate that supports the Debt Service Fund as well as the gain on the sale of surplus property.

The increase in expenditures is primarily due to compensation increases required by House Bill 3. This legislation requires 30% of a district's increase in state aid funding to go to increases in compensation. As a result, the raises given ranged from 2% - 6% depending on job classification and years of experience. The staffing related to the opening of two new middle school campuses and the District's replacement stadium as well as lowering the class size ratio at middle school campuses from 33:1 to 28:1 also contributed to the increase in expenditures.

The following table presents the cost of each of the District's largest functions as well as each function's net cost for the fiscal year ended June 30, 2020, (total cost less charges for services generated by the activities and operating grants and contributions). The net cost reflects what was funded by state revenues as well as local tax dollars.

- The cost of all governmental activities this year was \$473,958,889.
- The amount of the cost that was paid by those who directly benefited from the program was \$3,455,499.
- The amount paid by grants and contributions was \$93,473,848.
- The amount that our taxpayers paid for these activities through property taxes was \$200,815,253.

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

	2020		2019	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instructional	\$258.5	\$203.4	\$234.4	\$194.7
Plant maintenance & operations	\$40.8	\$38.2	\$35.3	\$33.3
Interest and fiscal charges	\$30.4	\$29.5	\$29.0	\$27.0

Financial Analysis of the District's Funds

The District's accounting records for general governmental operations are maintained on a modified accrual basis as prescribed by the Texas Education Agency in the *Financial Accountability System Resource Guide*, with the revenues being recorded when available and measurable to finance expenditures of the fiscal period. Expenditures are recorded when services or goods are received and the fund liabilities are incurred, except for outstanding long-term debt. The general governmental operations include the following funds: General, Debt Service, Capital Projects, and Special Revenue.

Revenues for governmental funds totaled \$448,328,434 for the fiscal year ended June 30, 2020, a decrease of 1.43% from the prior fiscal year. The decrease is due to lower revenues in the General Fund and Capital Projects Funds offset by higher revenue in the Debt Service Fund. In the fiscal year ended June 30, 2019 the District received two one-time payments totaling over \$15,000,000.

The payments were for a supplemental appropriation to state aid and a settle-up payment for School Health and Related Services (SHARS). As a result of those two large one-time payments received in 2019, the June 30, 2020 total General Fund revenues are less than the previous year's revenue. The Capital Projects Fund revenues decreased from prior year due to receiving less investment earnings. There were fewer funds available for investment as projects related to the 2016 bond program were completed and funded. The Debt Service Fund revenues increased due to a higher interest and sinking tax rate and higher property tax values.

Expenditures for governmental funds totaled \$570,896,509 during the fiscal year ended June 30, 2020, an increase of 2.25% from the prior fiscal year. The 2019-2020 expenditures were heavily driven by requirements of House Bill 3 which required 30% of the increase in funding to go towards compensation increases for employees other than administrators. Specifically, classroom teachers, registered nurses, counselors and librarians were to receive an increase funded with 75% of the 30% and 25% of the 30% was to be allocated to all other non-administrative staff compensation increases. Under this guidance, the District provided raises for classroom teachers which ranged from 4% to 6% depending on experience. Registered nurses, counselors, and librarians received a 3.5% increase and all other employees received a 2% increase. The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned funds of the General Fund were \$65,300,238 while total fund balance was \$122,747,322. Unassigned fund balance represented 21.04% of total General Fund expenditures, while total fund balance represented 39.56%. The General Fund revenues exceeded expenditures by \$7,161,634. This surplus was largely due to conservative budgeting coupled with savings generated in expenditure budgets as a result of an extended District closure in response to the COVID-19 pandemic. The net of other financing sources and uses is (\$10,324,288) which includes an operating transfer to the Capital Projects Fund of \$10,000,000 for the completion of the Westfield High School Ninth Grade Center, the renovation of the Spring High School pool, as well as replacing desks and chairs at the Lift 6 campuses. The net change to the fund balance was (\$3,162,654).

The Debt Service Fund had a total fund balance of \$68,473,788 all of which is restricted for the payment of debt service. The District makes semi-annual debt service payments in February and August each year. The total debt service payments including fees for the fiscal year ended June 30, 2020, was \$64,725,085. The increase to fund balance of \$2,233,724 relates to an increase in property values and an increase to the interest and sinking tax rate which supports the Debt Service Fund.

The Capital Projects Fund balance of \$57,442,979 is a net decrease of \$116,959,669 as compared to prior year. This is due to the use of bond proceeds to fund projects related to the 2016 bond program, offset by proceeds from the sale of property and an operating transfer from the General Fund.

The ESSER Fund has no fund balance as all revenues are received upon request to the Texas Education Agency for reimbursement of allowable expenditures.

General Fund Budgetary Highlights

Over the course of the year, the District revised its budget three times. These adjustments resulted in an increase in the final budgeted expenditures and other financing uses of \$26,316,163 over the original budget. The variance in final budgeted expenditures versus actual expenditures is primarily due to conservative budgeting as well as savings in expenditures related to the extended District closure as a result of the COVID-19 pandemic. Due to the District closure, there were savings in transportation, maintenance and operations as well as in salary budgets including substitute cost, overtime, and extra duty pay.

Final budgeted revenues and other financing sources were decreased during the year by (\$8,111,189) under the original revenue budget. The variance in the final total budgeted revenues versus actual revenues is primarily due to higher than anticipated state aid for the career and technical education program.

The difference between the original budget and the final amended budget of the General Fund can be briefly summarized below:

**Appropriations
and Other
Financing Uses**

\$10,000,000	Transfer to capital projects for construction cost related to the Spring High School Pool renovation and the Westfield Ninth Grade Center as well as replacing desks and chairs at the Lift 6 Campuses
5,100,000	Increase due to one-time retention supplement to offset cost of rising insurance premiums
5,000,000	Increase for COVID-19 related expenditures to purchase devices for remote learning and personal protective equipment for employees
1,527,324	Instructional materials, science supplies, and testing materials
1,323,694	Increase in miscellaneous appropriations resulting from 2018-2019 rollover encumbrances
1,000,000	TRS On-Behalf
630,000	Increase to salaries to hire additional teachers to reduce class sizes at middle school campuses to 28:1
600,000	Increase to fund the cost of adding specialty programs at the Lift 6 campuses
378,073	Increase to expenditure budgets to accommodate increased enrollment of English as a Second Language (ESL) students
334,744	Increase to Special Education expenditures to utilize Senate Bill 500 funds
225,000	Relocation of the district track to Dekaney High School
197,328	Miscellaneous increases to other appropriations to account for use of insurance proceeds, E-Rate funds, donations and miscellaneous receipts

\$26,316,163 Total Appropriations Increase

**Revenues and
Other
Financing
Sources**

\$1,000,000	TRS On-Behalf
491,197	Increase to miscellaneous revenue primarily for funds received from the Harris County Special Inventory Taxes
442,500	Increase due to interest earnings
259,455	Miscellaneous net increases in other estimated revenues to account for use of E-Rate funds, donations, and other miscellaneous receipts
(1,373,597)	Decrease in property tax revenue to adjust to anticipated collections
(8,930,744)	Decrease in state aid for the Foundation School Program (FSP) due to a portion of FSP revenue being funded through the Elementary and Secondary School Emergency Relief (ESSER) Fund as part of the Coronavirus Aid, Relief and Economic Securities (CARES) Act

(\$8,111,189) Total Revenues and Other Financing Sources Increase

Capital Assets and Debt Administration

Capital Assets

The District has invested a net \$782.1 million in a broad range of capital assets, including land, buildings and improvements, furniture and equipment, and vehicles. This amount represents a net increase (including additions and deductions net of accumulated depreciation) of \$94 million from last year, primarily due to the completion of the construction on the District stadium, Springwoods Village Middle School and the new Roberson Middle School.

District's Capital Assets (net of depreciation)

	2020	2019
Land	\$79,847,596	\$81,017,065
Construction-in-progress	108,025,279	139,408,171
Buildings and improvement	565,132,993	439,143,011
Equipment and furniture	16,273,983	15,545,494
Vehicles	12,800,684	12,967,831
Net capital assets	<u>\$782,080,535</u>	<u>\$688,081,572</u>

More detailed information about the District's capital assets is presented in Note 5 to the basic financial statements.

Debt Administration

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

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

The ratio of net general bonded debt to assessed valuation is a useful indicator of the District's debt position. This data is presented in the schedule "Ratios of Net General Obligation Bonded Debt Outstanding" (Table 10) in the statistical section and reflects a ratio of net bonded debt to actual taxable value of 5.16%, as compared to 5.95% last year.

The District continues to enjoy strong underlying bond ratings. The latest Moody's Investor Services, Inc. affirmed rating is Aa2 and Standard and Poor's Corporation affirmed rating is AA- for the District's debt obligations. All of the outstanding ad valorem tax bonds of the District carry a credit enhancement rating of AAA due to the Permanent School Fund guarantee.

More detailed information about the District's debt administration is presented in Note 8 to the basic financial statements.

Economic Factors and Next Year's Budget and Rates

The priorities of the 2020-2021 budget were pay equity for all employee classes, full-day Pre-K, staffing the newly constructed ninth grade centers and developing specialty programs at the Lift 6 campuses. General operating fund spending per student is budgeted to be \$9,510 based upon the assumption that student enrollment will be 35,443.

Total revenues in the 2020-2021 General Fund budget are \$329.9 million, an increase of 3.91% over the final 2020 revenues of \$317.5 million. This increase is primarily due to a portion of the 2019-2020 Foundation School Program revenues that would typically be included in general fund state aid is instead being funded by ESSER which is a federal grant. As a result, the total amount of final revenues in general fund in 2019-2020 is less.

Expenditures are budgeted for the 2020-2021 fiscal year at \$337 million, an increase of 8.60% increase over the final 2020 expenditures.

The 2020-2021 expenditure budget includes a general pay increase of 2.5% for all employees. The pay increase was provided as a result of an external pay study conducted by the Texas Association of School Boards to review the District's pay schedules in comparison to those of fifteen surrounding school districts. The results of the pay study revealed the District's pay schedule lagged behind those of other area school districts. The pay increase also includes equity adjustments for some pay classes and includes a competitive starting teacher salary of \$56,500.

The Debt Service Fund revenues are budgeted at \$69.6 million which is an increase of 4.5% over the final 2020 revenues of \$66.6 million. This increase is anticipated due to an increase in property tax revenue as a result of higher property values. The debt service expenditures are budgeted at \$59.7 million, a decrease of 7.7% under prior final expenditures of \$64.7 million. The District closed on Unlimited Tax Refunding Bonds, Series 2020 on June 16, 2020 and received the updated debt obligations after the 2020-2021 budget was adopted. Therefore, the debt service budget will be amended to reflect the resulting debt obligations, including the first payment for Bond Series 2020.

Request for Information

This financial report is designed to provide our citizens, taxpayers, business community, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer at 16717 Ella Blvd., Houston, Texas 77090 or call (281) 891-6077.

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BASIC FINANCIAL STATEMENTS

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SPRING INDEPENDENT SCHOOL DISTRICT**Exhibit A-1****STATEMENT OF NET POSITION****June 30, 2020**

	Primary Government Governmental Activities
<u>ASSETS</u>	
Cash	\$4,836,373
Temporary investments	255,841,360
Receivables:	
Property taxes	13,176,174
Allowance for uncollectible taxes	(5,141,900)
Due from governmental agencies	46,325,396
Accrued interest and other receivables	973,677
Inventories, at cost	3,098,533
Prepaid items	3,723,835
Capital assets not being depreciated:	
Land	79,847,596
Construction-in-progress	108,025,279
Capital assets net of accumulated depreciation:	
Buildings and improvements	565,132,993
Furniture and equipment	16,273,983
Vehicles	12,800,684
Total assets	1,104,913,983
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflows relating to pension activities	52,893,641
Deferred outflows relating to OPEB activities	22,570,501
Deferred charge on refunding	15,292,645
Total deferred outflows of resources	90,756,787
<u>LIABILITIES</u>	
Accounts payable	26,345,974
Interest payable	12,108,010
Accrued wages payable	34,095,601
Due to state and others	738,740
Unearned revenue	423,071
Non-current liabilities:	
Due within one year	33,899,248
Due in more than one year	768,174,670
Net pension liability	114,677,823
Net OPEB liability	138,635,456
Total liabilities	1,129,098,593
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflows relating to pension activities	23,459,908
Deferred inflows relating to OPEB activities	60,032,536
Deferred gain on refunding	2,139,097
Total deferred inflows of resources	85,631,541
<u>NET POSITION</u>	
Net investment in capital assets	39,605,746
Restricted for:	
Debt service	58,519,094
Federal & state programs	2,898,963
Local grants	57,214
Unrestricted	(120,140,381)
TOTAL NET POSITION	(\$19,059,364)

See accompanying notes to basic financial statements.

SPRING INDEPENDENT SCHOOL DISTRICT
Exhibit A-2
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Primary government				
Governmental activities:				
Instruction	\$243,666,374	\$1,635,157	\$46,641,572	(\$195,389,645)
Instructional resources and media services	4,930,008		1,447,533	(3,482,475)
Curriculum and staff development	9,930,777		5,426,721	(4,504,056)
Instructional leadership	11,239,721		2,064,488	(9,175,233)
School leadership	26,281,214		2,857,813	(23,423,401)
Guidance and counseling services	18,285,681		5,191,605	(13,094,076)
Social work services	580,413		35,864	(544,549)
Health services	3,382,338		519,021	(2,863,317)
Student (pupil) transportation	15,900,731	2,600	1,392,794	(14,505,337)
Child nutrition services	25,974,075	1,346,502	20,721,387	(3,906,186)
Co-curricular activities	7,285,082	220,068	508,724	(6,556,290)
General administration	13,253,838	38,663	1,192,223	(12,022,952)
Plant maintenance and operations	40,753,335	182,371	2,397,482	(38,173,482)
Security and monitoring services	7,213,046	7,958	627,139	(6,577,949)
Data processing services	10,699,787		563,353	(10,136,434)
Community services	1,756,214	22,180	937,758	(796,276)
Interest and fiscal charges	30,415,744		943,650	(29,472,094)
Fiscal agent/shared services arrangement	7,900		4,721	(3,179)
Alternative education	17,000			(17,000)
Payments to tax increment fund	919,413			(919,413)
Other intergovernmental charges	1,466,198			(1,466,198)
Total governmental activities	<u>\$473,958,889</u>	<u>\$3,455,499</u>	<u>\$93,473,848</u>	<u>(377,029,542)</u>
General revenues:				
Taxes:				
Property taxes - maintenance & operations				135,310,984
Property taxes - debt service				65,504,269
State aid - formula grants				154,977,374
Grants and contributions not restricted to specific programs				5,979,622
Investment earnings				4,807,782
Miscellaneous				1,627,755
Total general revenues				<u>368,207,786</u>
Change in net position				(8,821,756)
Net Position - beginning				<u>(10,237,608)</u>
Net Position - ending				<u><u>(\$19,059,364)</u></u>

See accompanying notes to basic financial statements.

SPRING INDEPENDENT SCHOOL DISTRICT
Exhibit B-1
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Elementary & Secondary School Emergency Relief (ESSER) Fund	Non-Major Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$3,629,947				\$1,206,426	\$4,836,373
Temporary investments	107,469,420	\$68,240,171	\$77,555,965		2,575,804	255,841,360
Receivables:						
Property taxes	9,317,577	3,858,597				13,176,174
Allowance for uncollectible taxes	(3,787,700)	(1,354,200)				(5,141,900)
Due from governmental agencies	29,370,785			\$9,239,640	7,714,971	46,325,396
Interfund receivables	12,213,148		1,139,280		1,698,787	15,051,215
Accrued interest and other receivables	467,843	4,406	469,872		31,556	973,677
Inventories, at cost	3,083,706				14,827	3,098,533
Prepaid items	3,686,835		37,000			3,723,835
TOTAL ASSETS	\$165,451,561	\$70,748,974	\$79,202,117	\$9,239,640	\$13,242,371	\$337,884,663
LIABILITIES						
Accounts payable	\$3,631,245		\$20,617,243		\$2,097,486	\$26,345,974
Accrued salaries and expenditures	31,113,547				2,982,054	34,095,601
Interfund payables	1,031,615	\$42,056	1,141,895	\$9,239,640	3,596,009	15,051,215
Due to state and others	638,741	79,814			20,185	738,740
Claims payable	1,195,232					1,195,232
Unearned revenue					423,071	423,071
Total Liabilities	37,610,380	121,870	21,759,138	9,239,640	9,118,805	77,849,833
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-property taxes	5,093,859	2,153,316				7,247,175
Total Deferred Inflows of Resources	5,093,859	2,153,316				7,247,175
FUND BALANCES						
Non-spendable:						
Inventory	3,083,706					3,083,706
Prepaid items	3,686,835		37,000			3,723,835
Restricted:						
Grant funds					2,956,177	2,956,177
Capital projects			43,464,583			43,464,583
Debt service		68,473,788				68,473,788
Committed:						
School activity funds					1,167,389	1,167,389
Strategic compensation	5,000,000					5,000,000
Assigned:						
Other	45,676,543		13,941,396			59,617,939
Unassigned	65,300,238					65,300,238
Total Fund Balances	122,747,322	68,473,788	57,442,979		4,123,566	252,787,655
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$165,451,561	\$70,748,974	\$79,202,117	\$9,239,640	\$13,242,371	\$337,884,663

See accompanying notes to basic financial statements.

SPRING INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2020

Exhibit B-2

Total fund balances-governmental funds (Exhibit B-1)	\$252,787,655
Amounts reported for governmental activities in the statement of net position (Exhibit A-1) are different because:	
· Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	782,080,535
· Property taxes receivable, which will be collected subsequent to year-end, but are not available soon enough to pay for current period expenditures and, therefore, are deferred at the fund level.	7,247,175
· Deferred charge on refunding	15,292,645
· Deferred outflows relating to pension activities	52,893,641
· Deferred outflows relating to OPEB activities	22,570,501
· 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. Long term liabilities at year-end consist of:	
Bonds payable	(\$704,830,000)
Premiums on bond issuance	(94,210,030)
Capital leases	(89,890)
Accrued compensated absences	(1,495,590)
Workers' compensation claims	(253,176)
Accrued interest on bonds	(12,108,010)
Net pension liability	(114,677,823)
Net OPEB liability	<u>(138,635,456)</u>
	(1,066,299,975)
· Deferred gain on refunding	(2,139,097)
· Deferred inflows relating to pension activities	(23,459,908)
· Deferred inflows relating to OPEB activities	<u>(60,032,536)</u>
Total net position of governmental activities (Exhibit A-1)	<u>(\$19,059,364)</u>

See accompanying notes to basic financial statements.

SPRING INDEPENDENT SCHOOL DISTRICT
Exhibit B-3
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Elementary & Secondary School Emergency Relief (ESSER) Fund	Non-Major Other Governmental Funds	Total Governmental Funds
REVENUES						
Local and intermediate sources	\$137,846,265	\$65,688,140	\$2,395,091		\$3,339,780	\$209,269,276
State program revenues	173,189,856	943,650			8,491,446	182,624,952
Federal program revenues	6,433,183			\$9,239,640	40,761,383	56,434,206
Total Revenues	<u>317,469,304</u>	<u>66,631,790</u>	<u>2,395,091</u>	<u>9,239,640</u>	<u>52,592,609</u>	<u>448,328,434</u>
EXPENDITURES						
Current:						
Instruction	180,851,355		5,883,479	9,239,640	18,580,622	214,555,096
Instructional resources and media services	2,718,271				1,221,978	3,940,249
Curriculum and staff development	3,539,771		293,771		5,296,659	9,130,201
Instructional leadership	8,993,560				1,088,170	10,081,730
School leadership	23,230,676		24,403		198,299	23,453,378
Guidance and counseling services	12,709,201		18,430		3,988,963	16,716,594
Social work services	564,413					564,413
Health services	2,758,312		24,500		214,469	2,997,281
Student (pupil) transportation	13,051,767		1,058,061		58,140	14,167,968
Child nutrition services					22,997,677	22,997,677
Co-curricular activities	5,333,842		339,447		77,160	5,750,449
General administration	12,057,786		126,919			12,184,705
Plant maintenance and operations	27,924,606		1,110,965		291,250	29,326,821
Security and monitoring services	6,181,961		10,127,927		15,401	16,325,289
Data processing services	6,611,305		2,848,081			9,459,386
Community services	621,334				910,081	1,531,415
Debt Service:						
Principal on long-term debt	46,891	30,290,000				30,336,891
Interest on long-term debt	6,990	34,106,014				34,113,004
Bond issuance costs and fees		329,071				329,071
Capital Outlay:						
Facilities acquisition and construction	700,038		109,633,017		191,325	110,524,380
Intergovernmental Charges:						
Fiscal agent/shared services arrangement	2,980				4,920	7,900
Alternative education	17,000					17,000
Payments to tax increment fund	919,413					919,413
Other intergovernmental charges	1,466,198					1,466,198
Total Expenditures	<u>310,307,670</u>	<u>64,725,085</u>	<u>131,489,000</u>	<u>9,239,640</u>	<u>55,135,114</u>	<u>570,896,509</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,161,634</u>	<u>1,906,705</u>	<u>(129,093,909)</u>		<u>(2,542,505)</u>	<u>(122,568,075)</u>
OTHER FINANCING SOURCES (USES)						
Refunding bonds issued		29,425,000				29,425,000
Sale of property	7,026				5,234	12,260
Issuance of capital leases	49,296					49,296
Transfers in			10,000,000		380,610	10,380,610
Premium on issuance of bonds		4,446,084				4,446,084
Transfers out	(10,380,610)					(10,380,610)
Payment to refunded bond escrow agent		(33,544,065)				(33,544,065)
Total Other Financing Sources (Uses)	<u>(10,324,288)</u>	<u>327,019</u>	<u>10,000,000</u>		<u>385,844</u>	<u>388,575</u>
Special item - Sale of land			2,134,240			2,134,240
Net change in fund balances	(3,162,654)	2,233,724	(116,959,669)		(2,156,661)	(120,045,260)
FUND BALANCES, JULY 1	<u>125,909,976</u>	<u>66,240,064</u>	<u>174,402,648</u>		<u>6,280,227</u>	<u>372,832,915</u>
FUND BALANCES, JUNE 30	<u>\$122,747,322</u>	<u>\$68,473,788</u>	<u>\$57,442,979</u>	<u>\$</u>	<u>\$4,123,566</u>	<u>\$252,787,655</u>

See accompanying notes to basic financial statements.

SPRING INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2020

Exhibit B-4

Net change in fund balances-total governmental funds (Exhibit B-3) (\$120,045,260)

Amounts reported for governmental activities in the statement of net activities (Exhibit A-2) are different because:

· Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays of \$118,919,552 exceeded depreciation of \$23,725,883 in the current period.	95,193,669
· The net effect of miscellaneous transactions involving capital assets (transfers, adjustments, and dispositions) is a increase (decrease) to net position.	(25,237)
· Governmental funds report the entire sales price (proceeds) from the sale of land as revenue because it provides current financial resources. In contrast, the statement of activities reports only the gain on the sale. Thus, the change in net position differs from the change in fund balance by the cost of the land sold.	(1,169,469)
· Property taxes receivable which will be collected subsequent to year-end, but are not available soon enough to pay for current period expenditures are not reported as revenues in the governmental funds.	1,303,392
· Proceeds from issuance of long-term debt of \$29,425,000 and premium received from issuance of \$4,446,084 are reported as other financing sources in the governmental funds. In the government-wide financial statements, proceeds are treated as an increase in long-term liabilities.	(33,871,084)
· Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	30,290,000
· Payment to the escrow agent to refund bonds from refunding proceeds reduces long-term liabilities.	33,544,065
· Interest on long-term debt in the statement of activities differs from the amounts reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The decrease in interest reported in the statement of activities consists of the following:	
Accrued interest on bonds payable decreased	\$777,042
Amortization of bond premium	4,584,146
Amortization of deferred gain on refunding	70,779
Amortization of deferred charge on refunding	<u>(1,405,636)</u>
	4,026,331
· Pension contributions made after the measurement date are reported as expenditures in the governmental funds and are reported as deferred outflows on the face of the statement of net position.	8,360,349
· OPEB contributions made after the measurement date are reported as expenditures in the governmental funds and are reported as deferred outflows on the face of the statement of net position.	2,140,870
· Some capital asset additions are financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net position, the lease obligation is reported as a liability. Repayment of capital lease principal is an expenditure in the governmental funds, but repayment reduces the lease obligation in the statement of net position.	(2,405)
· The net increase in accrued compensated absences is reported in the statement of activities but is not reported in the governmental funds.	(198,545)
· The net increase in the long-term portion of workers' compensation claims payable is reported in the statement of activities but is not reported at the fund level.	(77,946)
· Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in the governmental funds:	
Pension expense for the pension plan measurement year	(23,644,708)
OPEB expense for the OPEB plan measurement year	<u>(4,645,778)</u>

Change in net position of governmental activities (Exhibit A-2) **(\$8,821,756)**

See accompanying notes to basic financial statements.

SPRING INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2020

Exhibit B-5

	<u>Agency Fund</u>
<u>ASSETS</u>	
Cash	<u>\$272,590</u>
Total Assets	<u><u>\$272,590</u></u>
<u>LIABILITIES</u>	
Due to state and others	\$42,864
Due to student groups	<u>229,726</u>
Total Liabilities	<u><u>\$272,590</u></u>

See accompanying notes to basic financial statements.

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Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

The Spring Independent School District (the District) Board of Trustees (the Board) is a seven-member group, which has governance responsibilities over all activities related to public school education within the District. Because members of the Board are elected by the public; have authority to make decisions; appoint management and significantly influence operations; and have primary accountability for fiscal matters; the District is not included in any other governmental "reporting entity" as defined in the Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34*. The District is not financially accountable for any other organizations; therefore, no component units are included within the reporting entity.

The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Direct expenses are not eliminated from the various functional categories. Interfund services that are provided and used are not eliminated in the process of consolidation. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to students or users who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) operating grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

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

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

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

The Fiduciary Fund financial statements reflect the District's Agency Fund. The Agency Fund reports only assets and liabilities and does not have a measurement focus.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers property tax revenues to be available if they are collected within 60 days of the end of the fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The accounting policies of the District comply with the rules prescribed in the *Financial Accountability System Resource Guide* by the Texas Education Agency (TEA). These accounting policies conform to generally accepted accounting principles (GAAP) applicable to governments.

The District's accounting system is organized and operated on the basis of funds, each of which is a separate accounting entity with a self-balancing set of accounts. The District's resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The individual funds are grouped into two basic fund categories and are briefly described below.

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

The District reports the following major governmental funds:

- **General Fund** - The General Fund is the District's general operating fund and accounts for all financial transactions except those required to be accounted for in another fund. Major revenue sources within the General Fund include local property taxes, state funding under the Foundation School Program, and federal source revenues not accounted for in Special Revenue Funds. Expenditures include all costs associated with the daily operations of the schools except for specific programs funded by certain local, state and federal sources, capital projects, and debt service.
- **Debt Service Fund** - This fund accounts for the accumulation of resources for, and the payment of, general obligation bonds principal, interest, and related costs. The primary revenue sources are local property taxes levied specifically for debt service and state funding under the Existing Debt Allotment. These financial resources are restricted for debt service.
- **Capital Projects Fund** - This fund accounts for the proceeds of bond sales and other financial resources to be used for capital outlays, including the purchase of school sites, construction and renovation of school facilities, technology improvements, and the purchase of school buses and other capital assets. The financial resources from bond proceeds as well as the proceeds from the sale of land originally purchased with bond funds in this fund are restricted, whereas the proceeds from other financial resources are committed or assigned.

- Elementary and Secondary School Emergency Relief (ESSER) Fund - This Special Revenue Fund is used to account for federal stimulus ESSER funds granted to local education agencies through the Coronavirus Aid, Relief, and Economic Security (CARES) Act to support their ability to operate and instruct their students during the COVID-19 pandemic.

The District reports the following non-major governmental funds:

- Special Revenue Funds - These funds account for the District's Child Nutrition Fund, School Activity Funds, state funding of the instructional materials allotment and all non-major federal, state, and locally funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks as defined in the grant awards. The proceeds of these specific revenue sources are restricted or committed.

Additionally, the District reports the following fund:

Fiduciary Fund - Used to account for amounts held by the District in a trustee capacity. This fund is accounted for on an accrual basis.

- Agency Fund - This fund is custodial in nature (assets equal liabilities) and does not involve measurements of results of operations. This fund accounts for the District's Student Activity Funds, which collect monies through the fund-raising efforts of the individual schools or school-sponsored groups. The school principals are responsible, under the authority of the Board, for collecting, controlling, disbursing and accounting for all student activity funds.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value, which is the amount at which the investment can be exchanged in a current transaction between willing parties.

The District categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The net increase or decrease in the fair value of investments is netted with investment income in local sources or revenue. Investments are generally held to maturity. The District's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79 *Certain Investment Pools and Pool Participants*.

Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds." All other outstanding balances between funds are reported as "interfund receivables/payables."

Property taxes receivable include unpaid property taxes at year-end along with penalties and interest assessed on these unpaid taxes, net of an allowance for uncollectible taxes.

The appraisal of property within the District is the responsibility of the Harris County Appraisal District (HCAD), an independent governmental unit with a board of directors appointed by the taxing jurisdictions within the county and funded from assessments against those taxing jurisdictions. On January 1 of each year an enforceable lien is placed on all real property within the District to secure collection of property taxes. Property taxes for a fiscal year are levied based on HCAD appraised values on approximately October 1 and are due by the following January 31. Unpaid taxes become delinquent on February 1.

The tax rates applicable to general governmental services and debt service for 2019-2020 were \$0.97000 and \$0.46000, respectively, based on a taxable value of \$14,340,088,297. Uncollected taxes are recorded as unavailable revenue in the fund financial statement net of the related allowance for uncollectible taxes. The resulting net taxes receivable is stated at the amount estimated to be collectible based upon the District's collection experience. The allowance for uncollectible property taxes is equal to 39.02% of outstanding property taxes at June 30, 2020.

Refunds to taxpayers result when property taxes are reduced subsequent to being levied due to a reduction of appraised value resulting from a taxpayer lawsuit filed against HCAD, the correction of tax roll errors, or overpayments made by taxpayers.

Inventories

Under the District's system of accounting for inventories, materials and supplies are charged to an inventory account on the basis of the weighted average invoice cost, and are subsequently recognized as expenditures when used or consumed (consumption method) rather than when purchased. Inventories include custodial, maintenance, office and instructional supplies, gasoline, and food consumables. Child Nutrition commodity inventory is recorded at fair market value on the date received. Revenue is recognized at fair market value when commodities are distributed to the schools.

General Fund inventory is categorized as a non-spendable portion of fund balance to indicate that the assets are not available financial resources. Child Nutrition's inventory consists primarily of food items that will be available for sale, and therefore its inventory is included in restricted fund balance.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method of accounting. Prepaid items are categorized as non-spendable portions of fund balance to indicate that the assets are not available financial resources.

Capital Assets

Capital assets which include land, construction-in-progress, buildings and improvements, and furniture and equipment are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. When assets are retired or otherwise disposed of, the related costs or other recorded amounts are removed.

Buildings and improvements and furniture and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Useful Life (Years)</u>
Buildings and improvements	20 - 40
Automotive equipment	
Buses	15
Other	10
Furniture and equipment	5 - 20
Software	5 - 10

Land and construction-in-progress are not depreciated.

Deferred Outflows/Inflows of Resources

Deferred outflows and inflows of resources are reported in the statement of net position as described below:

A deferred outflow of resources is a consumption of a government's net position (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

- Deferred outflows of resources for refunding - Reported in the government-wide financial statement of net position, this deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred outflows of resources for pension - Reported in the government-wide financial statement of net position, this deferred outflow could result from pension plan contributions made after the measurement date of the net pension liability and the results of (1) differences between projected and actual earnings on pension plan investments; (2) changes in actuarial assumptions; (3) differences between expected and actual actuarial experiences and (4) changes in the District's proportional share of pension liabilities. The 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 next fiscal year. If reported, deferred outflows resulting from differences between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The remaining pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.

- Deferred outflows of resources for other post-employment benefits (OPEB) - Reported in the government-wide financial statement of net position, this deferred outflow could result from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of (1) differences between projected and actual earnings on OPEB plan investments; (2) changes in actuarial assumptions; (3) differences between expected and actual actuarial experiences and (4) changes in the District's proportional share of OPEB liabilities. The 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 next fiscal year. If reported, deferred outflows resulting from differences between projected and actual earnings on OPEB plan investments will be amortized over a closed five-year period. The remaining OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB benefits through the OPEB plan.

A *deferred inflow of resources* is an acquisition of a government's net position (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District has four items that qualify for reporting in this category:

- Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes and other sources arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows of resources for refunding - Reported in the government-wide financial statement of net position, this deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred inflows of resources for pension - Reported in the government-wide financial statement of net position, this deferred inflow could result from (1) differences between projected and actual earnings on pension plan investments; (2) changes in actuarial assumptions; (3) differences between expected and actual actuarial experiences and (4) changes in the District's proportional share of pension liabilities. If reported, deferred inflows resulting from differences between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The remaining pension related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.
- Deferred inflows of resources for OPEB - Reported in the government-wide financial statement of net position, this deferred inflow could result from (1) differences between projected and actual earnings on OPEB plan investments; (2) changes in actuarial assumptions; (3) differences between expected and actual actuarial experiences and (4) changes in the District's proportional share of OPEB liabilities. If reported, deferred inflows resulting from differences between projected and actual earnings on OPEB plan investments will be amortized over a closed five-year period. The remaining OPEB related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB benefits through the OPEB plan.

Pensions

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

Other Post-Employment Benefits (OPEB)

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.

Compensated Absences

District policy does not allow staff members to be compensated for accrued and unused sick leave. Full time staff members can contribute one day of sick leave annually to benefit staff members whose own leave has been exhausted due to catastrophic illness. Twelve-month classified staff members (maintenance, warehouse and nonexempt supervisory staff members) are granted annual vacation days based on consecutive years of service. Staff members may carry no more than 60 days of accrued vacation days to the following year. Staff members are paid for accumulated unused vacation time only upon termination of employment. The estimated liability for accrued compensated absences is reported in the government-wide financial statements.

Long-term Obligations

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

In the fund financial statements, governmental funds 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.

Fund Equity

The fund balance in governmental funds has been classified as follows to describe the relative

strength of the spending constraints:

- Non-spendable fund balance - amounts that are not in spendable form or are required to be maintained intact. As such, the inventory in the General Fund and the prepaid items in the General Fund and the Capital Projects Fund have been properly classified as non-spendable in the Governmental Funds Balance Sheet (Exhibit B-1).
- Restricted fund balance - amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors. With the exception of School Activity Funds, the fund balances of grant funds are classified as restricted. The fund balance of the Debt Service Fund in the amount of \$68,473,788, and the fund balance of the Capital Projects Fund which is from the proceeds of bond sales and the proceeds of the sale of land previously purchased with bond funds in the amount of \$43,464,583 are also classified as restricted.
- Committed fund balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District takes the same highest level of action to remove or change the constraint. The District establishes (and modifies or rescinds) the fund balance commitments by passage of a resolution. The District has committed the School Activity Funds balances in the amount of \$1,167,389 in the Special Revenue Funds. The District also committed \$5,000,000 in the General Fund balance for a strategic compensation plan.
- Assigned fund balance - amounts the District intends to use for a specific purpose. Intent can be expressed by the District or by an official or body to which the Board of Trustees delegates the authority. The Board approved a resolution authorizing the Superintendent or the Chief Financial Officer to assign fund balance.

The General Fund had an assigned fund balance of \$45,676,543 which includes:

Assignment	Key Imperative	Commitment	Amount
Encumbrances for education supplies and projects	Reach every student	Excellent systems of support and acceleration	\$5,676,543
The COVID-19 pandemic has created an unprecedented amount of uncertainty in the economic outlook for the state of Texas and the nation as whole. The District continues to monitor and respond to the ever-changing needs of our students and staff to ensure a safe learning and working environment. Additional funds are necessary to cover unexpected expenditures as they arise as well as ensure financial stability during times of fluctuations in student enrollment and attendance as a result of the pandemic.	Reach every student	Safe and secure learning and work environments for all Excellent systems of support and acceleration Excellent curriculum and instruction Excellent recruitment and retention	15,000,000
Maintain sufficient cash flow	Reach every student	Excellent systems of support and acceleration	25,000,000
Total General Fund Assigned Fund Balance			\$45,676,543

The Capital Projects Fund has an assigned fund balance of \$13,941,396. These are funds transferred from the General Fund to the Capital Projects Fund which are assigned for renovations, construction projects, technology improvements, and the purchase of capital assets.

- Unassigned fund balance - amounts that are available for any legal expenditure. It is not possible to report a positive amount of unassigned fund balance in a governmental fund other than General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance (the total of committed, assigned, and 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, then assigned funds, and finally unassigned funds.

Accounting Estimates

The preparation of the financial statements in accordance with GAAP requires management to make use of estimates and assumptions that affect amounts reported in the financial statements as well as certain disclosures. Actual results could differ from these estimates.

New Accounting Pronouncements

The following GASB pronouncements have been issued but have not yet been implemented by the District:

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. It was issued in June 2020, but the requirements in (1) paragraph 4 of this Statement as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of this Statement are effective immediately. The requirements in paragraphs 6–9 of this Statement that are related to the accounting and financial reporting for section 457 plans are effective for fiscal years beginning after June 15, 2021. Implementation of this Statement is planned for fiscal year 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement was issued in May 2020 and provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This statement is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Implementation of this Statement is planned for fiscal year 2023.

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This Statement was issued in March 2020. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements of this Statement are effective immediately.

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*

- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*
- Implementation Guide No. 2018-1, *Implementation Guidance Update—2018*
- Implementation Guide No. 2019-1, *Implementation Guidance Update—2019*
- Implementation Guide No. 2019-2, *Fiduciary Activities*.

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*.

The District plans on implementing GASB No. 84 *Fiduciary Activities* in fiscal year 2021 and GASB No. 87 *Leases* in fiscal year 2022.

Note 2 – Stewardship, Compliance, and Accountability

Budgetary Information

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the General Fund, Child Nutrition Fund and Debt Service Fund for the fiscal year beginning September 1 (or July 1, if the District has elected to change the start of the fiscal year). The Texas Education Code requires the budget to be prepared not later than August 20 (June 19 for a fiscal year start date of July 1) and adopted by August 31 (June 30 for a fiscal year start date of July 1) of each year. The District's administration determines budgetary funding priorities using a modified zero-based budgeting concept, which is consistent with GAAP. 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 a legally authorized appropriated budget for the General Fund, Child Nutrition Fund, and Debt Service Fund.

The District's administration performs budget reviews three times a year by which budget requirements are re-evaluated and revisions recommended to the Board. The Board approves amendments to the budget, which are required when a change is made to any one of the functional expenditure categories defined by the TEA. Expenditures may not legally exceed budgeted appropriations, as amended, at the function level by fund. Unexpended appropriations lapse at year-end.

Encumbrances

The District utilizes encumbrance accounting in its governmental funds. Encumbrances represent commitments related to contracts not yet performed (executory contracts), and are used to control expenditures for the year and to enhance cash management. The District often issues purchase orders or signs contracts for the purchase of goods and services to be received in the future. At the time these commitments are made, which in its simplest form means that when a purchase order is

prepared, the appropriate account is checked for available funds. If an adequate balance exists, the amount of the order is immediately charged to the account to reduce the available balance for control purposes. The encumbrance account does not represent an expenditure for the period, only a commitment to expend resources.

Prior to the end of the year, every effort is made to liquidate outstanding encumbrances. When encumbrances are outstanding at the fiscal year end, the District likely will honor the open purchase orders or contracts that support the encumbrances. For reporting purposes, as noted earlier, outstanding encumbrances are not considered expenditures for the fiscal year. If the District allows encumbrances to lapse, even though it plans to honor the encumbrances, the appropriations authority expires and the items represented by the encumbrances are usually reappropriated in the following year's budget. Outstanding encumbrances at fiscal year-end are included in restricted, committed or assigned fund balance as appropriate. At June 30, 2020, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$5,676,543
Capital Projects Fund	44,499,213
Non-Major Other Governmental Funds	2,085,838
Total	<u>\$52,261,594</u>

Note 3 - Cash and Investments

The District's banking and investment policies are in accordance with laws and regulations of the Public Funds Investment Act (the Act), State of Texas and the TEA. The Act and policies mandated by the District's Board authorize the District to invest in obligations of the U.S. Treasury or the State of Texas, certain U.S. Agencies, certificates of deposit, money market savings accounts, repurchase agreements, commercial paper, and public funds investment pools.

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the School Depository Act. The depository bank deposits for safekeeping and trust, approved pledged collateral in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved collateral is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Cash

At year-end, the carrying amount of the District's cash on deposit was \$5,108,963 and the bank balance was \$6,350,754. The depository cash balances were covered by FDIC insurance and by collateral held by the District's agents in the District's name.

The District's depository cash balances were properly collateralized at all times during the year.

Investments

As of June 30, 2020, the District's investments consisted of balances held by Texas Local Government Investment Pool (TexPool), TexasTERM Local Government Investment Pool (TexasTERM), Commercial Paper, and BBVA Bank Money Market accounts.

TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (the Trust Company) to provide a safe environment for the placement of local government funds. The portfolio consists of U.S. Treasury and government agency securities, repurchase agreements, certain mutual funds, collateralized repurchase and reverse repurchase agreements, no-load money market mutual funds regulated by the Securities and Exchange Commission and rated AAA or equivalent by at least one nationally recognized statistical rating organization, securities lending programs, and certificates of deposit. TexPool is overseen by the State Comptroller of Public Accounts and administered by Federated Investors, Inc. The State Street Bank is the custodial bank. TexPool follows chapter 2256 of the Texas Public Funds Investment Act. TexPool uses amortized cost rather than fair value to report net assets to compute share prices. The fair value of the position in TexPool is the same as the value of TexPool shares. Accordingly, the District's investments in TexPool are stated at amortized cost, which approximates fair value.

TexasTERM is a public funds investment pool created by and for Texas local governments to provide investment options with safety, flexibility, and competitive yields. PFM Asset Management, LLC acts as the investment advisor of the pool. The pool consists of TexasDAILY and TexasTERM Certificate of Deposit (CD) Purchase Program. TexasDAILY is a money market portfolio with daily liquidity, whose investment objective is to produce the highest income consistent with preserving principal and maintaining liquidity, and to maintain a stable \$1.00 net asset value (NAV). TexasDAILY has received a rating of AAAM from Standard & Poor's. TexasTERM CD Purchase Program is a fixed-rate, fixed-term investment option enabling Investors to invest in FDIC-insured CDs from banks throughout the United States. Participants may lock in a rate for a term of 90 days to 365 days. Each CD is held in the name of the Participant. It is a fundamental objective of TexasTERM to assure the return of principal and interest at the date planned for redemption of shares; however, the net asset value of shares may fluctuate prior to the planned redemption date. GASB Statement No. 31 allows that the value at maturity and fair value to be the same for investment positions that mature within one year of the purchase date of the position. Therefore, TexasTERM's fair value and the value at maturity for the District's investment are the same.

BBVA Bank offers a Public Funds Money Market Account that has a competitive yield. Money Market accounts are a type of savings account that usually pay a higher interest rate. These funds are considered liquid; however, the account has a limit of six electronic withdrawals per month. Withdrawals are governed by law, and if exceeded, could result in the bank reclassifying the account. BBVA Bank Money Market accounts are pledged by FDIC Insurance and the approved collateral.

As noted in the District's Significant Accounting Policies, the District reports its local government investment pools at amortized cost as permitted by GASB Statement No. 79 *Certain External Investment Pools and Pool Participants*. In addition, both TexPool and TexasDAILY do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. Both pools do not impose any liquidity fees or redemption gates.

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

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets

that a government can access at the measurement date.

- Level 2 inputs are inputs-other than quoted prices included within Level 1-that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

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

The District's Money Market, Certificates of Deposit and Commercial Paper are reported at fair value using Level 2 inputs. The fair value measurements are based on quoted market prices using matrix pricing technique by the pricing source that values securities based on their relationship to benchmark quoted prices (Level 2 inputs). The District does not have any investments that are measured using Level 1 or 3 inputs.

At June 30, 2020, the fair value, credit rating, percentage of investments, and weighted average maturity of the District's investments are summarized as follows:

	Fair Value	Credit Rating	Percentage of Investments	Weighted Average Maturity (Days)
<u>Temporary Investments:</u>				
Money Market	\$18,707,166	n/a	7.31%	1
TexPool	163,194,104	AAAm	63.79%	33
TexPool Prime	43,975,859	AAAm	17.19%	51
TexasTERM				
TexasDAILY	9,291,381	AAAm	3.63%	55
Certificates of Deposit	5,661,000	n/a	2.21%	73
Commercial Paper	15,011,850	A1+	5.87%	31
Total	<u>\$255,841,360</u>		<u>100.00%</u>	

Portfolio weighted average maturity 35

Although TexPool and TexasDAILY have a weighted average maturity greater than one, the funds are available to the District within one day.

Credit Risk

Credit risk is the risk that a counter party to a deposit or investment transaction will not fulfill its obligations. This is not to be confused with market risk, which is the risk that the fair value of an investment, collateral protecting a deposit, or securities underlying a repurchase agreement, will decline. Market risk is not depicted in this note.

State law and the District's investment policy limits investments in all categories to top ratings issued by nationally recognized statistical rating organizations.

Concentration of Credit Risk

The District has no specific policy relating to the credit risk of investments. However, the District's investment policy requires that the investment portfolio be diversified to avoid incurring undue concentration in securities of one type at one financial institution, so that no single investment or class of investments can have a disproportionate impact on the total portfolio. This restriction does not apply to U.S. Treasury Securities or investment pools.

Interest Rate Risk

As a means of minimizing risk of loss due to interest rate fluctuations, the District requires that the total portfolio's weighted average maturity is less than 365 days. The District's Investment Policy also limits that no investment shall have an original stated maturity greater than two or three years depending on the instrument. The District also ensures diversification and holds investment instruments until maturity.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The District's policy requires that a third party custodian or a bank trust department hold all securities owned by the District.

Adjustment to Investments' Fair Value

The District's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates have risen, the portfolio value will have declined. If interest rates have fallen, the portfolio value will have risen. Fair values of commercial paper are based on quoted market prices. The investments are reported by the District at fair value in accordance with GAAP. The District had no gains or losses from the sale of securities because they were held to maturity. All securities are quoted at fair value including accrued interest.

The District recorded a \$93,583 increase in the fair value of investments for the year that is included in investment income. The total investment income was \$4,807,782.

SPRING INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

Exhibit B-6
Continued

Note 4 - Receivables

Receivables as of June 30, 2020, for the District's individual major funds and non-major funds in the aggregate, including applicable allowances for uncollectible accounts are as follows:

	General Fund	Debt Service Fund	Capital Projects Fund	Elementary & Secondary School Emergency Relief (ESSER) Fund	Non-Major Other Governmental Funds	Total
Property taxes	\$9,317,577	\$3,858,597				\$13,176,174
Due from state	29,272,167			\$9,239,640	\$7,638,796	46,150,603
Due from other governments	98,618				76,175	174,793
Accrued interest	238,288	4,406				242,694
Miscellaneous receivables	229,555		\$469,872		31,556	730,983
Gross receivables	39,156,205	3,863,003	469,872	9,239,640	7,746,527	60,475,247
Less allowance for uncollectibles	(3,787,700)	(1,354,200)				(5,141,900)
Total net receivables	<u>\$35,368,505</u>	<u>\$2,508,803</u>	<u>\$469,872</u>	<u>\$9,239,640</u>	<u>\$7,746,527</u>	<u>\$55,333,347</u>

Note 5 - Capital Assets

A summary of changes in capital asset activity for the year ended June 30, 2020 is as follows:

	Balance June 30, 2019	Additions	Retirements and Transfers	Balance June 30, 2020
<u>Capital assets not being depreciated:</u>				
Land	\$81,017,065		(\$1,169,469)	\$79,847,596
Construction-in-progress	139,408,171	\$90,961,828	(122,344,720)	108,025,279
Total capital assets not being depreciated	<u>220,425,236</u>	<u>90,961,828</u>	<u>(123,514,189)</u>	<u>187,872,875</u>
<u>Capital assets being depreciated:</u>				
Buildings and improvements	753,744,459	23,731,018	120,473,432	897,948,909
Furniture and equipment	87,597,382	2,570,482	1,848,888	92,016,752
Vehicles	32,910,345	1,656,224	(107,400)	34,459,169
Total capital assets being depreciated	<u>874,252,186</u>	<u>27,957,724</u>	<u>122,214,920</u>	<u>1,024,424,830</u>
<u>Less accumulated depreciation:</u>				
Buildings and improvements	(314,601,448)	(18,214,468)		(332,815,916)
Furniture and equipment	(72,051,888)	(3,713,281)	22,400	(75,742,769)
Vehicles	(19,942,514)	(1,798,134)	82,163	(21,658,485)
Total accumulated depreciation	<u>(406,595,850)</u>	<u>(23,725,883)</u>	<u>104,563</u>	<u>(430,217,170)</u>
Governmental activities capital assets, net	<u>\$688,081,572</u>	<u>\$95,193,669</u>	<u>(\$1,194,706)</u>	<u>\$782,080,535</u>

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

Instruction	\$9,009,788
Instructional resources and media services	510,759
Curriculum and staff development	6,602
Instructional leadership	170,991
School leadership	412,453
Guidance and counseling services	73,087
Health services	70,057
Student (pupil) transportation	1,849,274
Child nutrition services	1,851,093
Co-curricular activities	1,290,248
General administration	279,610
Plant maintenance and operations	5,607,156
Security and monitoring services	152,771
Data processing services	2,418,195
Community services	23,799
Total	<u><u>\$23,725,883</u></u>

At June 30, 2020 the District has ongoing construction projects where the active commitments with contractors are as follows:

	Construction in Progress	Remaining Commitments
Spring High School: 9th Grade Center	\$43,447,358	\$2,464,988
Westfield High School: 9th Grade Center	15,522,715	11,156,187
Dekaney High School: 9th Grade Center	34,227,523	4,484,025
Westfield High School ROTC Renovation	314,234	1,211,943
Spring High School Pool Renovation	684,368	2,705,147
Pre-K Program	232,490	205,409
Bammel Middle School Renovation to Pre-K - 8th	61,829	636,523
Re-Branding Four Campuses	4,373	39,857
Reynolds Elementary School Gym Floor	57,192	14,298
Salyers Elementary School Site Improvement	141,349	11,665
District Wide Safety & Security	13,297,346	3,374,906
District Office Renovations	32,502	703,916
District Network Communication Center	2,000	61,272
Total	<u><u>\$108,025,279</u></u>	<u><u>\$27,070,136</u></u>

In December 2019, the District sold 37.85 acres of land which the Board of Trustees determined was surplus land after reviewing the District's long-range planning enrollment projections. The cost of the land was \$1,169,469 and the proceeds from the sale of the land were \$2,134,240, resulting in a \$964,771 gain being realized by the District. This sale of land is classified as a special

item in the Capital Projects Fund financial statements for the fiscal year ended June 30, 2020 since it was within the control of management and is significant.

Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances in the fund financial statements as of June 30, 2020, was as follows:

	Receivable	Payable
General Fund	\$12,213,148	\$1,031,615
Debt Service Fund		42,056
Capital Projects Fund	1,139,280	1,141,895
Elementary & Secondary School Emergency Relief (ESSER) Fund		9,239,640
Non-Major Other Governmental Funds	1,698,787	3,596,009
Total	<u>\$15,051,215</u>	<u>\$15,051,215</u>

All interfund balances are routine in nature, used to pay back funds as necessary, and are expected to be repaid within one year. Most of the amounts represent short-term borrowing between funds for operating expense payments.

Interfund transfers are defined as “flows of assets without equivalent flow of assets in return and without requirement for repayment”. The following is a summary of the District’s transfers for the year ended June 30, 2020:

Transfer Out	Transfer In	Amount
General Fund	Capital Projects Fund	\$10,000,000
General Fund	Child Nutrition Fund	380,610
		<u>\$10,380,610</u>

The transfer from the General Fund to the Capital Projects Fund was to fund the completion of the Westfield High School Ninth Grade Center, the renovation of the Spring High School pool, and to replace desks and chairs at the Lift 6 campuses. The transfer from the General Fund to the Child Nutrition Fund was for the reimbursement of additional pay paid to workers called upon to work during the District closure as a result of the COVID-19 pandemic.

Note 7 - Deferred Inflows of Resources and Unearned Revenue

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are considered to be unavailable to liquidate liabilities in the current period. Revenue recognition in governmental funds does not occur until resources that have been received in advance are earned.

SPRING INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

Exhibit B-6
Continued

The following is a summary of deferred inflows of resources and unearned revenue by fund at June 30, 2020:

	<u>Unavailable Revenue</u>	<u>Unearned Revenue</u>
<u>Deferred Inflows of Resources:</u>		
General Fund - Property Taxes	\$5,093,859	
Debt Service Fund - Property Taxes	2,153,316	
<u>Unearned Revenue:</u>		
Non-Major Other Governmental Funds - Advance Funding		\$423,071
Total	<u>\$7,247,175</u>	<u>\$423,071</u>

Note 8 - Long-Term Liabilities

The District's long-term liabilities consist of bond indebtedness, capital leases, accrued compensated absences, and workers' compensation liability. Bonds are payable solely from future revenues of the Debt Service Fund which consist principally of property taxes collected by the District, state funding, and investment income. Capital lease obligations are payable from the General Fund. The same governmental funds used to pay the employee's salary are used to liquidate the liability for accrued compensated absences. These funds have included the General Fund and the Child Nutrition Fund. Workers' compensation claim liabilities are generally liquidated by the General Fund in the current and prior year.

Changes in Long-term Liabilities

The following is a summary of the long-term liability activity of the District for the fiscal year ended June 30, 2020:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020	Due Within One Year
General obligation bonds	\$738,520,000	\$29,425,000	(\$63,115,000)	\$704,830,000	\$32,165,000
Premium from sale of bonds	96,404,956	4,446,084	(6,641,010)	94,210,030	
Total bonds payable	<u>834,924,956</u>	<u>33,871,084</u>	<u>(69,756,010)</u>	<u>799,040,030</u>	<u>32,165,000</u>
Capital leases	87,485	49,296	(46,891)	89,890	55,032
Accrued compensated absences	1,297,045	618,278	(419,733)	1,495,590	483,984
Workers' compensation claims	1,257,910	1,377,240	(1,186,742)	1,448,408	1,195,232
Total long-term liabilities	<u>\$837,567,396</u>	<u>\$35,915,898</u>	<u>(\$71,409,376)</u>	<u>\$802,073,918</u>	<u>\$33,899,248</u>

The District's net pension liability as of June 30, 2020 was \$114,677,823, which is a decrease of \$10,338,308 from the District's June 30, 2019 net pension liability of \$125,016,131.

The District's net OPEB liability as of June 30, 2020 was \$138,635,456, which was a decrease of \$7,788,195 from the District's June 30, 2019 net OPEB liability of \$146,423,651.

General Obligation Bonds

The District issues general obligation bonds to provide funds for the construction, acquisition, and equipment of school buildings, including safety, security, and technology improvements, for the purchase of necessary sites for school buildings, for the purchase of new school buses, and for refunding outstanding bonds of the District. These bonds are direct obligations and pledge the full faith and credit of the District. These are issued as current interest bonds, term bonds, and/or serial bonds with various amounts of principal maturing each year. Certain outstanding bonds may be redeemed at their par value prior to their normal maturity dates in accordance with the terms of the related bond indentures.

General obligation bonds payable at June 30, 2020, are summarized as follows:

<u>Date Series</u> <u>Issued</u>	<u>Series Maturing</u> <u>Through</u>	<u>Interest</u> <u>Rates (%)</u>	<u>Original</u> <u>Issuance</u>	<u>Outstanding</u> <u>Balance</u>
2011	2020	5.000	\$60,965,000	\$4,745,000
2012	2027	3.000 - 5.000	21,410,000	12,925,000
2013	2027	4.000 - 5.250	38,110,000	21,450,000
2013A	2029	3.250 - 5.000	33,005,000	22,425,000
2014	2030	3.250 - 5.000	76,865,000	72,710,000
2015	2033	4.000 - 5.000	136,870,000	123,405,000
2016	2034	3.500 - 5.000	80,120,000	67,295,000
2017	2042	4.000 - 5.000	198,715,000	190,300,000
2017A	2029	3.000 - 5.000	53,615,000	53,615,000
2018	2033	4.000 - 5.000	10,385,000	8,465,000
2019	2043	4.000 - 5.000	98,070,000	98,070,000
2020	2026	3.000 - 5.000	29,425,000	29,425,000
			<u>\$837,555,000</u>	<u>\$704,830,000</u>

In June 2020, the District issued \$29,425,000 in Unlimited Tax Refunding Bonds, Series 2020. The proceeds from the sale of the Bonds were used to promptly retire \$32,825,000 of the District's Unlimited Tax Schoolhouse and Refunding Bonds, Series 2011 in a current refunding. The original maturities range between 2021 and 2026.

The Series 2020 bonds were issued at a premium of \$4,446,084 with issuance costs of \$308,321. The premium is being amortized over the life of the bonds in the government-wide financial statements. The refunding reduced the District's future debt service payments by \$4,176,339 and resulted in an economic gain of \$4,046,312 (difference between the present value of the debt service payments on the old debt and the new debt). The net carrying amount of the old debt exceeded the reacquisition price by \$1,337,798. This amount is considered a deferred inflow of resources and is being amortized over the remaining life of the refunded debt or the life of the new debt, whichever is shorter. The net proceeds of the refunding bonds were placed in an irrevocable trust with the paying agent to be utilized for the redemption of the refunded bonds on the redemption date of August 15, 2020. As a result, the refunded bonds are considered to be defeased and the liability for such bonds has been removed from the District's financial statements.

At June 30, 2020, the District had no authorized but unissued bonds.

In the current and prior years, the District defeased certain outstanding bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts and the liability for the defeased bonds are not included in the District's financial statements.

At June 30, 2020, the following outstanding bonds are considered defeased:

Series Refunded	Year Refunded	Maturing	Callable	Outstanding Balance
2011	2020	2021-2026	8/15/2020	\$32,825,000
				<u>\$32,825,000</u>

Principal and interest payments on general obligation bonds payable at June 30, 2020, are summarized as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$32,165,000	\$32,289,575	\$64,454,575
2022	34,930,000	31,146,469	66,076,469
2023	36,745,000	29,379,519	66,124,519
2024	38,575,000	27,515,394	66,090,394
2025	40,470,000	25,554,269	66,024,269
2026-2030	229,965,000	95,278,090	325,243,090
2031-2035	149,670,000	47,047,850	196,717,850
2036-2040	78,815,000	24,124,000	102,939,000
2041-2044	63,495,000	5,002,225	68,497,225
Total	<u>\$704,830,000</u>	<u>\$317,337,391</u>	<u>\$1,022,167,391</u>

In accordance with the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Rebutable arbitrage is the excess of the amount earned on investments purchased with bond proceeds over the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. Rebutable arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary of the bond issue and upon final redemption of all outstanding bonds of the issue. The District has estimated that it has no arbitrage liability as of June 30, 2020.

Capital Lease Obligations

In the fiscal year 2017, the District entered into lease agreements for a booklet making system and a production printer valued at \$195,862 with an interest rate of 5.48% and 14.25%, respectively. In the fiscal year 2020, the District entered into a lease agreement for a postage machine valued at \$49,296 with an interest rate of 5%. Each of these leases meets the criteria of a capital lease as defined by generally accepted accounting principles, which define a capital lease generally as one which transfers benefits and risks of ownership to the lessee.

Capital assets acquired by lease have been capitalized in an amount equal to the present value of

the future minimum lease payments at the time of acquisition. Principal and interest payments in the fiscal year 2020 totaled \$46,891 and \$6,990, respectively. The depreciation expense on the equipment acquired by lease was \$44,923 for the year ended June 30, 2020 and the net book value of the equipment at June 30, 2020 is \$108,936.

The future minimum lease obligations and the net present value of these minimum equipment lease payments as of June 30, 2020 are as follows:

Year ended June 30	Governmental Activities
2021	\$58,518
2022	11,127
2023	11,127
2024	11,128
2025	4,636
Total minimum lease payments	96,536
Less: amount representing interest	(6,646)
Present value of minimum lease payments	<u>\$89,890</u>

Note 9 - Revenues from Local and Intermediate Sources

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

	General Fund	Debt Service Fund	Capital Projects Fund	Non-Major Other Governmental Funds	Total Governmental Funds
Property taxes	\$133,581,241	\$64,706,083			\$198,287,324
Penalty & interest	846,043	378,494			1,224,537
Tuition and fees	138,433			\$8,010	146,443
Earnings on investments	1,898,983	603,563	\$2,245,091	60,145	4,807,782
Food sales				1,346,502	1,346,502
Other local	1,381,565		150,000	1,925,123	3,456,688
Total	<u>\$137,846,265</u>	<u>\$65,688,140</u>	<u>\$2,395,091</u>	<u>\$3,339,780</u>	<u>\$209,269,276</u>

Note 10 - Risk Management

Property, Casualty and Liability Insurance

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of property; errors and omissions; and natural disasters for which the District carries commercial insurance. Settled claims have not exceeded insurance coverage in any of the previous three fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

Workers' Compensation

The District established a self-insured risk management program for workers' compensation. Transactions related to the plan are accounted for in the General Fund. Claims administration, loss control, and consultant services are provided by a third-party administrator. Liabilities that are considered due and payable as of June 30, 2020, are included in the governmental funds financial statements. Liabilities also include an estimated amount for claims that have been incurred but not yet reported, which was determined based on the District's historical claims experience and an estimate of the remaining liability for known claims. This estimated amount is accounted for in the government-wide financial statements as a long-term liability. An excess coverage insurance policy provides coverage in excess of \$450,000 per occurrence for workers' compensation injuries. It also provides coverage in excess of \$450,000 per employee for occupational disease claims, if they should arise. There were no significant reductions in insurance coverage from the prior year. The amount of settlements has not exceeded insurance coverage in each of the past three fiscal years.

The following is a summary of the changes in workers' compensation claims payable for fiscal years 2020 and 2019:

Fiscal Year	Beginning of Fiscal Year Claims Payable	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End	Portion of Balance Due and Payable at Year End
2020	\$1,257,910	\$1,377,240	\$1,186,742	\$1,448,408	\$1,195,232
2019	\$1,258,966	\$1,717,862	\$1,718,918	\$1,257,910	\$1,082,680

Note 11 - Defined Benefit Pension Plan

Plan Description

The District participates in a cost-sharing multiple-employer defined benefit pension plan 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

Detail information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://www.trs.texas.gov/TRS%20Documents/cafr_2019.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 cost-of-living adjustments (COLAs). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan Description above.

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

In May 2019, the 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.

Contributions

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

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

	Contribution Rates	
	Plan Fiscal Year Ending August 31,	
	2019	2020
Member (Employee)	7.7%	7.7%
Non-employer contributing entity (State)	6.8%	7.5%
District	6.8%	7.5%

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA). Contributions and pension expense for all contributors were as follows:

	Measurement Year (2019)		Fiscal Year (2020)
	Contributions Required and Made	Pension Expense	TRS Contributions
Member (Employee)	\$18,695,619		\$19,477,729
Non-employer contributing entity (State)	\$11,436,483	\$26,682,559	\$13,455,378
District	\$7,696,774	\$23,644,708	\$8,335,652

As the non-employer contributing entity for public education, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers.

Public school employers are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's 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 or charter school, the employer shall contribute 1.5% of covered payroll to the pension fund beginning in fiscal year 2020. This contribution rate called the Public Education Employer Contribution will replace the Non Old-Age, Survivors and Disability Insurance (OASDI) surcharge that was in effect in fiscal year 2019.

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

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.
- When a school district or charter school does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees. This surcharge was in effect through fiscal year 2019 and was replaced with the Public Education Employer Contribution explained above.

Actuarial Assumptions

The total pension liability in the August 31, 2018 actuarial valuation rolled forward to August 31, 2019 was determined using the following actuarial assumptions:

Valuation Date	August 31, 2018, rolled forward to August 31, 2019
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term Expected Rate	7.25%
Municipal Bond Rate as of August 2019	2.63%. 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)	2116
Inflation	2.30%
Salary Increases	3.05% to 9.05% including inflation
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2018.

Discount Rate

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

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

The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2019 are summarized on the next page:

SPRING INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS

Exhibit B-6
Continued

Asset Class	FY 2019 Target Allocation ¹ %	New Target Allocation ² %	Long Term Expected Geometric Real Rate of Return ³
<u>Global Equity</u>			
U.S.	18.00%	18.00%	6.40%
Non-U.S. Developed	13.00%	13.00%	6.30%
Emerging Markets	9.00%	9.00%	7.30%
Directional Hedge Funds	4.00%	0.00%	0.00%
Private Equity	13.00%	14.00%	8.40%
<u>Stable Value</u>			
U.S. Treasuries ⁴	11.00%	16.00%	3.10%
Stable Value Hedge Funds	4.00%	5.00%	4.50%
Absolute Return (Including Credit Sensitive investments)	0.00%	0.00%	0.00%
<u>Real Return</u>			
Global Inflation Linked Bonds ⁴	3.00%	0.00%	0.00%
Real Estate	14.00%	15.00%	8.50%
Energy, Natural Resources and Infrastructure	5.00%	6.00%	7.30%
Commodities	0.00%	0.00%	0.00%
<u>Risk Parity</u>			
Risk Parity	5.00%	8.00%	5.80/6.50% ⁵
Asset Allocation Leverage			
Cash	1.00%	2.00%	2.50%
Asset Allocation Leverage	0.00%	-6.00%	2.70%
Expected Return	7.23%		

¹ FY 2019 Target Allocation based on the Strategic Asset Allocation dated on 10/1/2018.

² New Target Allocation based on Strategic Asset Allocation dated 10/1/2019.

³ 10-Year annualized geometric nominal returns include the real rate of return and inflation of 2.1%.

⁴ New Target Allocation groups Government Bonds with the stable value allocation. This includes global sovereign nominal and inflation-linked bonds.

⁵ 5.80% (6.50%) return expectation corresponds to Risk Parity with a 10.00% (12.00%) target volatility.

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 (7.250%) in measuring the net pension liability:

	Discount Rate		
	1% Decrease (6.250%)	Current Rate (7.250%)	1% Increase (8.250%)
District's proportionate share of the net pension liability	\$176,276,473	\$114,677,823	\$64,771,027

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

At June 30, 2020, the District reported a liability of \$114,677,823 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$114,677,823
State's proportionate share of the net pension liability associated with the District	169,859,655
Total	<u>\$284,537,478</u>

The net pension liability was measured as of August 31, 2018 and rolled forward to August 31, 2019 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, 2018 through August 31, 2019.

At August 31, 2019, the District's proportion of the collective net pension liability was 0.2206% which was a decrease of 0.0065% from its proportion measured as of August 31, 2018.

Changes Since the Prior Actuarial Valuation

- The single discount rate as of August 31, 2018 was a blended rate of 6.907 percent and that has changed to the long-term rate of return of 7.25 percent as of August 31, 2019.
- With the enactment of SB 3 by the 2019 Texas Legislature, an assumption has been made about how this would impact future salaries. It is assumed that eligible active members will each receive a \$2,700 increase in fiscal year 2020. This is in addition to the salary increase expected in the actuarial assumptions.
- The Texas Legislature approved funding for the 13th check. All eligible members retired as of December 31, 2018 received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment of \$2,000, whichever was less.

For the year ended June 30, 2020, the District recognized pension expense of \$23,644,708 as well as revenue of \$26,682,559 representing pension expense incurred by the State on behalf of the District.

At June 30, 2020, 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 actuarial experience	\$481,749	(\$3,981,797)
Changes in actuarial assumptions	35,578,693	(14,702,799)
Differences between projected and actual investment earnings	1,151,498	
Changes in proportion and differences between the District's contributions and proportionate share of contributions	8,543,537	(4,775,312)
Contributions paid to TRS subsequent to the measurement date	7,138,164	
Total	<u>\$52,893,641</u>	<u>(\$23,459,908)</u>

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$7,138,164 will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. The net amounts of the District's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	Pension Expense Amount
2021	\$6,738,826
2022	5,281,606
2023	5,324,493
2024	4,887,259
2025	1,260,193
2026	(1,196,808)
	<u>\$22,295,569</u>

Note 12 – Defined Other Post-Employment Benefit Plans

Plan Description

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

OPEB Plan Fiduciary Net Position

Detail information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at

https://www.trs.texas.gov/TRS%20Documents/cafr_2019.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. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes; including automatic cost-of-living adjustments (COLAs).

The General Appropriations Act passed by the 86th Legislature included funding to maintain TRS-Care premiums at their current level through 2021. The 86th Legislature also passed SB 1682 which requires TRS to establish a contingency reserve in the TRS-Care fund equal to 60 days of expenditures.

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

	TRS-Care Monthly 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

Contributions

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

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .75% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act.

The following table shows contributions to the TRS-Care plan by type of contributor.

	Contribution Rates	
	Plan Fiscal Year Ending August 31,	
	2019	2020
Active employee	0.65%	0.65%
Non-employer contributing entity (State)	1.25%	1.25%
District	0.75%	0.75%
Federal/private funding remitted by District	1.25%	1.25%

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

Contributions and OPEB expense for all contributors were as follows:

	Measurement Year (2019)		Fiscal Year (2020)
	Contributions Required and Made	OPEB Expense	TRS-Care Contributions
Member (Employee)	\$1,578,202		\$1,644,159
Non-employer contributing entity (State)	\$2,764,448	\$4,855,165	\$2,943,946
District	\$2,080,555	\$4,645,778	\$2,130,657

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$73.6 million in fiscal year 2019.

\$230,756,971 was transferred to TRS to pay for TRS-Care during the 86th Legislative Session, House Bill 1. GASB Statement No. 85 requires that an on-behalf payment is recorded for the districts proportionate share. The proportionate share was determined using the GASB Statement No. 75 TRS-Care proportionate share allocation. For the year ended June 30, 2020, the District recorded an expenditure for their proportionate share of the funds along with the corresponding revenue of \$676,470.

Actuarial Assumptions

The total OPEB liability in the August 31, 2018 actuarial valuation was rolled forward to August 31, 2019. The actuarial valuation was determined using the following actuarial assumptions:

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 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).

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2018 TRS pension actuarial valuation that was rolled forward to August 31, 2019:

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2018, rolled forward to August 31, 2019
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	2.63% as of August 31, 2019
Aging Factors	Based on plan specific experience
Election Rates	Normal Retirement: 65% participation prior to age 65 and 50% after age 65. 25% of pre-65 retirees are assumed to discontinue coverage at age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Salary Increases	3.05% to 9.05%, including inflation
Ad hoc post-employment benefit changes	None

In this valuation the impact of the Cadillac Tax that is returning in fiscal year 2023, has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

- 2018 thresholds of \$850/\$2,292 were indexed annually by 2.30 percent.
- Premium data submitted was not adjusted for permissible exclusions to the Cadillac Tax.
- There were no special adjustments to the dollar limit other than those permissible for non-Medicare retirees over 55.

Results indicate that the value of the excise tax would be reasonably represented by a 25 basis point addition to the long-term trend rate assumption.

Discount Rate

A single discount rate of 2.63% was used to measure the total OPEB liability. There was a decrease of 1.06% in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

Discount Rate Sensitivity Analysis

Discount Rate

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.63%) in measuring the net OPEB liability:

	Discount Rate		
	1% Decrease (1.63%)	Current Rate (2.63%)	1% Increase (3.63%)
District's proportionate share of the Net OPEB liability:	\$167,377,480	\$138,635,456	\$116,150,545

Healthcare Cost Trend Rates

The following presents the District’s proportionate share of the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate:

	Healthcare Trend Rate		
	1% Decrease	Current	1% Increase
District's proportionate share of the Net OPEB liability:	\$113,093,942	\$138,635,456	\$172,849,357

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

At June 30, 2020, the District reported a liability of \$138,635,456 for its proportionate share of the TRS’s net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$138,635,456
State's proportionate share that is associated with the District	<u>184,215,512</u>
Total	<u><u>\$322,850,968</u></u>

The net OPEB liability was measured as of August 31, 2018 and rolled forward to August 31, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the District's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2018 through August 31, 2019.

At August 31, 2019 the District's proportion of the collective net OPEB liability was 0.2932% which was a decrease of 0.0001% from its proportion measured as of August 31, 2018.

Changes Since the Prior Actuarial Valuation

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

- The discount rate changed from 3.69 percent as of August 31, 2018 to 2.63 percent as of August 31, 2019. This change increased the TOL.
- The participation rate for pre-65 retirees was lowered from 70 percent to 65 percent. The participation rate for post-65 retirees was lowered from 75 percent to 50 percent. 25 percent of pre-65 retirees are assumed to discontinue their coverage at age 65. There was no lapse assumption in the prior valuation. These changes decreased the TOL.
- The trend rates were reset to better reflect the plan's anticipated experience. This change increased the TOL.
- The percentage of retirees who are assumed to have two-person coverage was lowered from 20 percent to 15 percent. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20 percent to 10 percent. These changes decreased the TOL.

Change in Benefit Terms Since Prior Measurement Date

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

For the year ended June 30, 2020, the District recognized OPEB expense of \$4,645,778 and an additional on-behalf expense and revenue of \$4,855,165 for support provided by the state.

At June 30, 2020, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experience	\$6,801,247	(\$22,686,222)
Changes in actuarial assumptions	7,700,119	(37,289,535)
Difference between projected and actual investment earnings	14,957	
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	6,267,816	(56,779)
Contributions paid to TRS subsequent to the measurement date	1,786,362	
Total	<u>\$22,570,501</u>	<u>(\$60,032,536)</u>

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$1,786,362 will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2021. The net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30,	OPEB Expense Amount
2021	(\$6,765,905)
2022	(6,765,905)
2023	(6,770,746)
2024	(6,773,515)
2025	(6,772,757)
2026	(5,399,569)
	<u>(\$39,248,397)</u>

Medicare Part D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. Under Medicare Part D, TRS-Care receives retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These payments are recorded as equal revenues and expenditures in the governmental funds financial statements of the District. For the years ended June 30, 2020, 2019, and 2018, the subsidy payments received by TRS-Care on-behalf of the District are as follows:

<u>Fiscal Year</u>	<u>Medicare Part D</u>
2020	\$1,096,871
2019	\$774,288
2018	\$939,551

Note 13 - Shared Services Arrangement

The District participates in a shared services arrangement for a Regional Day School for the Deaf with seven other school districts. Although .48% of the activity of the shared services arrangement is attributable to the District's participation, the District does not account for revenues or expenditures in this program and does not disclose them in these financial statements. Cypress-Fairbanks Independent School District is the fiscal agent manager and is responsible for all financial activities of the shared services arrangement.

The expenditures attributable to the District's participation totaled \$2,980 for the year ended June 30, 2020. The District also participates in a shared services arrangement with a Regional Day School for the Deaf with Aldine Independent School District. This arrangement differs from that of the Cypress-Fairbanks Independent School District in that the District only pays for services provided to students that are not enrolled in the Regional Day School for the Deaf. The costs associated with these services vary based on need. Total costs paid to Aldine Independent School District for evaluation and admission, review, and dismissal (ARD) services for non-enrolled students totaled \$4,920 for the year ended June 30, 2020.

Note 14 - Commitments and Contingencies

The District received significant financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies and the TEA. Any disallowed claims resulting from such audits would become a liability of the General Fund. However, in the opinion of management, potential disallowed claims, if any, would not have a material effect on the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 2020.

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any present legal proceedings will not have any material adverse effect on the District's financial condition.

Note 15 - Subsequent Events

On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in Texas in response to the COVID-19, which disaster declaration he has subsequently

extended. In addition, certain local officials, including the County Judge of Harris County, also declared a local state of disaster.

TEA will institute the average daily attendance (ADA) hold harmless for the first two six-week attendance reporting periods as follows: if a Local Education Agency's (LEA) refined ADA counts during those first two six-week reporting periods are less than the ADA hold harmless projections, the first two six-week attendance reporting periods for 2020–2021 will be excluded from the calculation of ADA and student full-time equivalents (FTEs) for Foundation School Program (FSP) funding purposes and will be replaced with the ADA hold harmless projections. For purposes of the hold harmless calculation, TEA will not consider each six weeks attendance period independent of each other. TEA will replace attendance numbers for each eligible LEA's 2020-2021 first two six-week attendance periods with projected ADA and student FTE numbers calculated using a three-year average trend of final numbers from the 2017-2018 through the 2019-2020 school years, unless this projection is both 15% higher and 100 ADA higher than the 2020-2021 Legislative Planning Estimate (LPE) projections. In the latter case, 2020-2021 LPE counts will be used.

TEA will make available an ADA hold harmless for the third six weeks attendance reporting period, on the condition that LEAs allow on-campus instruction throughout the entire third six weeks period. The ADA hold harmless methodology will be identical to the methodology used for the first two six weeks attendance reporting periods, except that the third six weeks will be examined independent of the first two six weeks attendance reporting periods. Specifically, if an LEA's refined ADA counts during the third six-weeks attendance reporting period is less than the ADA hold harmless projections, the third six-weeks attendance reporting period for 2020–2021 will be excluded from the calculation of ADA and student FTEs for FSP funding purposes and will be replaced with the ADA hold harmless projections. This ADA hold harmless methodology will only apply to attendance-based counts and will not apply to enrollment-based FSP allotments such as the state compensatory education allotment and the dyslexia allotment.

The full extent of the ongoing impact of the COVID-19 pandemic on the District's 2020-2021 fiscal year and long-term operational and financial performance will depend on future developments, many of which are outside of its control, including the effectiveness of the mitigation strategies related to COVID-19, the duration and spread of COVID-19, and future governmental actions, all of which are highly uncertain and cannot be predicted.

REQUIRED SUPPLEMENTARY INFORMATION

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SPRING INDEPENDENT SCHOOL DISTRICT**Exhibit C-1****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN****FUND BALANCE - BUDGET AND ACTUAL****GENERAL FUND****For the Fiscal Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Local and intermediate sources	\$139,859,722	\$139,544,277	\$137,846,265	(\$1,698,012)
State program revenues	178,807,953	170,907,709	173,189,856	2,282,147
Federal program revenues	6,000,000	6,050,000	6,433,183	383,183
Total Revenues	<u>324,667,675</u>	<u>316,501,986</u>	<u>317,469,304</u>	<u>967,318</u>
EXPENDITURES				
Current:				
Instruction	190,186,932	199,417,954	180,851,355	18,566,599
Instructional resources and media services	3,188,541	3,249,007	2,718,271	530,736
Curriculum and staff development	3,739,321	4,415,338	3,539,771	875,567
Instructional leadership	9,105,007	9,266,667	8,993,560	273,107
School leadership	22,378,927	23,444,405	23,230,676	213,729
Guidance and counseling services	12,999,684	13,675,795	12,709,201	966,594
Social work services	646,637	787,923	564,413	223,510
Health services	2,885,183	3,174,646	2,758,312	416,334
Student (pupil) transportation	14,911,717	15,362,407	13,051,767	2,310,640
Co-curricular activities	6,122,520	6,293,223	5,333,842	959,381
General administration	12,340,774	13,119,008	12,057,786	1,061,222
Plant maintenance and operations	29,231,810	30,624,021	27,924,606	2,699,415
Security and monitoring services	6,578,054	6,534,329	6,181,961	352,368
Data processing services	7,147,833	7,383,474	6,611,305	772,169
Community services	776,612	830,618	621,334	209,284
Debt Service:				
Principal on long-term debt	36,425	101,625	46,891	54,734
Interest on long-term debt	10,965	10,965	6,990	3,975
Capital Outlay:				
Facilities acquisition and construction	125,733	776,820	700,038	76,782
Intergovernmental Charges:				
Fiscal agent/shared services arrangement	30,000	30,000	2,980	27,020
Alternative education	100,000	100,000	17,000	83,000
Payments to tax increment fund	675,000	919,413	919,413	
Other intergovernmental charges	1,450,000	1,466,200	1,466,198	2
Total Expenditures	<u>324,667,675</u>	<u>340,983,838</u>	<u>310,307,670</u>	<u>30,676,168</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(24,481,852)</u>	<u>7,161,634</u>	<u>31,643,486</u>
OTHER FINANCING SOURCES (USES)				
Sale of property		4,500	7,026	2,526
Issuance of capital leases		50,000	49,296	(704)
Transfers out		(10,000,000)	(10,380,610)	(380,610)
Total Other Financing Sources (Uses)		<u>(9,945,500)</u>	<u>(10,324,288)</u>	<u>(378,788)</u>
Net change in fund balance		(34,427,352)	(3,162,654)	31,264,698
FUND BALANCE, JULY 1	<u>125,909,976</u>	<u>125,909,976</u>	<u>125,909,976</u>	
FUND BALANCE, JUNE 30	<u>\$125,909,976</u>	<u>\$91,482,624</u>	<u>\$122,747,322</u>	<u>\$31,264,698</u>

See accompanying notes to required supplementary information.

Note 1 - 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 Fund for the fiscal year beginning September 1 (or July 1, if the District has elected to change the start of the fiscal year). The Texas Education Code requires the budget to be prepared not later than August 20 (June 19th for a fiscal year start date of July 1) and adopted by August 31 (June 30 for a fiscal year start date of July 1) of each year. The District's administration determines budgetary funding priorities using a modified zero-based budgeting concept, which is consistent with GAAP. 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 a legally authorized appropriated budget for the General Fund.

The District's administration performs budget reviews three times a year by which budget requirements are re-evaluated and revisions recommended to the Board. The Board may approve amendments to the budget, which are required when a change is made to any one of the functional expenditure categories or revenue object accounts defined by the TEA. Expenditures may not legally exceed budgeted appropriations, as amended, at the function level by fund. Unexpended appropriations lapse at year-end.

Management may amend the budget without seeking Board approval if appropriations are not moved between functions. Therefore, appropriations may be transferred between objects, sub-objects, organizations, programs, and projects without Board approval. During fiscal year 2020, General Fund appropriations and other financing uses were increased by \$26,316,163 and revenues and other financing sources were decreased by (\$8,111,189).

Note 2 - Variances with Final Budget

General Fund - The variance in the final total budgeted revenues versus actual revenues is primarily due to higher than anticipated state aid for the career and technical education program.

The variance in final budgeted expenditures versus actual expenditures is primarily due conservative budgeting as well as savings in expenditures related to the extended District closure as a result of the COVID-19 pandemic. Due to the District closure, there were savings in transportation, maintenance and operations as well as in salary budgets including substitute cost, overtime and extra duty pay.

SPRING INDEPENDENT SCHOOL DISTRICT
Exhibit C-3
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Teacher Retirement System of Texas
For the Last Six Measurement Years Ended August 31

	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.2206%	0.2271%	0.2340%	0.2390%	0.2456%	0.1423%
District's proportionate share of the net pension liability	\$114,677,823	\$125,016,131	\$74,806,160	\$90,303,341	\$86,829,092	\$38,024,295
State's proportionate share of the net pension liability associated with the District	169,859,655	186,978,519	107,986,931	137,445,154	134,342,127	111,344,913
Total	<u>\$284,537,478</u>	<u>\$311,994,650</u>	<u>\$182,793,091</u>	<u>\$227,748,495</u>	<u>\$221,171,219</u>	<u>\$149,369,208</u>
District's covered payroll (for measurement year)	\$242,800,257	\$241,634,541	\$234,411,778	\$237,943,264	\$230,700,849	\$205,978,531
District's proportionate share of the net pension liability as a percentage of it's covered payroll	47.2%	51.7%	31.9%	38.0%	37.6%	18.5%
Plan fiduciary net position as a percentage of the total pension liability *	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%
Plan's net pension liability as a percentage of covered payroll *	114.93%	126.11%	75.93%	92.75%	91.94%	72.89%

Notes: The amounts presented are for each Plan year which ends the preceding August 31 of the District's fiscal year.

Ten years of data should be presented in this schedule but data is unavailable prior to 2014.

Net pension liability and related ratios will be presented prospectively as data becomes available.

* Per Teacher Retirement System of Texas' Comprehensive Annual Financial Report

SPRING INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
Teacher Retirement System of Texas
For the Last Ten Fiscal Years Ended June 30

Exhibit C-4

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contributions	\$8,335,652	\$7,678,129	\$7,681,399	\$7,731,778	\$7,605,202
Contributions in relation to the contractual required contributions	<u>8,335,652</u>	<u>7,678,129</u>	<u>7,681,399</u>	<u>7,731,778</u>	<u>7,605,202</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$252,947,517	\$242,527,457	\$240,462,954	\$235,330,934	\$237,796,109
Contributions as a percentage of covered payroll	3.30%	3.17%	3.19%	3.29%	3.20%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually required contributions	\$6,544,720	\$3,547,693	\$2,715,354	\$2,582,495	\$3,246,240
Contributions in relation to the contractual required contributions	<u>6,544,720</u>	<u>3,547,693</u>	<u>2,715,354</u>	<u>2,582,495</u>	<u>3,246,240</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$224,935,326	\$202,678,708	\$188,119,626	\$186,627,986	\$204,162,238
Contributions as a percentage of covered payroll	2.91%	1.75%	1.44%	1.38%	1.59%

Changes of Assumptions

Assumptions, methods, and plan changes which are specific to the Pension Trust Fund were updated from the prior year's report. The net pension liability increased significantly since the prior measurement date due to a change in the following actuarial assumptions:

- The single discount as of August 31, 2018 was a single blended rate 6.907 percent and that has changed to the long-term rate of return of 7.25 percent as of August 31, 2019.
- With the enactment of SB 3 by the 2019 Texas legislature, an assumption has been made about how this would impact future salaries. It is assumed that eligible active members will each receive \$2,700 increase in fiscal year 2020. This is in addition to the salary increase expected based on the actuarial assumptions.

Changes in Benefit Terms

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

Other Information

Effective September 1, 2014, employers who did not contribute to Social Security for TRS-eligible employees were required to contribute an additional 1.5% of TRS-eligible compensation which nearly doubled the District's contributions into the Plan. Because the District's proportional share of the plan is determined by its proportional share of contributions, the District recognized a corresponding increase in its share of net pension liability.

SPRING INDEPENDENT SCHOOL DISTRICT**Exhibit C-6*****SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY******Teachers Retirement System of Texas******For the Last Three Measurement Years Ended August 31***

	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.2932%	0.2933%	0.2802%
District's proportionate share of the net OPEB liability	\$138,635,456	\$146,423,651	\$121,845,547
State's proportionate share of the net OPEB liability associated with the District	<u>184,215,512</u>	<u>204,767,526</u>	<u>182,474,757</u>
Total	<u><u>\$322,850,968</u></u>	<u><u>\$351,191,177</u></u>	<u><u>\$304,320,304</u></u>
District's covered payroll (for measurement year)	\$242,800,257	\$241,634,541	\$234,411,778
District's proportionate share of the net OPEB liability as a percentage of it's covered payroll	57.1%	60.6%	52.0%
Plan fiduciary net position as a percentage of the total OPEB liability *	2.66%	1.57%	0.91%
Plan's net OPEB liability as a percentage of covered payroll *	135.21%	146.64%	132.55%

Note: The amounts presented are for each Plan year which ends the preceding August 31 of the District's fiscal year.

Ten years of data should be presented in this schedule but data is unavailable prior to 2017.

Net OPEB liability and related ratios will be presented prospectively as data becomes available.

* Per Teacher Retirement System of Texas' Comprehensive Annual Financial Report

SPRING INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S OPEB CONTRIBUTIONS
Teachers Retirement System of Texas
For the Last Ten Fiscal Years Ended June 30

Exhibit C-7

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contributions	\$2,130,657	\$2,073,777	\$1,924,258	\$1,468,548	\$1,476,499
Contributions in relation to the contractual required contributions	<u>2,130,657</u>	<u>2,073,777</u>	<u>1,924,258</u>	<u>1,468,548</u>	<u>1,476,499</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$252,947,517	\$242,527,457	\$240,462,954	\$235,330,934	\$237,796,109
Contributions as a percentage of covered payroll	0.84%	0.86%	0.80%	0.62%	0.62%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually required contributions	\$1,398,022	\$1,245,976	\$1,092,047	\$1,124,821	\$1,234,783
Contributions in relation to the contractual required contributions	<u>1,398,022</u>	<u>1,245,976</u>	<u>1,092,047</u>	<u>1,124,821</u>	<u>1,234,783</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$224,935,326	\$202,678,708	\$188,119,626	\$186,627,986	\$204,162,238
Contributions as a percentage of covered payroll	0.62%	0.61%	0.58%	0.60%	0.60%

Changes since the Prior Actuarial Valuation

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

- The discount rate changed from 3.69 percent as of August 31, 2018 to 2.63 percent, as of August 31, 2019. This change increased the Total OPEB Liability (TOL).
- The participation rate for pre-65 retirees was lowered from 70 percent to 65 percent. The participation rate for post-65 retirees was lowered from 75 percent to 50 percent. 25 percent of pre-65 retirees are assumed to discontinue their coverage at age 65. These was no lapse assumption in the prior valuation, these changes decreased TOL.
- The trend rates were reset to better reflect the plan's anticipated experience. This change increased TOL.
- The percentage of retirees who are assumed to have two-person coverage was lowered from 20 percent to 15 percent. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20 percent to 10 percent. These changes decreased the TOL.

Changes in Benefit Terms

Effective January 1, 2018, only one health plan option will exist (instead of three), and all retirees will be required to contribute monthly premiums for coverage. The health plan changes triggered changes to several of the assumptions, including participation rates, retirement rates, and spousal participation rates. This change in plan benefits significantly lowered the OPEB liability and had an immediate effect on the OPEB expenses recognized by participating entities.

The 85th Legislature, Regular Session, passed the following statutory changes in House Bill 3976 which became effective on September 1, 2017:

- Created a high-deductible health plan that provides a zero cost for generic prescriptions for certain preventive drugs and provides a zero premium for disability retirees who retired as a disability retiree on or before January 1, 2017 and are not eligible to enroll in Medicare.
- Created a single Medicare Advantage plan and Medicare prescription drug plan for all Medicare-eligible participants.
- Allowed the System to provide other, appropriate health benefit plans to address the needs of enrollees eligible for Medicare.
- Allowed eligible retirees and their eligible dependents to enroll in TRS-Care when the retiree reaches 65 years of age, rather than waiting for the next enrollment period.
- Eliminated free coverage under TRS-Care, except for certain disability retirees enrolled during Plan Years 2018 through 2021, requiring members to contribute \$200 per month toward their health insurance premiums.

OTHER SUPPLEMENTARY INFORMATION

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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Major Governmental Fund

Debt Service Fund

The Debt Service Fund is used to account for revenues from property taxes levied specifically for debt service, state revenue, earnings on temporary investments and the expenditure of these revenues for payment of general long-term debt.

SPRING INDEPENDENT SCHOOL DISTRICT
Exhibit D-1
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - DEBT SERVICE FUND**
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Local and intermediate sources	\$65,246,966	\$66,096,966	\$65,688,140	(\$408,826)
State program revenues	1,023,506	1,023,506	943,650	(79,856)
Total Revenues	66,270,472	67,120,472	66,631,790	(488,682)
EXPENDITURES				
Debt Service:				
Principal on long-term debt	30,290,000	30,290,000	30,290,000	
Interest on long-term debt	34,106,015	34,106,015	34,106,014	1
Bond issuance costs and fees	50,000	33,921,084	329,071	33,592,013
Total Expenditures	64,446,015	98,317,099	64,725,085	33,592,014
Excess (deficiency) of revenues over (under) expenditures	1,824,457	(31,196,627)	1,906,705	33,103,332
OTHER FINANCING SOURCES				
Refunding bonds issued		29,425,000	29,425,000	
Premium on issuance of bonds		4,446,084	4,446,084	
Payment to refunded bond escrow agent			(33,544,065)	(33,544,065)
Total Other Financing Sources (Uses)		33,871,084	327,019	(33,544,065)
Net change in fund balance	1,824,457	2,674,457	2,233,724	(440,733)
FUND BALANCE, JULY 1	66,240,064	66,240,064	66,240,064	
FUND BALANCE, JUNE 30	\$68,064,521	\$68,914,521	\$68,473,788	(\$440,733)

Non-Major Governmental Funds

Special Revenue Funds

The Special Revenue Funds are used to account for the District's Child Nutrition operations, School Activity funds, and all non-major federal, state and locally funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational goals. Grants included in the Special Revenue Funds are described below.

Elementary and Secondary Education Act (ESEA), Title I, Part A - Improving Basic Programs

Funds are used to provide opportunities for children to acquire the knowledge and skills contained in the challenging State content standards and to meet the State performance standards developed for all children.

Individuals with Disabilities Education Act (IDEA), Part B - Formula

Funds are used to operate educational programs for children with disabilities.

Individuals with Disabilities Education Act (IDEA), Part B - Preschool

Funds are used for preschool children with disabilities.

Individuals with Disabilities Education Act (IDEA), Part B - Discretionary

Funds are used to support a Regional Education Service Center (ESC) special education component. High Cost funds assist Local Education Agencies (LEAs), including school districts, in addressing the needs of high-need children with disabilities and the financial impact on the child's LEA.

Child Nutrition Fund

Accounts for all transactions in the District's Child Nutrition program. This includes the federally funded National School Lunch program, breakfast and supper programs.

Career and Technical Education - Basic

Funds are used to provide instruction related to career and technical education and to develop new and/or improved career and technical education programs for paid and unpaid employment.

Elementary and Secondary Education Act (ESEA), Title II, Part A – Teacher and Principal Training and Recruiting

Funds are used to improve student achievement through improving teacher and principal quality and increasing the number of highly qualified teachers, principals and assistant principals in schools to hold districts accountable for improving student academic achievement.

Elementary and Secondary Education Act (ESEA), Title III, Part A - English Language Acquisition and Language Enhancement

Funds are used to improve the education of limited English proficient children by assisting the children in learning the English language and meet challenging State academic content and student academic achievement standards.

21st Century Community Learning Centers

Funds are used to provide students and their families with out-of-school time services that offer an array of enrichment activities that complement regular academic programs and assist students in meeting academic standards in core subjects (math, reading, science, social studies).

Special Revenue Funds (*continued*)

Medicaid Administrative Claiming Program

Funds are used to enhance, improve, or expand the level and quality of health and medical services provided to students.

Federally Funded Special Revenue Funds

Funds are used for summer school programs for limited English proficient (LEP) students who will be eligible for admission to kindergarten and first grade at the beginning of the next school year. Funds are used for providing direct child care to eligible teen parents and staff of Spring ISD. Also included are funds to improve students' academic achievement by providing all students with access to a well-rounded education, improve school conditions for student learning, and improve the use of technology.

State Supplemental Visually Impaired (SSVI)

Funds received from the State Department of Education, passed through Region IV Educational Service Center, to provide orientation and mobility (O&M) services for students with visual impairments.

Advanced Placement Incentives

Funds are used to provide reimbursement for Advanced Placement teacher training approved by the College Board. Funds are also awarded to specific campuses based on student scores on Advanced Placement examinations and are to be used for enhancement of academic programs at awarded campus.

State Instructional Materials Fund

Funds are used for the purchase of instructional material, technological equipment, and technology-related services.

State Funded Special Revenue Funds

Funds are used towards Reading Academies to increase the teachers' knowledge, understanding, and systematic use of effective, research-based, and scientifically validated reading instruction methods for students. Funds are also used towards the Math Innovation Zones program to improve academic outcomes in math for Pre-K through 8th grade to ultimately increase 8th grade Algebra I preparedness and participation. Also included are other state funded special revenue funds that have not been specified above.

School Activity Funds

Accounts for transactions of school sponsored activities benefiting students and staff. This includes fund raising activities, vending sales, incentive programs, and corporate and private donations.

Locally Funded Special Revenue Funds

Locally funded special revenue funds not specified above.

Locally Funded Scholarships

Funds are awarded to graduating high school seniors in recognition of their capacity to lead and serve, and their commitment to making a significant impact on their schools and communities.

Career and Technology Education (CTE) Advisory Board Grants

Funds are used to expand and improve the CTE program.

Special Revenue Funds (*continued*)

Spring Education Foundation Grants

Funds awarded by the Spring Education Foundation to provide support for teachers and students to promote the District's mission of providing every student with a quality education.

SPRING INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2020

	ESEA Title I Part A Improving Basic Programs	IDEA Part B Formula	IDEA Part B Preschool	IDEA Part B Discretionary
<u>ASSETS</u>				
Cash				
Temporary investments				
Due from governmental agencies	\$2,876,601	\$962,802	\$39,118	\$72,406
Interfund receivables				
Other receivables	835			
Inventories, at cost				
TOTAL ASSETS	<u>\$2,877,436</u>	<u>\$962,802</u>	<u>\$39,118</u>	<u>\$72,406</u>
<u>LIABILITIES</u>				
Accounts payable	\$234,438	\$53,948		
Accrued salaries and expenditures	1,558,296	367,073	\$9,843	
Interfund payables	1,084,702	541,781	29,275	\$72,406
Unearned revenue				
Total Liabilities	<u>2,877,436</u>	<u>962,802</u>	<u>39,118</u>	<u>72,406</u>
<u>FUND BALANCES</u>				
Restricted:				
Grant funds				
Committed:				
School activity funds				
Total Fund Balances				
TOTAL LIABILITIES AND FUND BALANCES	<u>\$2,877,436</u>	<u>\$962,802</u>	<u>\$39,118</u>	<u>\$72,406</u>

Child Nutrition	Career and Technical Education Basic Grant	ESEA Title II Part A Teacher and Principal Training and Recruiting	ESEA Title III Part A English Language Acquisition and Enhancement	21st Century Community Learning Centers Cycle 9	Medicaid Administrative Claiming Program	Federally Funded Special Revenue Funds
\$39,111						
2,575,804						
270,517	\$195,199	\$440,411	\$176,782	\$650,333		\$232,838
1,031,615						300,660
		2,466		2,755		
14,827						
<u>\$3,931,874</u>	<u>\$195,199</u>	<u>\$442,877</u>	<u>\$176,782</u>	<u>\$653,088</u>	<u>\$</u>	<u>\$533,498</u>
\$80,354	\$42,350	\$13,883	\$9,400	\$80,793		\$212,461
948,475	19,815	35,334	25,391	851		16,268
	133,034	393,660	141,991	571,444		216,460
7,550						88,309
<u>1,036,379</u>	<u>195,199</u>	<u>442,877</u>	<u>176,782</u>	<u>653,088</u>		<u>533,498</u>
2,895,495						
<u>2,895,495</u>						
<u>\$3,931,874</u>	<u>\$195,199</u>	<u>\$442,877</u>	<u>\$176,782</u>	<u>\$653,088</u>	<u>\$</u>	<u>\$533,498</u>

SPRING INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2020

	Region IV SSVI Grant	Advanced Placement Incentives	State Instructional Materials Fund	State Funded Special Revenue Funds
<u>ASSETS</u>				
Cash				
Temporary investments				
Due from governmental agencies			\$1,565,706	\$227,932
Interfund receivables		\$3,192		
Other receivables				
Inventories, at cost				
TOTAL ASSETS	<u>\$</u>	<u>\$3,192</u>	<u>\$1,565,706</u>	<u>\$227,932</u>
<u>LIABILITIES</u>				
Accounts payable			\$1,360,240	\$39
Accrued salaries and expenditures				708
Interfund payables			204,286	206,970
Due to state and others				20,185
Unearned revenue		\$904		30
Total Liabilities		<u>904</u>	<u>1,564,526</u>	<u>227,932</u>
<u>FUND BALANCES</u>				
Restricted:				
Grant funds		2,288	1,180	
Committed:				
School activity funds				
Total Fund Balances		<u>2,288</u>	<u>1,180</u>	
TOTAL LIABILITIES AND FUND BALANCES	<u>\$</u>	<u>\$3,192</u>	<u>\$1,565,706</u>	<u>\$227,932</u>

School Activity Funds	Locally Funded Special Revenue Funds	Locally Funded Scholarships	CTE Advisory Board Grants	Spring Education Foundation Grants	Total Non-Major Governmental Funds
\$1,167,315					\$1,206,426
	\$4,326				2,575,804
174	298,821	\$7,500	\$30,587	\$26,238	7,714,971
	25,500				1,698,787
					31,556
					14,827
<u>\$1,167,489</u>	<u>\$328,647</u>	<u>\$7,500</u>	<u>\$30,587</u>	<u>\$26,238</u>	<u>\$13,242,371</u>
\$100	\$9,480				\$2,097,486
					2,982,054
					3,596,009
					20,185
	262,432	\$7,500	\$30,108	\$26,238	423,071
100	271,912	7,500	30,108	26,238	9,118,805
	56,735		479		2,956,177
1,167,389					1,167,389
1,167,389	56,735		479		4,123,566
<u>\$1,167,489</u>	<u>\$328,647</u>	<u>\$7,500</u>	<u>\$30,587</u>	<u>\$26,238</u>	<u>\$13,242,371</u>

SPRING INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2020

	ESEA Title I Part A Improving Basic Programs	IDEA Part B Formula	IDEA Part B Preschool	IDEA Part B Discretionary
REVENUES				
Local and intermediate sources				
State program revenues				
Federal program revenues	\$10,480,371	\$6,355,082	\$92,333	\$72,406
Total Revenues	<u>10,480,371</u>	<u>6,355,082</u>	<u>92,333</u>	<u>72,406</u>
EXPENDITURES				
Current:				
Instruction	5,118,034	2,680,843	9,846	72,406
Instructional resources and media services	1,221,978			
Curriculum and staff development	3,034,668	23,990	1,000	
Instructional leadership	167,895			
School leadership	143,643			
Guidance and counseling services	110	3,605,575	81,487	
Health services				
Student (pupil) transportation	58,140			
Child nutrition services				
Co-curricular activities				
Plant maintenance and operations				
Security and monitoring services		6,419		
Community services	735,903	33,335		
Capital Outlay:				
Facilities acquisition and construction				
Intergovernmental Charges:				
Fiscal agent/shared services arrangement		4,920		
Total Expenditures	<u>10,480,371</u>	<u>6,355,082</u>	<u>92,333</u>	<u>72,406</u>
Excess (deficiency) of revenues over (under) expenditures	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FINANCING SOURCES				
Sale of property				
Transfers in				
Total Other Financing Sources	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net change in fund balances				
FUND BALANCES, JULY 1	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES, JUNE 30	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>	<u>\$ </u>

Child Nutrition	Career and Technical Education Basic Grant	ESEA Title II Part A Teacher and Principal Training and Recruiting	ESEA Title III Part A English Language Acquisition and Enhancement	21st Century Community Learning Centers Cycle 9	Medicaid Administrative Claiming Program	Federally Funded Special Revenue Funds
\$1,483,619						
119,666						
19,107,533	\$462,336	\$1,057,752	\$494,597	\$1,590,072	\$214,469	\$834,432
20,710,818	462,336	1,057,752	494,597	1,590,072	214,469	834,432
	277,681		92,653	538,426		202,603
	184,655	1,051,083	400,009	565		231,254
				917,577		2,698
		6,669		41,642		645
					214,469	126,417
22,992,677						
						57,512
282,285						
8,152						
			1,935	91,862		21,978
						191,325
23,283,114	462,336	1,057,752	494,597	1,590,072	214,469	834,432
(2,572,296)						
5,234						
380,610						
385,844						
(2,186,452)						
5,081,947						
\$2,895,495	\$	\$	\$	\$	\$	\$

SPRING INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2020

	Region IV SSVI Grant	Advanced Placement Incentives	State Instructional Materials Fund	State Funded Special Revenue Funds
REVENUES				
Local and intermediate sources				
State program revenues	\$20,000		\$7,932,025	\$419,755
Federal program revenues				
Total Revenues	20,000		7,932,025	419,755
EXPENDITURES				
Current:				
Instruction	20,000		7,932,025	28,000
Instructional resources and media services				
Curriculum and staff development				331,755
Instructional leadership				
School leadership				
Guidance and counseling services				60,000
Health services				
Student (pupil) transportation				
Child nutrition services				
Co-curricular activities				
Plant maintenance and operations				
Security and monitoring services				
Community services				
Capital Outlay:				
Facilities acquisition and construction				
Intergovernmental Charges:				
Fiscal agent/shared services arrangement				
Total Expenditures	20,000		7,932,025	419,755
Excess (deficiency) of revenues over (under) expenditures				
OTHER FINANCING SOURCES				
Sale of property				
Transfers in				
Total Other Financing Sources				
Net change in fund balances				
FUND BALANCES, JULY 1		\$2,288	1,180	
FUND BALANCES, JUNE 30	\$	\$2,288	\$1,180	\$

School Activity Funds	Locally Funded Special Revenue Funds	Locally Funded Scholarships	CTE Advisory Board Grants	Spring Education Foundation Grants	Total Non-Major Governmental Funds
\$1,520,677	\$299,310	\$5,000	\$9,842	\$21,332	\$3,339,780
					8,491,446
					40,761,383
<u>1,520,677</u>	<u>299,310</u>	<u>5,000</u>	<u>9,842</u>	<u>21,332</u>	<u>52,592,609</u>
1,547,621	30,012		9,842	20,630	18,580,622
	37,680				1,221,978
					5,296,659
	5,700				1,088,170
	114,672			702	198,299
					3,988,963
					214,469
	5,000				58,140
	19,648				22,997,677
	8,965				77,160
	830				291,250
	20,068	5,000			15,401
					910,081
					191,325
					4,920
<u>1,547,621</u>	<u>242,575</u>	<u>5,000</u>	<u>9,842</u>	<u>21,332</u>	<u>55,135,114</u>
<u>(26,944)</u>	<u>56,735</u>				<u>(2,542,505)</u>
					5,234
					380,610
					385,844
(26,944)	56,735				(2,156,661)
<u>1,194,333</u>			<u>479</u>		<u>6,280,227</u>
<u>\$1,167,389</u>	<u>\$56,735</u>	<u>\$</u>	<u>\$479</u>	<u>\$</u>	<u>\$4,123,566</u>

SPRING INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CHILD NUTRITION FUND
For the Fiscal Year Ended June 30, 2020

Exhibit E-3

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Local and intermediate sources	\$2,350,000	\$2,350,000	\$1,483,619	(\$866,381)
State program revenues	150,000	150,000	119,666	(30,334)
Federal program revenues	26,300,000	26,300,000	19,107,533	(7,192,467)
Total Revenues	28,800,000	28,800,000	20,710,818	(8,089,182)
EXPENDITURES				
Child nutrition services:				
Payroll costs	11,438,200	11,542,400	11,182,789	359,611
Purchased and contracted services	39,000	42,000	122,363	(80,363)
Supplies and materials	15,606,905	16,558,875	11,499,584	5,059,291
Other operating expenses	156,600	156,600	68,246	88,354
Capital outlay	125,000	169,442	119,695	49,747
Plant maintenance and operations:				
Purchased and contracted services	455,000	455,000	282,285	172,715
Security and monitoring services:				
Payroll costs	8,500	8,500	8,152	348
Total Expenditures	27,829,205	28,932,817	23,283,114	5,649,703
Excess (deficiency) of revenues over (under) expenditures	970,795	(132,817)	(2,572,296)	(2,439,479)
OTHER FINANCING SOURCES				
Sale of real or personal property			5,234	5,234
Transfers in			380,610	380,610
Total Other Financing Sources			385,844	385,844
Net change in fund balance	970,795	(132,817)	(2,186,452)	(2,053,635)
FUND BALANCE, JULY 1	5,081,947	5,081,947	5,081,947	
FUND BALANCE, JUNE 30	\$6,052,742	\$4,949,130	\$2,895,495	(\$2,053,635)

Fiduciary Fund

Agency Fund

The Agency Fund consists of the Student Activity Funds that are used to account for monies collected by schools through fund-raising efforts of the individual schools or school-sponsored groups. These funds also hold monies that are due to government agencies for items such as sales tax, textbooks, etc. which are remitted when required. The school principal is responsible, under the authority of the Board, for collecting, controlling, disbursing and accounting for all student activity funds.

SPRING INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
For the Fiscal Year Ended June 30, 2020

Exhibit F-1

<u>Agency Fund</u>	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2020</u>
<u>ASSETS</u>				
Cash	<u>\$251,464</u>	<u>\$848,388</u>	<u>\$827,262</u>	<u>\$272,590</u>
Total Assets	<u><u>\$251,464</u></u>	<u><u>\$848,388</u></u>	<u><u>\$827,262</u></u>	<u><u>\$272,590</u></u>
<u>LIABILITIES</u>				
Due to state and others	\$27,301	\$177,894	\$162,331	\$42,864
Due to student groups	<u>224,163</u>	<u>670,494</u>	<u>664,931</u>	<u>229,726</u>
Total Liabilities	<u><u>\$251,464</u></u>	<u><u>\$848,388</u></u>	<u><u>\$827,262</u></u>	<u><u>\$272,590</u></u>

Compliance Schedule

This compliance schedule is required by the Texas Education Agency and is not a required disclosure in the Comprehensive Annual Financial Report.

SPRING INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
For the Fiscal Year Ended June 30, 2020

Last Ten Years Ended June 30	Tax Rates		Actual Taxable Value For School Tax Purposes	Beginning Balance 7/1/2019
	Maintenance	Debt Service		
2011 and Prior Years	Various	Various	Various	\$1,644,500
2012	\$1.04000	\$0.53000	\$7,200,125,431	248,014
2013	1.04000	0.53000	7,232,035,674	241,893
2014	1.04000	0.53000	7,669,927,308	274,938
2015	1.04000	0.47000	9,048,303,759	359,740
2016	1.04000	0.42996	10,637,855,830	429,408
2017	1.04000	0.42996	11,673,757,226	474,040
2018	1.04000	0.47000	12,563,178,654	765,924
2019	1.06000	0.45000	13,098,329,077	3,069,332
2020	0.97000	0.46000	14,340,088,297	
				<u>\$7,507,789</u>

Taxes Paid into Tax Increment Reinvestment Zone Under Chapter 311, Tax Code.	\$179,451,323
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Exhibit G-1

<u>Current Year's Total Levy</u>	<u>Maintenance Total Collections</u>	<u>Debt Service Total Collections</u>	<u>Entire Year's Adjustments</u>	<u>Ending Balance 6/30/2020</u>
	\$19,662	\$7,183	(\$20,401)	\$1,597,254
	5,858	3,106	2,747	241,797
	8,912	4,782	4,946	233,145
	14,559	7,793	12,601	265,187
	30,080	16,299	(2,624)	310,737
	59,985	27,390	(13,167)	328,866
	2,393	35,461	(28,620)	407,566
	(131,136)	117,441	(165,266)	614,353
	(370,219)	773,549	(1,790,372)	875,630
<u>\$201,498,994</u>	<u>134,473,370</u>	<u>63,770,870</u>	<u> </u>	<u>3,254,754</u>
<u><u>\$201,498,994</u></u>	<u><u>\$134,113,464</u></u>	<u><u>\$64,763,874</u></u>	<u><u>(\$2,000,156)</u></u>	<u><u>\$8,129,289</u></u>
			Add: Penalties & Interest Receivable	<u>5,046,885</u>
			Total Taxes Receivable	<u><u>\$13,176,174</u></u>
\$919,413	\$919,413			

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STATISTICAL

Section

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Statistical tables are used to provide detailed data on the physical, economic, social and political characteristics of a government. They are intended to provide financial report users with a broader and more complete understanding of the government and its financial affairs than is possible from the basic financial statements. The information is provided in five categories.

Financial Trends Information

Intended to assist users in understanding and assessing how a district's financial position has changed over time.

Revenue Capacity Information

Intended to assist users in understanding and assessing the factors affecting the District's ability to generate its own-source revenues.

Debt Capacity Information

Intended to assist users in understanding and assessing the District's debt burden and its ability to issue additional debt.

Demographic and Economic Information

Intended to assist users in understanding the socioeconomic environment within which the District operates and to provide information that facilitates comparisons of financial statement information over time and among other school districts.

Operating Information

Intended to provide contextual information about the District's operations and resources to assist readers in using financial statement information to understand and assess the District's economic condition.

The District's statistical tables usually cover ten fiscal years and often present data from outside the accounting records. The source of information is from District data found in this report, unless indicated otherwise. The tables are unaudited due to the nature of the information contained therein.

SPRING INDEPENDENT SCHOOL DISTRICT**NET POSITION BY COMPONENT*****Last Ten Fiscal Years******(accrual basis of accounting)******(Unaudited)***

	<u>2020</u>	<u>2019</u>	<u>2018 (2)</u>	<u>2017</u>
Governmental Activities:				
Net investment in capital assets	\$39,605,746	\$34,470,958	\$23,310,013	\$17,833,453
Restricted	61,475,271	60,241,147	55,052,320	47,249,154
Unrestricted	<u>(120,140,381)</u>	<u>(104,949,713)</u>	<u>(113,534,263)</u>	<u>52,903,402</u>
Total Primary Government Net Position	<u><u>(\$19,059,364)</u></u>	<u><u>(\$10,237,608)</u></u>	<u><u>(\$35,171,930)</u></u>	<u><u>\$117,986,009</u></u>

(1) The District implemented GASB Statement No. 68 in 2015. The effects of this statement were not applied to previous years.

(2) The District implemented GASB Statement No. 75 in 2018. The effects of this statement were not applied to previous years.

Source: District Financial Statements

Table 1

<u>2016</u>	<u>2015 (1)</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$4,148,051	(\$4,105,305)	(\$16,627,567)	(\$19,461,870)	(\$22,881,430)	(\$14,326,305)
45,657,215	41,660,869	37,210,876	31,534,100	32,643,069	26,919,870
<u>61,418,605</u>	<u>58,236,968</u>	<u>88,050,992</u>	<u>68,775,360</u>	<u>57,064,160</u>	<u>37,809,270</u>
<u><u>\$111,223,871</u></u>	<u><u>\$95,792,532</u></u>	<u><u>\$108,634,301</u></u>	<u><u>\$80,847,590</u></u>	<u><u>\$66,825,799</u></u>	<u><u>\$50,402,835</u></u>

SPRING INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	2020	2019	2018 (2)	2017
Expenses:				
Governmental Activities:				
Instruction	\$243,666,374	\$221,328,291	\$147,616,967	\$211,131,031
Instructional resources and media services	4,930,008	4,746,773	2,115,612	3,043,969
Curriculum and staff development	9,930,777	8,358,199	5,563,655	4,972,034
Instructional leadership	11,239,721	11,053,479	6,233,209	7,838,131
School leadership	26,281,214	24,203,136	12,545,997	20,669,023
Guidance and counseling services	18,285,681	15,180,620	8,635,608	13,370,399
Social work services	580,413	589,023	365,591	303,548
Health services	3,382,338	3,113,606	1,726,200	2,980,482
Student (pupil) transportation	15,900,731	17,907,605	12,885,874	15,056,419
Child nutrition services	25,974,075	27,487,164	21,815,052	25,691,944
Co-curricular activities	7,285,082	7,430,235	5,301,056	7,074,286
General administration	13,253,838	12,581,802	9,084,446	13,334,190
Plant maintenance and operations	40,753,335	35,338,383	29,021,983	33,302,336
Security and monitoring services	7,213,046	6,550,805	4,610,893	5,791,838
Data processing services	10,699,787	9,161,986	5,768,085	5,572,716
Community services	1,756,214	1,558,176	666,657	1,661,245
Interest and fiscal charges	30,415,744	29,010,433	29,153,091	25,199,003
Fiscal agent/shared services arrangement	7,900	18,816	15,469	28,503
Alternative education	17,000	64,800		118,800
Payments to tax increment fund	919,413	695,707	596,952	579,271
Other intergovernmental charges	1,466,198	1,411,069	1,339,461	1,214,247
Total Primary Government Expense	473,958,889	437,790,108	305,061,858	398,933,415
Program Revenues:				
Governmental Activities:				
Charges for Services:				
Instructional	1,635,157	2,222,661	2,027,060	48,404
Child nutrition services	1,346,502	1,966,665	2,408,198	3,068,031
Co-curricular activities	220,068	255,066	247,280	263,884
General administration	38,663	55,896	51,220	37,915
Other activities	215,109	373,164	382,300	648,531
Operating Grants and Contributions	93,473,848	78,609,832	6,431,240	65,740,349
Total Primary Government Program Revenues	96,929,347	83,483,284	11,547,298	69,807,114
Net Expense				
Total Primary Government Expense	(377,029,542)	(354,306,824)	(293,514,560)	(329,126,301)
General Revenues and Other Changes in Net Position:				
Governmental Activities:				
Property taxes - maintenance & operations	135,310,984	134,664,416	126,691,937	119,015,698
Property taxes - debt service	65,504,269	58,043,198	59,511,740	50,871,222
State aid - formula grants	154,977,374	166,425,430	156,300,370	158,023,522
Other grants and contributions not restricted	5,979,622	11,029,559	6,758,467	5,900,326
Investment earnings	4,807,782	7,955,011	4,429,999	1,463,330
Miscellaneous	1,627,755	1,123,532	558,291	614,341
Total Primary Government General Revenues	368,207,786	379,241,146	354,250,804	335,888,439
Change in Net Position				
Total Primary Government	<u>(\$8,821,756)</u>	<u>\$24,934,322</u>	<u>\$60,736,244</u>	<u>\$6,762,138</u>

- (1) The District implemented GASB Statement No. 68 in 2015. The effects of this statement were not applied to previous years.
(2) The District implemented GASB Statement No. 75 in 2018. The effects of this statement were not applied to previous years.

Source: District Financial Statements

Table 2

2016	2015 (1)	2014	2013	2012	2011
\$220,917,996	\$200,672,661	\$185,374,445	\$178,079,775	\$173,301,380	\$186,355,298
3,235,183	3,326,213	3,245,973	3,381,080	2,791,034	3,785,951
5,606,097	4,707,787	6,392,925	4,578,349	4,454,850	4,857,694
5,962,640	5,452,002	4,769,655	3,956,626	3,969,719	4,214,263
20,413,179	18,757,237	17,437,890	16,359,975	16,272,222	16,365,168
12,792,143	11,173,753	10,284,637	10,280,647	10,793,575	11,449,391
314,552	310,958	276,129	262,314	293,135	332,157
2,925,458	2,648,190	2,549,971	2,331,262	2,453,519	3,024,288
14,235,282	12,912,001	12,698,192	11,385,480	11,723,740	13,539,173
25,592,851	24,923,670	23,525,646	22,433,488	22,031,755	19,809,835
6,680,008	6,690,576	6,135,566	6,064,490	5,960,922	6,407,739
13,059,842	11,096,494	8,324,281	6,646,417	6,527,803	18,759,069
32,486,203	32,690,193	32,659,710	31,162,076	29,953,694	35,085,443
5,864,048	5,216,445	4,681,079	3,863,651	3,580,291	3,288,930
5,943,976	5,999,730	6,357,719	6,167,405	5,957,516	5,895,207
926,728	983,279	742,325	784,308	898,215	1,000,945
21,050,064	23,806,578	26,219,225	28,757,520	30,537,279	33,002,562
27,521	40,338	42,047	59,103	131,205	194,917
78,158		58,860		68,670	5,760
482,378	406,144	400,809	285,477		
1,121,057	1,022,820	882,110	904,695	904,443	908,229
399,715,364	372,837,069	353,059,194	337,744,138	332,604,967	368,282,019
48,072	253,790	146,955	93,377	120,041	87,124
2,196,779	3,799,047	4,183,602	4,231,048	4,513,921	4,781,758
285,741	363,696	305,447	405,493	476,800	397,285
80,277	31,033	64,458			4,851,187
590,901	732,744	594,684	565,307	523,804	343,056
72,127,697	67,386,549	67,309,324	62,021,902	70,943,624	78,131,452
75,329,467	72,566,859	72,604,470	67,317,127	76,578,190	88,591,862
(324,385,897)	(300,270,210)	(280,454,724)	(270,427,011)	(256,026,777)	(279,690,157)
106,369,843	92,441,545	78,616,531	73,978,066	72,205,748	74,558,719
45,356,178	43,035,371	41,041,329	38,464,841	37,712,117	31,232,856
182,341,681	188,287,009	184,798,700	166,783,346	159,498,263	153,040,581
4,520,515	6,691,212	5,582,044	4,490,198	2,343,969	2,318,429
412,127	343,398	288,610	202,934	280,080	335,720
816,892	268,447	1,106,132	529,417	409,564	349,002
339,817,236	331,066,982	311,433,346	284,448,802	272,449,741	261,835,307
\$15,431,339	\$30,796,772	\$30,978,622	\$14,021,791	\$16,422,964	(\$17,854,850)

SPRING INDEPENDENT SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
General Fund:				
Non-spendable	\$6,770,541	\$5,025,849	\$4,523,146	\$4,208,233
Committed	5,000,000	5,000,000		
Assigned	45,676,543	45,852,355	47,963,096	46,630,423
Unassigned	<u>65,300,238</u>	<u>70,031,772</u>	<u>53,747,813</u>	<u>49,667,312</u>
Total General Fund	<u><u>\$122,747,322</u></u>	<u><u>\$125,909,976</u></u>	<u><u>\$106,234,055</u></u>	<u><u>\$100,505,968</u></u>
All Other Governmental Funds:				
Non-spendable	\$37,000	\$74,000		
Restricted	114,894,548	236,827,581	\$254,461,903	\$277,585,903
Committed	1,167,389	1,194,333	1,209,526	993,155
Assigned	<u>13,941,396</u>	<u>8,827,025</u>	<u>6,375,903</u>	<u>4,038,323</u>
Total All Other Governmental Funds	<u><u>\$130,040,333</u></u>	<u><u>\$246,922,939</u></u>	<u><u>\$262,047,332</u></u>	<u><u>\$282,617,381</u></u>

Source: District Financial Statements

Table 3

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$4,272,366	\$4,007,619	\$4,318,465	\$4,345,126	\$3,965,020	\$2,099,925
44,637,583	41,326,069	19,762,188	22,671,750	24,573,923	
<u>51,325,204</u>	<u>46,918,735</u>	<u>58,126,710</u>	<u>33,430,808</u>	<u>18,900,985</u>	<u>23,626,231</u>
<u><u>\$100,235,153</u></u>	<u><u>\$92,252,423</u></u>	<u><u>\$82,207,363</u></u>	<u><u>\$60,447,684</u></u>	<u><u>\$47,439,928</u></u>	<u><u>\$25,726,156</u></u>
	\$117,069	\$246,901	\$480,912	\$705,960	\$109,068
\$55,811,059	55,839,396	55,366,276	53,294,095	56,768,153	61,031,087
1,003,793	1,148,926	967,291	986,392	955,904	994,510
<u>5,922,193</u>					
<u><u>\$62,737,045</u></u>	<u><u>\$57,105,391</u></u>	<u><u>\$56,580,468</u></u>	<u><u>\$54,761,399</u></u>	<u><u>\$58,430,017</u></u>	<u><u>\$62,134,665</u></u>

SPRING INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	2020	2019	2018	2017
REVENUES:				
Local Revenues:				
Property taxes	\$199,511,861	\$193,885,187	\$185,527,945	\$169,287,132
Tuition and fees	146,443	123,645	135,892	437,059
Earnings on investments	4,807,782	7,955,011	4,429,999	1,463,330
Food sales	1,346,502	1,966,665	2,408,198	3,068,031
Other local	3,456,688	4,088,811	3,674,050	3,491,215
Total Local Revenues	209,269,276	208,019,319	196,176,084	177,746,767
State Revenues	182,624,952	184,815,037	179,467,184	177,549,053
Federal Intergovernmental Revenues	56,434,206	62,015,918	54,432,854	46,553,731
Total Revenues	448,328,434	454,850,274	430,076,122	401,849,551
EXPENDITURES:				
Current:				
Instruction	214,555,096	197,029,228	206,956,086	195,033,653
Instructional resources and media services	3,940,249	3,880,598	2,518,337	2,504,371
Curriculum and staff development	9,130,201	7,986,199	6,357,513	4,873,373
Instructional leadership	10,081,730	10,152,284	9,398,857	7,470,612
School leadership	23,453,378	21,997,446	19,772,204	19,496,626
Guidance and counseling services	16,716,594	14,026,345	12,980,559	12,797,529
Social work services	564,413	576,023	387,586	302,597
Health services	2,997,281	2,806,560	2,776,430	2,835,301
Student (pupil) transportation	14,167,968	15,375,207	23,081,943	13,628,775
Child nutrition services	22,997,677	24,915,309	22,746,701	23,290,317
Co-curricular activities	5,750,449	5,986,327	5,378,851	5,773,869
General administration	12,184,705	11,779,127	12,009,524	12,941,353
Plant maintenance and operations	29,326,821	27,018,538	27,522,222	27,458,145
Security and monitoring services	16,325,289	9,763,112	6,270,488	5,575,720
Data processing services	9,459,386	9,226,120	14,169,807	6,536,059
Community services	1,531,415	1,387,062	1,194,392	1,554,830
Debt Service:				
Principal on long-term debt	30,336,891	27,332,699	22,634,253	26,271,425
Interest on long-term debt	34,113,004	31,115,975	31,120,850	23,218,843
Bond issuance costs and fees	329,071	854,133	13,499,210	3,811,456
Capital Outlay:				
Facilities acquisition and construction	110,524,380	132,948,552	14,242,697	11,676,145
Intergovernmental Charges:				
Fiscal agent/shared services arrangement	7,900	18,816	15,469	28,503
Alternative education	17,000	64,800		118,800
Payments to tax increment fund	919,413	695,707	596,952	579,271
Other governmental charges	1,466,198	1,411,069	1,339,461	1,214,247
Total Expenditures	570,896,509	558,347,236	456,970,392	408,991,820
Excess (deficiency) of revenues over (under) expenditures	(122,568,075)	(103,496,962)	(26,894,270)	(7,142,269)
OTHER FINANCING SOURCES (USES):				
Refunding bonds issued	29,425,000		64,000,000	80,120,000
Issuance of capital related bonds		98,070,000		198,715,000
Sale of property	12,260	167,711	47,284	28,252
Issuance of capital leases	49,296			195,862
Transfers in	10,380,610	8,093,502	3,120,783	3,516,336
Premium on issuance of bonds	4,446,084	9,810,779	9,494,707	40,881,138
Transfers out	(10,380,610)	(8,093,502)	(3,120,783)	(3,516,336)
Payment to refunded bond escrow agent	(33,544,065)		(61,489,683)	(92,646,832)
Total Other Financing Sources (Uses)	388,575	108,048,490	12,052,308	227,293,420
Special item - Sale of land	2,134,240			
Net Change in Fund Balances	(\$120,045,260)	\$4,551,528	(\$14,841,962)	\$220,151,151
Debt Service (Principal and Interest) as a Percentage of Non-Capital Expenditures	14.3%	13.9%	12.6%	12.5%

Source: District Financial Statements

Table 4

2016	2015	2014	2013	2012	2011
\$155,187,053	\$135,051,973	\$119,496,849	\$113,262,606	\$113,267,394	\$105,040,152
430,369	506,183	613,691	577,996	601,369	418,846
412,127	343,398	288,610	202,934	280,080	330,379
2,196,779	3,799,047	4,183,602	4,231,048	4,513,921	4,781,758
3,676,710	3,725,426	7,088,279	3,442,473	3,986,035	3,975,337
161,903,038	143,426,027	131,671,031	121,717,057	122,648,799	114,546,472
209,506,721	219,068,418	213,232,821	192,562,783	188,380,042	179,458,008
39,229,885	41,321,972	38,873,725	38,268,550	41,236,868	50,774,564
410,639,644	403,816,417	383,777,577	352,548,390	352,265,709	344,779,044
200,546,743	198,042,041	176,061,895	166,404,292	160,661,103	176,248,669
2,689,866	2,816,379	2,733,490	2,869,397	2,273,018	3,342,848
5,504,635	4,708,626	6,379,967	4,558,004	4,480,980	4,884,378
5,680,390	5,311,001	4,656,689	3,831,471	3,861,329	4,209,147
19,238,474	18,362,263	17,030,764	15,893,162	15,857,593	16,365,698
12,210,714	11,164,552	10,210,073	10,168,012	10,716,156	11,631,210
313,452	310,199	276,142	262,031	293,135	335,181
2,754,207	2,588,912	2,486,859	2,259,790	2,389,572	3,037,668
12,348,694	13,659,005	11,383,272	9,842,258	10,099,936	12,403,592
23,332,751	23,467,837	21,978,319	21,366,254	21,447,356	19,293,416
5,299,320	5,449,820	4,961,956	4,781,784	4,683,992	5,169,761
12,950,792	10,943,549	8,360,087	6,507,315	6,409,419	6,797,246
26,592,099	26,968,515	27,233,765	23,908,432	23,535,471	25,135,198
5,617,725	5,078,013	4,710,216	4,074,320	3,302,041	3,144,627
5,464,521	5,664,248	5,210,477	4,539,249	5,230,780	4,636,640
901,088	960,297	726,734	766,605	883,295	1,004,772
23,545,401	22,492,700	20,330,000	19,745,000	19,740,000	19,669,582
22,730,381	25,951,830	31,218,670	31,731,711	33,056,527	32,748,334
1,135,183	789,726	728,392	242,078	579,786	97,727
5,028,236	5,693,252	4,565,588	8,520,818	4,455,934	20,880,785
27,521	40,338	42,047	59,103	131,205	194,917
78,158		58,860		68,670	5,760
482,378	406,144	400,809	285,477		
1,121,057	1,022,820	882,110	904,695	904,443	908,229
395,593,786	391,892,067	362,627,181	343,521,258	335,061,741	372,145,385
15,045,858	11,924,350	21,150,396	9,027,132	17,203,968	(27,366,341)
136,870,000	76,865,000	71,115,000	21,410,000	60,965,000	
71,636	43,347	99,227	37,238	111,750	40,171
		1,418,101			
6,235,493			291,854	6,000,000	3,925,551
26,435,542	11,141,212	9,036,024	3,114,768	5,163,406	
(6,235,493)			(291,854)	(6,000,000)	(4,868,309)
(164,808,652)	(89,403,926)	(79,240,000)	(24,250,000)	(65,435,000)	
(1,431,474)	(1,354,367)	2,428,352	312,006	805,156	(902,587)
\$13,614,384	\$10,569,983	\$23,578,748	\$9,339,138	\$18,009,124	(\$28,268,928)
11.9%	12.8%	14.5%	15.4%	16.0%	14.9%

SPRING INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Unaudited)

Table 5

Fiscal Year Ended June 30	Assessed Value						Less: Exemptions	Actual Taxable Value	Total Direct Rate (1)
	Residential	Commercial Industrial and Multi-Family	Acreage	Vacant Lots and Tracts	Utilities	Mineral Reserves			
2020	\$7,023,012,640	\$9,353,736,102	\$58,648,695	\$406,952,597	\$157,363,944	\$10,421,808	\$2,670,047,489	\$14,340,088,297	\$1.43000
2019	6,375,054,709	8,607,541,644	46,726,300	439,131,028	146,575,435	4,045,995	2,520,746,034	13,098,329,077	1.51000
2018	6,152,394,247	8,229,643,312	85,904,275	370,605,827	140,507,169	4,526,389	2,420,402,565	12,563,178,654	1.51000
2017	5,601,039,376	7,824,949,989	73,182,472	342,882,280	138,538,932	4,618,741	2,311,454,564	11,673,757,226	1.46996
2016	5,161,812,169	7,167,888,407	62,714,427	314,362,865	132,022,815	9,685,109	2,210,629,962	10,637,855,830	1.46996
2015	4,549,841,265	5,826,541,978	102,662,721	245,124,974	132,451,943	11,995,240	1,820,314,362	9,048,303,759	1.51000
2014	4,026,416,763	4,954,951,568	99,308,930	223,274,252	134,869,081	6,968,786	1,775,862,072	7,669,927,308	1.57000
2013	3,952,237,510	4,541,904,832	84,437,876	224,935,042	124,659,413	11,034,100	1,707,173,099	7,232,035,674	1.57000
2012	4,102,021,822	4,292,697,002	91,959,643	234,477,424	123,850,097	10,362,389	1,655,242,946	7,200,125,431	1.57000
2011	4,201,674,116	4,193,664,063	86,700,468	251,298,376	128,947,652	17,658,463	1,576,533,606	7,303,409,532	1.46000

(1) Tax rates are per \$100 of actual taxable value.

Source: Harris County (Texas) Appraisal District provides the District's tax office with appraised values for properties within the District's taxing authority. Assessed value equals appraised value. Assessed value less exemptions equals actual taxable value. Actual taxable value times the tax rate set by the District's Board of Trustees each fall equals the tax levy.

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SPRING INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ACTUAL TAXABLE VALUE)
Last Ten Fiscal Years
(Unaudited)

	2020	2019	2018
Bammel UD	\$0.37	\$0.37	\$0.37
C.N.P. UD	0.28	0.28	0.28
Harris County (Includes Harris County Flood Control District)	0.44	0.45	0.45
Harris County Department of Education	0.01	0.01	0.01
Harris County Hospital District	0.17	0.17	0.17
Harris County ID #18	1.73	1.42	1.49
Harris County MUD #5	1.05	1.05	1.11
Harris County MUD #16	0.58	0.59	0.59
Harris County MUD #36	0.22	0.22	0.24
Harris County MUD #43	0.50	0.50	0.50
Harris County MUD #44	0.41	0.41	0.41
Harris County MUD #58	1.03	0.70	0.70
Harris County MUD #82	0.68	0.68	0.68
Harris County MUD #86	0.64	0.64	0.64
Harris County MUD #96	0.79	0.85	0.90
Harris County MUD #150	0.69	0.70	0.72
Harris County MUD #154	0.65	0.67	0.69
Harris County MUD #189	0.39	0.39	0.39
Harris County MUD #200	0.59	0.59	0.59
Harris County MUD #205	0.25	0.25	0.25
Harris County MUD #211	0.50	0.56	0.56
Harris County MUD #215	0.50	0.50	0.50
Harris County MUD #217	1.14	1.20	1.26
Harris County MUD #221	0.39	0.42	0.43
Harris County MUD #233	0.64	0.64	0.68
Harris County MUD #249	0.78	0.78	0.80
Harris County MUD #304	0.79	0.80	0.80
Harris County MUD #399	0.99	1.03	1.07
Harris County UD #16	0.81	0.84	0.92
Harris County WCID #91	0.29	0.29	0.25
Harris County WCID #92	0.15	0.15	0.12
Harris County WCID #99	0.37	0.37	
Harris County WCID #109	0.25	0.25	0.25
Harris County WCID #110	0.39	0.40	0.43
Harris County WCID #136	0.83	0.83	0.79
Houston, City of	0.57	0.59	0.58
Inverness Forest ID	0.44	0.44	0.44
Lone Star College	0.11	0.11	0.11
North Forest MUD	0.60	0.62	
North Park PUD	0.28	0.32	0.35
Northgate Crossing MUD #1	0.98	0.97	0.99
Northgate Crossing MUD #2	0.87	0.87	0.87
Northgate Crossing Rd. UD	0.12	0.12	0.13
Northwest Harris County MUD #20	0.25	0.25	0.25
Northwest Harris County MUD #21	0.24	0.24	0.24
Northwest Harris County MUD #22	0.78	0.81	0.83
Northwest Harris County MUD #23	0.76	0.76	0.77
Ponderosa Forest UD	0.10	0.10	0.10
Port of Houston Authority	0.01	0.01	0.01
Postwood MUD	0.39	0.37	0.38
Rankin Road West MUD	0.95	1.00	1.00
Spring West MUD	0.74	0.74	0.79
Tattor Road MUD	0.59	0.59	0.59
Timber Lane UD	0.89	0.92	0.92
Westador MUD	0.17	0.17	0.17
Spring ISD Direct Rates:			
Maintenance & Operations	\$0.97000	\$1.06000	\$1.04000
Debt Service	0.46000	0.45000	0.47000
Total District Direct Rates	<u>\$1.43000</u>	<u>\$1.51000</u>	<u>\$1.51000</u>

Note: An individual resident of Spring Independent School District resides in only one utility district. Therefore, the total taxes applicable to the individual resident are significantly less than the sum of the tax rates shown. Assessed value less exemptions equals actual taxable value.

Source: Municipal Advisory Council of Texas, Harris County Tax Office

Table 6

2017	2016	2015	2014	2013	2012	2011
\$0.37	\$0.40	\$0.43	\$0.45	\$0.45	\$0.45	\$0.45
0.28	0.30	0.32	0.33	0.36	0.36	0.36
0.45	0.45	0.44	0.44	0.43	0.42	0.42
0.01	0.01	0.01	0.01	0.01	0.01	0.01
0.17						
1.67	1.50	1.50	1.50	1.50		
1.17	1.24	1.27	1.38	1.38	1.35	1.20
0.67	0.69	0.67	0.72	0.72	0.72	0.69
0.25	0.25	0.25	0.25	0.25	0.22	0.19
0.50	0.50	0.53	0.63	0.68	0.68	0.64
0.41	0.41	0.43	0.40	0.40	0.40	0.38
0.77	0.85	0.95	0.99	0.99	1.00	1.13
0.69	0.70	0.80	0.83	0.83	0.80	0.80
0.65	0.70	0.80	0.85	0.85	0.85	0.85
1.10	1.16	1.36	1.41	1.47	1.47	1.35
0.76	0.84	0.94	0.98	0.98	0.95	0.93
0.76	0.78	0.84	0.87	0.87	0.82	0.77
0.42	0.49	0.55	0.63	0.68	0.70	0.70
0.61	0.62	0.65	0.65	0.66	0.65	0.55
0.35	0.35	0.87	0.87	0.93	1.12	1.17
0.56	0.57	0.57	0.55	0.55	0.55	0.55
0.50	0.50	0.50	0.50	1.45	1.45	1.35
1.31	1.34	1.48	1.58	1.57	1.46	1.39
0.44	0.47	0.50	0.51	0.51	0.50	0.50
0.70	0.79	0.79	0.79	0.79	0.75	0.75
0.82	0.84	0.88	0.95	0.98	1.03	1.11
0.81	0.81	0.85	0.90	0.90	0.85	0.85
1.07	1.09	1.21	1.34	1.34	1.34	1.34
0.99	1.10	1.19	1.50	1.50	1.50	1.50
0.33	0.36	0.36	0.36	0.36	0.36	0.36
0.15	0.15	0.14	0.15	0.15	0.15	0.15
0.37		0.37	0.37	0.37	0.37	0.37
0.25	0.25	0.25	0.25	0.25	0.25	0.25
0.43	0.44	0.46	0.53	0.54	0.55	0.55
0.79	0.74	0.78	0.83	0.83	0.63	0.49
0.59	0.60	0.63	0.64	0.64	0.64	0.64
0.46	0.50	0.55	0.55	0.55	0.52	0.49
0.11	0.11	0.11	0.12	0.12	0.12	0.12
0.72						
0.36	0.37	0.38	0.43	0.43	0.45	0.46
1.13	1.13	1.25	1.25	1.33	1.33	1.33
0.87	0.89	0.92	1.00	1.00	1.00	1.03
0.20	0.20	0.21	0.23	0.22	0.22	0.23
0.25	0.25	0.25	0.54	0.54	0.49	0.49
0.24	0.24	0.25	0.25	0.25	0.25	0.30
0.84	0.85	0.86	0.90	0.90	0.85	0.85
0.80	0.84	0.94	0.98	0.93	0.90	0.86
0.10	0.10	0.10	0.10	0.10	0.10	0.10
0.01	0.01	0.02	0.02	0.02	0.02	0.02
0.40	0.43	0.48	0.25	0.88	0.76	0.68
1.04	1.13	1.21	1.30	1.31	1.34	1.28
0.82	0.82	0.90	0.98	1.02	1.05	1.06
0.60	0.64	0.64	0.64	0.64	0.61	0.60
0.92	0.95	1.01	1.02	1.02	0.94	0.91
0.17	0.17	0.17	0.17	0.17	0.17	0.17
\$1.04000	\$1.04000	\$1.04000	\$1.04000	\$1.04000	\$1.04000	\$1.04000
0.42996	0.42996	0.47000	0.53000	0.53000	0.53000	0.42000
<u>\$1.46996</u>	<u>\$1.46996</u>	<u>\$1.51000</u>	<u>\$1.57000</u>	<u>\$1.57000</u>	<u>\$1.57000</u>	<u>\$1.46000</u>

SPRING INDEPENDENT SCHOOL DISTRICT
Table 7
PRINCIPAL TAXPAYERS
Current Year and Nine Years Ago
(Unaudited)

	2020			2011		
	Actual Taxable Value (1)	Rank	Percentage of Total Actual Taxable Value (2)	Actual Taxable Value (1)	Rank	Percentage of Total Actual Taxable Value (3)
Palmetto Transoceanic LLC	\$1,202,471,874	1	8.39%			
10000 Energy Drive Owner LP	150,998,787	2	1.05%			
CenterPoint Energy, Inc.	93,648,752	3	0.65%	\$66,388,982	4	0.91%
Springwoods 4A, Inc.	89,827,893	4	0.63%			
Springwoods Realty, Inc.	82,847,271	5	0.58%			
Houston NW Manager LLC (4)	79,864,016	6	0.56%	103,906,503	2	1.42%
HP Plaza SPV LLC	78,392,425	7	0.55%			
EAN Holdings LLC	72,743,275	8	0.51%			
SWV FS Hotel Owner LLC	65,049,235	9	0.45%			
Cardinal Health 200, Inc.	62,290,186	10	0.43%	43,124,256	5	0.59%
Houston Pipeline Company LP				115,468,109	1	1.58%
ETC Marketing				68,703,659	3	0.94%
Wal-Mart Stores, Inc.				41,787,139	6	0.57%
Centaurus				31,324,772	7	0.43%
GALP Waters LP				30,748,825	8	0.42%
Lakeview Apartments				28,213,769	9	0.39%
Cypresswoods Land Development				25,512,833	10	0.35%
	<u>\$1,978,133,714</u>		<u>13.80%</u>	<u>\$555,178,847</u>		<u>7.60%</u>

(1) Assessed value equals appraised value. Assessed value less exemptions equals actual taxable value.

(2) Actual taxable value: \$14,340,088,297

(3) Actual taxable value: \$7,303,409,532

(4) Houston Northwest Medical Center, Inc. acquired by Houston NW Manager LLC (parent company HCA Healthcare) in 2017.

Source: Harris County (Texas) Appraisal District provides the District's tax office with appraised values for properties within the District's taxing authority.

SPRING INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Unaudited)

Table 8

Fiscal Year Ended June 30	Net Tax Levy for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Net Tax Levy		Amount	Percent of Total Tax Collections To Net Tax Levy
2020	\$201,498,994	\$198,244,240	98.38%		\$198,244,240	98.38%
2019	192,277,674	190,998,714	99.33%	\$403,330	191,402,044	99.54%
2018	184,585,025	183,388,547	99.35%	582,125	183,970,672	99.67%
2017	167,549,899	166,826,072	99.57%	316,261	167,142,333	99.76%
2016	153,560,969	151,989,138	98.98%	1,242,965	153,232,103	99.79%
2015	134,993,979	132,927,166	98.47%	1,756,076	134,683,242	99.77%
2014	118,429,948	117,606,679	99.30%	558,082	118,164,761	99.78%
2013	111,559,673	110,352,593	98.92%	973,935	111,326,528	99.79%
2012	111,402,385	109,277,663	98.09%	1,882,925	111,160,588	99.78%
2011	105,180,063	102,736,104	97.68%	2,227,312	104,963,416	99.79%

(1) Assessed value equals appraised value. Assessed value less exemptions equals actual taxable value. The beginning actual taxable value net of adjustments times the tax rate set by the District's Board of Trustees each fall equals the total net tax levy. The net tax levy for prior years reflects ongoing adjustments applied to that year's tax levy.

Source: Harris County (Texas) Appraisal District provides the District's tax office with appraised values for properties within the District's taxing authority.

SPRING INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

Table 9

Fiscal Year Ended June 30	Governmental Activities			Total Primary Government	Ratio of Debt to Actual Taxable Value (1)	Debt per ADA (2)	Debt per Capita (2)	Percentage of Personal Income (2)
	General Obligation Bonds	Accretion on Capital Appreciation Bonds	Capital Leases					
2020	\$799,040,030		\$89,890	\$799,129,920	5.57%	\$24,746		
2019	834,924,956		87,485	835,012,441	6.37%	25,793	\$177	
2018	759,768,762		125,184	759,893,946	6.05%	23,129	162	0.29%
2017	782,418,731		159,437	782,578,168	6.70%	23,419	168	0.31%
2016	579,568,523			579,568,523	5.45%	17,226	125	0.25%
2015	600,665,333		945,401	601,610,734	6.65%	17,753	132	0.24%
2014	624,453,336		1,418,101	625,871,437	8.16%	18,632	140	0.26%
2013	645,616,916	\$1,880,368		647,497,284	8.95%	19,591	149	0.29%
2012	666,574,626	3,435,415		670,010,041	9.31%	20,045	157	0.30%
2011	686,980,756	4,599,188		691,579,944	9.47%	20,645	165	0.34%

(1) See Table 5 for actual taxable value data.

(2) See Table 13 for average daily attendance (ADA), population, and income information. Personal income data not available for 2019 or 2020.
Population data not available for 2020.

SPRING INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(Unaudited)

Table 10

<u>Fiscal Year Ended June 30</u>	<u>General Obligation Bonds (1)</u>	<u>Less Restricted for Retirement of Bonded Debt (2)</u>	<u>Net Bonded Debt</u>	<u>Ratio of Debt to Actual Taxable Value (3)</u>	<u>Debt per ADA (4)</u>
2020	\$799,040,030	\$58,519,094	\$740,520,936	5.16%	\$22,931
2019	834,924,956	55,155,253	779,769,703	5.95%	24,087
2018	759,768,762	51,543,328	708,225,434	5.64%	21,557
2017	782,418,731	44,289,128	738,129,603	6.32%	22,089
2016	579,568,523	43,214,174	536,354,349	5.04%	15,942
2015	600,665,333	35,955,501	564,709,832	6.24%	16,664
2014	624,453,336	30,197,374	594,255,962	7.75%	17,691
2013	647,497,284	24,531,248	622,966,036	8.61%	18,849
2012	670,010,041	24,925,327	645,084,714	8.96%	19,299
2011	691,579,944	18,671,550	672,908,394	9.21%	20,087

(1) Details regarding the District's outstanding debt can be found in the Notes to the Basic Financial Statements, Note 8.

(2) This is the amount restricted for debt service on the government-wide financial statements, Exhibit A-1.

(3) See Table 5 for actual taxable value data.

(4) See Table 13 for student average daily attendance (ADA) data.

SPRING INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT
As of June 30, 2020
(Unaudited)

Table 11
Page 1 of 2

<u>Taxing Body</u>	<u>Gross Debt Amount</u>	<u>Percent Overlapping (1)</u>	<u>Share of Debt</u>
C.N.P. UD	\$24,970,000	100.00%	\$24,970,000
Harris County	1,885,182,125	2.71%	51,088,436
Harris County Department of Education	6,320,000	2.71%	171,272
Harris County Flood Control District	83,075,000	2.71%	2,251,333
Harris County Hospital District	86,050,000	2.71%	2,331,955
Harris County ID #18	33,805,000	100.00%	33,805,000
Harris County ID #18	134,750,000	99.44%	133,995,400
Harris County MUD #5	17,100,000	48.69%	8,325,990
Harris County MUD #16	11,100,000	100.00%	11,100,000
Harris County MUD #43	10,460,000	100.00%	10,460,000
Harris County MUD #58	3,860,000	100.00%	3,860,000
Harris County MUD #82	23,660,000	100.00%	23,660,000
Harris County MUD #86	10,150,000	95.53%	9,696,295
Harris County MUD #96	22,350,000	99.57%	22,253,895
Harris County MUD #150	15,165,000	67.79%	10,280,354
Harris County MUD #154	12,495,000	82.40%	10,295,880
Harris County MUD #189	2,465,000	100.00%	2,465,000
Harris County MUD #200	15,860,000	100.00%	15,860,000
Harris County MUD #211	1,825,000	100.00%	1,825,000
Harris County MUD #217	5,050,000	100.00%	5,050,000
Harris County MUD #221	2,640,000	73.61%	1,943,304
Harris County MUD #233	8,070,000	100.00%	8,070,000
Harris County MUD #249	7,390,000	100.00%	7,390,000
Harris County MUD #304	15,120,000	100.00%	15,120,000
Harris County MUD #399	12,675,000	100.00%	12,675,000
Harris County Utility District #16	23,950,000	34.18%	8,186,110
Harris County WCID #109	8,050,000	4.32%	347,760
Harris County WCID #110	15,835,000	65.10%	10,308,585
Harris County WCID #136	6,015,000	100.00%	6,015,000
Houston, City of	3,423,995,000	0.16%	5,478,392
Inverness Forest ID	3,500,000	10.84%	379,400

SPRING INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT
As of June 30, 2020
(Unaudited)

Table 11
Page 2 of 2

<u>Taxing Body</u>	<u>Gross Debt Amount</u>	<u>Percent Overlapping (1)</u>	<u>Share of Debt</u>
Lone Star College System	\$569,815,000	6.94%	\$39,545,161
North Forest MUD	4,840,000	100.00%	4,840,000
North Park PUD	3,085,000	91.90%	2,835,115
Northgate Crossing MUD #1	12,850,000	100.00%	12,850,000
Northgate Crossing MUD #2	12,814,985	100.00%	12,814,985
Northgate Crossing RUD	2,879,998	100.00%	2,879,998
Northwest Harris County MUD #22	2,100,000	100.00%	2,100,000
Northwest Harris County MUD #23	10,630,000	100.00%	10,630,000
Port of Houston Authority	572,569,397	2.71%	15,516,631
Post Wood MUD	6,445,000	100.00%	6,445,000
Rankin Road West MUD	5,889,925	100.00%	5,889,925
Spring West MUD	24,975,000	60.30%	15,059,925
Tattor Road MUD	7,220,000	100.00%	7,220,000
Timber Lane UD	53,730,000	75.87%	40,764,951
Westador MUD	485,000	100.00%	485,000
Subtotal, overlapping debt			639,536,052
Spring Independent School District direct debt			<u>799,129,920</u>
Total direct and overlapping debt			<u><u>\$1,438,665,972</u></u>

Note: An individual resident of Spring Independent School District resides in only one utility district. Therefore, the total debt applicable to the individual resident is significantly less than the sum of direct and overlapping debt shown.

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The percentage of overlapping debt is estimated using actual taxable property values. Percentages were estimated by determining the portion of the overlapping taxing authority's actual taxable value that is within the District's boundaries and dividing it by the overlapping taxing authority's total actual taxable value.

Source: Municipal Advisory Council of Texas

SPRING INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(Unaudited)

	2020	2019	2018	2017
Debt Limit (1)	\$1,434,008,830	\$1,309,832,908	\$1,256,317,865	\$1,167,375,723
Total Net Debt Applicable to Limit	<u>730,566,242</u>	<u>768,684,892</u>	<u>698,545,970</u>	<u>727,587,150</u>
Legal Debt Margin	<u><u>\$703,442,588</u></u>	<u><u>\$541,148,016</u></u>	<u><u>\$557,771,895</u></u>	<u><u>\$439,788,573</u></u>
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	50.95%	58.69%	55.60%	62.33%

Legal Debt Margin Calculation for Fiscal Year 2020:

Actual Taxable Value (2)	\$14,340,088,297
Debt Limit Percentage of Assessed Value	10%
Debt Limitation (1)	<u>1,434,008,830</u>
Debt Applicable to Debt Limitation:	
Total Bonded Debt	\$799,040,030
Less: Amount set aside for repayment of bonds (3)	<u>68,473,788</u>
Total Amount of Debt Applicable to Debt Limitation	<u>730,566,242</u>
Legal Debt Margin	<u><u>\$703,442,588</u></u>

- (1) Although there is no legal debt limit in the State of Texas, most school business officials in the State hold the opinion that the Attorney General would not approve bonded indebtedness in excess of 10 percent of actual taxable value.
(2) See Table 5 for actual taxable value data.
(3) See restricted for debt service at the fund level.

Table 12

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$1,063,785,583	\$904,830,376	\$766,992,731	\$723,203,567	\$720,012,543	\$730,340,953
<u>528,082,155</u>	<u>557,193,497</u>	<u>586,332,706</u>	<u>613,011,964</u>	<u>635,047,068</u>	<u>663,322,760</u>
<u><u>\$535,703,428</u></u>	<u><u>\$347,636,879</u></u>	<u><u>\$180,660,025</u></u>	<u><u>\$110,191,603</u></u>	<u><u>\$84,965,475</u></u>	<u><u>\$67,018,193</u></u>
49.64%	61.58%	76.45%	84.76%	88.20%	90.82%

SPRING INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC INFORMATION
Last Ten Fiscal Years
(Unaudited)

Table 13

Fiscal Year Ended June 30	Residential Units (1)	Total Assessed Value of Residential Units (1)	Average Assessed Value per Residential Unit	Population (2)	Total Personal Income (2)	Per Capita Personal Income	Average Daily Attendance (3)	Unemployment Rate (4)
2020 *	45,014	\$7,023,012,640	\$156,018				32,293	10.0%
2019 *	44,620	6,375,054,709	142,874	4,713,325			32,373	4.0%
2018	43,959	6,152,394,247	139,958	4,698,619	\$265,351,328,000	\$56,474	32,854	4.7%
2017	43,268	5,601,039,376	129,450	4,664,159	250,502,446,000	53,708	33,416	5.2%
2016	42,699	5,161,812,169	120,888	4,629,189	233,826,878,000	50,511	33,645	5.7%
2015	42,194	4,549,841,265	107,831	4,561,939	245,771,961,000	53,874	33,887	4.8%
2014	41,589	4,026,416,763	96,814	4,458,709	242,830,238,000	54,462	33,591	5.3%
2013	41,075	3,952,237,510	96,220	4,355,158	224,782,947,000	51,613	33,050	6.6%
2012	40,636	4,102,021,822	100,946	4,264,193	226,007,159,000	53,001	33,426	7.2%
2011	40,284	4,201,674,116	104,301	4,179,796	204,733,407,000	48,982	33,499	8.5%

* Personal income data not available for 2019 or 2020. Population data not available for 2020.

Source: (1) Harris County (Texas) Appraisal District for Spring ISD boundaries. Assessed value equals appraised value.
(2) U. S. Department of Commerce, Bureau of Economic Analysis, and United States Census Bureau. Data is for Harris County.
(3) Texas Education Agency, Texas Student Data System (TSDS), Public Education Information Management System (PEIMS)
(4) Texas Workforce Commission, Texas Labor Market Information Department Local Area Unemployment Statistics (LAUS).
Data is for Harris County.

SPRING INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago
(Unaudited)

Table 14

	2020			2011		
	Employees	Rank	Percentage of Total Employment (1)	Employees	Rank	Percentage of Total Employment (2)
H-E-B	31,780	1	1.04%	16,500	4	0.59%
Wal-Mart	31,000	2	1.02%	28,500	1	1.02%
Memorial Hermann Health System	28,770	3	0.94%	20,551	2	0.74%
Houston Methodist	25,844	4	0.85%	13,322	8	0.48%
UT M.D. Anderson Cancer Center	22,499	5	0.74%	18,012	3	0.65%
HCA Houston Healthcare	16,427	6	0.54%			
Kroger	16,000	7	0.52%	14,015	7	0.50%
Exxon Mobil Corp.	15,818	8	0.52%	14,600	6	0.52%
McDonald's Corp.	14,940	9	0.49%			
Texas Children's Hospital	13,415	10	0.44%			
United Airlines (3)				16,290	5	0.58%
Shell Oil Co.				10,700	9	0.38%
Schlumberger				9,612	10	0.34%
	<u>216,493</u>		<u>7.10%</u>	<u>162,102</u>		<u>5.80%</u>

- (1) Total employment 2020 equals: 3,052,552
(2) Total employment 2011 equals: 2,789,573
(3) United Airlines and Continental Airlines merged in 2011.

Source: Employment numbers were obtained from the Houston Chronicle Top 100 List for 2020 and 2011 and Bureau of Labor Statistics.
Government entities are generally not included in this list.

SPRING INDEPENDENT SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
Last Ten Fiscal Years
(Unaudited)

Table 15

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Teachers:										
Teacher	2,151.0	2,163.0	2,217.9	2,142.9	2,312.6	2,363.0	2,360.4	2,148.9	2,084.3	2,268.2
Substitute Teacher	6.1	1.0	3.3	9.1				0.5		1.0
Total Teachers	2,157.1	2,164.0	2,221.2	2,152.0	2,312.6	2,363.0	2,360.4	2,149.4	2,084.3	2,269.2
Professional Support:										
Psychological Associate	2.0			1.0				1.0		
Audiologist	1.0	1.0	1.0	1.0	1.0	1.0				
Counselor	89.7	77.9	82.0	85.8	95.5	87.1	78.0	78.1	71.7	75.3
Educational Diagnostician	35.6	39.1	27.1	30.7	42.2	42.6	36.9	44.0	35.0	32.5
Librarian	36.7	31.7	18.2	20.3	21.1	21.5	22.4	22.1	22.2	31.7
Certified Orientation/Mobility Specialist	2.0	1.0	1.3	2.0	1.0	1.0				
School Nurse	21.0	45.0	44.8	43.0	43.6	43.1	45.0	43.0	42.0	39.5
LSSP/Psychologist	9.0	6.0	7.3	13.0	14.0	11.0	9.5	11.0	10.0	12.0
Social Worker						1.0	1.0	1.0	1.0	1.0
Speech Therapist/Speech-Language Pathologist	28.5	31.0	32.6	26.9	32.7	24.4	23.9	12.2	17.5	15.0
Work-based Learning Site Coordinator	0.9	2.9	2.8							
Teacher Facilitator	209.5	178.4	183.4	131.1	101.4	117.6	45.0	175.9	187.8	253.4
Teacher Appraiser	1.9	6.0	8.1	11.0						
Department Head		0.5	1.5	2.0	21.6	29.9				
Athletic Trainer	4.0	5.0	4.0	1.0	5.0	2.0	0.1	2.0	2.0	4.0
Campus Professional Personnel	43.5	47.2	17.5	96.0	32.9	16.4	9.1	3.0	3.0	1.3
Non-Campus Professional Personnel	261.7	296.2	282.5	263.3	231.7	219.5	165.0	89.5	90.5	95.0
Total Professional Staff	747.0	768.9	714.1	728.1	643.5	618.2	435.9	482.8	482.7	560.7
Campus Administration:										
Assistant Principal	74.4	75.1	78.7	85.6	78.8	82.2	76.8	75.3	77.2	73.1
Principal	36.2	38.9	37.1	38.0	36.9	37.0	36.1	37.3	38.0	36.0
Athletic Director										1.0
Teacher Supervisor	6.0	2.0								
Registrar	10.1	11.5	9.5	7.7	11.0	10.0	1.0			
Total Campus Administration	126.7	127.5	125.3	131.3	126.7	129.2	113.9	112.6	115.2	110.1
Central Administration:										
Assistant/Associate/Deputy Superintendent	15.0	13.8	13.0	13.0	13.9	11.9	9.2	7.0	6.0	6.0
Instructional Program Director/Executive Director	16.4	14.3	17.5	17.0	20.2	19.7	16.2	14.0	15.0	25.5
Superintendent	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Teacher Supervisor	11.5	11.4	6.0	5.0	13.5	4.5	4.4	4.0	4.0	5.0
Athletic Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Tax Assessor/Collector	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Business Manager	1.0	1.0	1.0	1.0	1.0	1.0		1.0	1.0	1.0
Director of Personnel/HR	1.0	2.0	2.0	2.0	2.0	4.0	3.8	3.0	3.0	4.0
Total Central Administration	47.9	45.5	42.5	41.0	53.6	44.1	36.6	32.0	32.0	44.5
Educational Aide	493.8	487.0	325.5	223.2	239.6	430.0	470.3	472.3	285.8	509.8
Auxiliary Staff	1,496.9	1,384.5	1,519.3	1,643.5	1,562.0	1,401.5	1,309.2	1,413.5	1,515.4	1,685.9
Total Staff Full-Time Equivalent	5,069.4	4,977.4	4,947.9	4,919.1	4,938.0	4,986.0	4,726.3	4,662.6	4,515.4	5,180.2

Source: Texas Education Agency (TEA), Texas Student Data System (TSDS), Public Education Information Management System (PEIMS)

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SPRING INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year Ended June 30</u>	<u>Average Daily Attendance (ADA)</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per ADA</u>	<u>Percentage Change</u>	<u>Government Wide Expenses (2)</u>
2020	32,293	\$387,197,991	\$11,990	7.50%	\$473,958,889
2019	32,373	361,100,891	11,154	1.71%	437,790,108
2018	32,854	360,276,820	10,966	7.37%	305,061,858
2017	33,416	341,291,128	10,213	0.97%	398,933,415
2016	33,645	340,312,739	10,115	3.80%	399,715,364
2015	33,887	330,226,468	9,745	8.21%	372,837,069
2014	33,591	302,521,853	9,006	5.16%	353,059,194
2013	33,050	283,049,319	8,564	3.83%	337,744,138
2012	33,426	275,682,415	8,248	(7.66%)	332,604,967
2011	33,499	299,207,809	8,932	(3.16%)	368,282,019

(1) Operating expenditures are total governmental fund expenditures less debt service and capital outlay (to the extent capitalized for the government-wide statement of net position) and expenditures for capitalized assets included within the functional expenditures categories.

(2) The District implemented GASB Statement No. 68 in 2015. The effects of this statement were not applied to previous years. The District implemented GASB Statement No. 75 in 2018. The effects of this statement were not applied to previous years.

(3) Enrollment is total number of students in the district who were reported to the Texas Education Agency (TEA) as of the last Friday in October.

Source: Texas Education Agency (TEA), Texas Student Data System (TSDS), Public Education Information Management System (PEIMS) and District records

Table 16

<u>Cost Per ADA</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Enrollment (3)</u>	<u>Student to Teacher Ratio</u>	<u>Percentage of Students in Free/Reduced Lunch Program</u>
\$14,677	8.53%	2,157.10	35,284	16.36	82.6%
13,523	45.64%	2,164.00	35,348	16.33	70.0%
9,285	(22.22%)	2,221.20	36,079	16.24	69.4%
11,938	0.49%	2,152.00	36,654	17.03	68.5%
11,880	7.98%	2,312.60	36,813	15.92	70.5%
11,002	4.67%	2,363.00	36,781	15.57	72.1%
10,511	2.86%	2,360.40	36,358	15.40	74.0%
10,219	2.70%	2,149.40	36,028	16.76	73.0%
9,950	(9.50%)	2,084.30	36,423	17.47	72.6%
10,994	(3.92%)	2,269.20	36,230	15.97	71.5%

SPRING INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES
Last Ten Fiscal Years
(Unaudited)

Table 17

<u>Fiscal Year Ended June 30</u>	<u>Minimum Salary (1)</u>	<u>Maximum Salary (1)</u>	<u>Average Salary (2)</u>	<u>Region 4 Average Salary (3)</u>	<u>Statewide Average Salary (3)</u>
2020	\$54,000	\$66,785	\$61,312		
2019	52,275	65,160	59,578	\$57,707	\$54,122
2018	52,275	65,160	59,324	57,076	53,334
2017	51,760	65,160	58,334	55,992	52,525
2016	51,500	62,846	58,175	55,800	51,891
2015	48,500	61,582	55,717	54,157	50,715
2014	45,537	57,386	51,349	52,222	49,692
2013	44,426	55,987	48,556	50,968	48,821
2012	44,205	55,708	47,575	50,383	48,375
2011	44,205	56,229	49,132	50,616	48,638

(1) Source: District records, based on new teacher entry schedule.

(2) Source: Texas Education Agency (TEA), Texas Student Data System (TSDS), Public Education Information Management System (PEIMS)

(3) Source: Texas Education Agency (TEA), Texas Performance Reporting System (TPRS); Region 4 and state information for 2020 not available at this time.

SPRING INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
Last Ten Fiscal Years
(Unaudited)

Table 18
Page 1 of 3

School (Year Opened)	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
High Schools										
Spring (1968)										
Square feet	454,195	454,195	454,195	454,195	454,195	454,195	454,195	454,195	454,195	454,195
Capacity	2,840	2,840	2,840	2,840	2,840	2,840	2,840	2,840	2,840	2,840
Peak enrollment	2,793	2,828	2,934	2,889	2,800	2,651	2,884	2,972	3,049	3,134
Westfield (1976)										
Square feet	549,603	549,603	549,603	549,603	549,603	549,603	549,603	549,603	549,603	549,603
Capacity	3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338	3,338
Peak enrollment	2,845	2,866	2,864	2,770	2,841	2,680	2,652	2,687	2,666	2,571
Andy Dekaney (2007)										
Square feet	487,000	487,000	487,000	487,000	487,000	487,000	487,000	487,000	487,000	487,000
Capacity	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Peak enrollment	2,146	2,134	2,239	2,485	2,639	2,488	2,324	2,226	2,434	2,444
Carl Wunsche Sr. (2006)										
Square feet	273,178	273,178	273,178	273,178	273,178	273,178	273,178	273,178	273,178	273,178
Capacity	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Peak enrollment	1,487	1,471	1,473	1,508	1,509	1,429	1,487	1,525	1,513	1,565
Early College Academy (2016) ⁵										
Square feet		42,346	42,346	42,346						
Capacity		450	450	450						
Peak enrollment		420	414	385						
Middle Schools										
Wells (1977)										
Square feet	182,661	182,661	182,661	182,661	182,661	182,661	182,661	182,661	182,661	182,661
Capacity	1,378	1,378	1,378	1,378	1,378	1,378	1,378	1,378	1,378	1,378
Peak enrollment	1,116	1,129	1,093	1,372	1,326	1,365	1,288	1,273	1,261	1,170
Dueitt (1980)										
Square feet	137,391	137,391	137,391	137,391	137,391	137,391	137,391	137,391	137,391	137,391
Capacity	924	924	924	924	924	924	924	924	924	924
Peak enrollment	995	1,205	1,162	884	899	937	965	983	976	978
Twin Creeks (1984)										
Square feet	155,516	155,516	155,516	155,516	155,516	155,516	155,516	155,516	155,516	155,516
Capacity	1,072	1,072	1,072	1,072	1,072	1,072	1,072	1,072	1,072	1,072
Peak enrollment	1,034	993	1,112	1,092	1,072	1,000	976	947	910	842
Bammel (2003)										
Square feet	228,121	228,121	228,121	228,121	228,121	228,121	228,121	228,121	228,121	228,121
Capacity	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Peak enrollment	932	970	942	1,328	1,303	1,421	1,263	1,284	1,380	1,274
Stelle Claughton (2003)										
Square feet	219,716	219,716	219,716	219,716	219,716	219,716	219,716	219,716	219,716	219,716
Capacity	1,303	1,303	1,303	1,303	1,303	1,303	1,303	1,303	1,303	1,303
Peak enrollment	1,173	1,200	1,276	1,102	1,082	1,112	1,203	1,213	1,248	1,341
Rickey C. Bailey (2006)										
Square feet	201,178	201,178	201,178	201,178	201,178	201,178	201,178	201,178	201,178	201,178
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Peak enrollment	931	1,351	1,264	1,163	1,162	1,269	1,205	1,214	1,178	1,206
Dr. Edward Roberson (1971)										
Square feet		176,000	176,000	176,000	176,000	176,000	176,000	176,000	176,000	176,000
Capacity		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Peak enrollment		831	921	1,033	1,102	1,086	1,102	1,142	1,216	1,204
Dr. Edward Roberson (2019) ⁴										
Square feet	154,843									
Capacity	800									
Peak enrollment	806									
Springwoods Village (2019) ⁶										
Square feet	139,754									
Capacity	725									
Peak enrollment	500									
Spring Leadership Academy (2019) ⁷										
Square feet	44,931									
Capacity	450									
Peak enrollment	386									

SPRING INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
Last Ten Fiscal Years
(Unaudited)

Table 18
Page 2 of 3

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Elementary Schools										
Bammel (2010)										
Square feet	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	745	776	789	888	920	958	893	802	827	869
Ponderosa (1971)										
Square feet	96,149	96,149	96,149	96,149	96,149	96,149	96,149	96,149	96,149	96,149
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	799	752	684	720	732	753	714	779	777	756
John A. Winship (1972)										
Square feet	71,456	71,456	71,456	71,456	71,456	71,456	71,456	71,456	71,456	71,456
Capacity	768	768	768	768	768	768	768	768	768	768
Peak enrollment	492	511	517	529	491	525	538	547	556	517
Pat Reynolds (1973)										
Square feet	83,280	83,280	83,280	83,280	83,280	83,280	83,280	83,280	83,280	83,280
Capacity	884	884	884	884	884	884	884	884	884	884
Peak enrollment	785	788	716	727	780	784	734	689	755	713
Otto H. & Avalt H. Meyer (1976)										
Square feet	91,213	91,213	91,213	91,213	91,213	91,213	91,213	91,213	91,213	91,213
Capacity	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108
Peak enrollment	725	753	717	663	621	659	720	752	739	751
Mildred I. Jenkins (1976)										
Square feet	91,865	91,865	91,865	91,865	91,865	91,865	91,865	91,865	91,865	91,865
Capacity	896	896	896	896	896	896	896	896	896	896
Peak enrollment	623	638	660	702	689	742	781	760	784	831
Pearl M. Hirsch (1978)										
Square feet	81,268	81,268	81,268	81,268	81,268	81,268	81,268	81,268	81,268	81,268
Capacity	692	692	692	692	692	692	692	692	692	692
Peak enrollment	729	767	685	708	704	736	673	625	655	831
George E. Anderson (1979)										
Square feet	77,968	77,968	77,968	77,968	77,968	77,968	77,968	77,968	77,968	77,968
Capacity	836	836	836	836	836	836	836	836	836	836
Peak enrollment	576	611	614	621	600	606	659	665	609	832
Joan Link (1982)										
Square feet	83,300	83,300	83,300	83,300	83,300	83,300	83,300	83,300	83,300	83,300
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	612	616	631	631	668	675	704	716	735	788
L. E. Smith (1986)										
Square feet	78,638	78,638	78,638	78,638	78,638	78,638	78,638	78,638	78,638	78,638
Capacity	784	784	784	784	784	784	784	784	784	784
Peak enrollment	572	591	616	578	564	605	620	674	692	887
Joseph S. Beneke (1986)										
Square feet	86,999	86,999	86,999	86,999	86,999	86,999	86,999	86,999	86,999	86,999
Capacity	892	892	892	892	892	892	892	892	892	892
Peak enrollment	695	682	684	707	725	745	781	812	838	869
Deloras E. Thompson (1996)										
Square feet	108,400	108,400	108,400	108,400	108,400	108,400	108,400	108,400	108,400	108,400
Capacity	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054
Peak enrollment	700	628	666	678	687	742	699	728	766	763
Heritage (2000)										
Square feet	93,625	93,625	93,625	93,625	93,625	93,625	93,625	93,625	93,625	93,625
Capacity	818	818	818	818	818	818	818	818	818	818
Peak enrollment	718	687	680	527	522	501	544	561	577	589
B. F. Clark Intermediate (2003) ²										
Square feet	87,269	87,269	87,269	87,269	87,269	87,269	87,269	87,269	87,269	87,269
Capacity	840	840	840	840	840	840	840	840	840	840
Peak enrollment	676	720	784	1,041	731	1,725	1,555	600	640	612
J. O. & Gertie Mae Salyers (2003)										
Square feet	96,400	96,400	96,400	96,400	96,400	96,400	96,400	96,400	96,400	96,400
Capacity	824	824	824	824	824	824	824	824	824	824
Peak enrollment	648	678	708	707	762	821	723	657	676	628
B. F. Clark Primary (1990) ²										
Square feet	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000
Capacity	716	716	716	716	716	716	716	716	716	716
Peak enrollment	480	491	531	723	1008			801	799	750

SPRING INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
Last Ten Fiscal Years
(Unaudited)

Table 18
Page 3 of 3

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Elementary Schools (Continued)										
Chet Burchett (2005)										
Square feet	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	704	706	782	774	731	687	721	653	730	799
Milton Cooper (2005)										
Square feet	102,205	102,205	102,205	102,205	102,205	102,205	102,205	102,205	102,205	102,205
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	750	756	762	783	822	837	793	808	745	743
Ginger McNabb (2006)										
Square feet	102,762	102,762	102,762	102,762	102,762	102,762	102,762	102,762	102,762	102,762
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	680	711	716	729	701	709	735	733	735	700
Northgate Crossing (2008)										
Square feet	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	711	735	702	691	689	725	740	755	727	726
Donna Lewis (2006)										
Square feet	102,700	102,700	102,700	102,700	102,700	102,700	102,700	102,700	102,700	102,700
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	706	671	655	682	675	707	698	694	720	790
Carolee Booker (2008)										
Square feet	102,700	102,700	102,700	102,700	102,700	102,700	102,700	102,700	102,700	102,700
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	754	799	821	838	873	893	946	952	941	984
R. J. Hoyland (2009)										
Square feet	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	711	735	770	907	949	908	860	787	873	807
Ralph Eickenroht (2009)										
Square feet	102,700	102,700	102,700	102,700	102,700	102,700	102,700	102,700	102,700	102,700
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	660	658	636	681	706	712	625	587	647	578
Helen Major (2009)										
Square feet	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	684	673	702	756	811	777	695	666	595	525
Gloria Marshall (2011)										
Square feet	103,500	103,500	103,500	103,500	103,500	103,500	103,500	103,500	103,500	103,500
Capacity	800	800	800	800	800	800	800	800	800	800
Peak enrollment	763	743	727	729	706	689	701	666	662	
Special Campuses										
Richey Academy (2015) ³										
Square feet	33,123	33,123	33,123	33,123	33,123					
Capacity	250	250	250	250	250					
Peak enrollment	148	195	198	134	191					
Portable Buildings ¹	148	147	147	150	150	150	150	150	150	150

¹ The District utilized portable buildings providing classrooms and restrooms in schools where enrollment exceeded capacity.

² From July 2013 to June 2015 Clark Primary and Clark Intermediate were considered one school, Clark Elementary.

³ This building was originally for Support Services and was renovated in 2015 to house the District's Disciplinary Alternative Education Program for grades 6th through 12th.

⁴ Roberson moved to 12430 Veterans Memorial Dr. in August 2019.

⁵ Early College Academy moved from portable buildings to 14450 T.C. Jester Blvd. in August 2016, then relocated to Lonestar College-North Harris campus in August 2019.

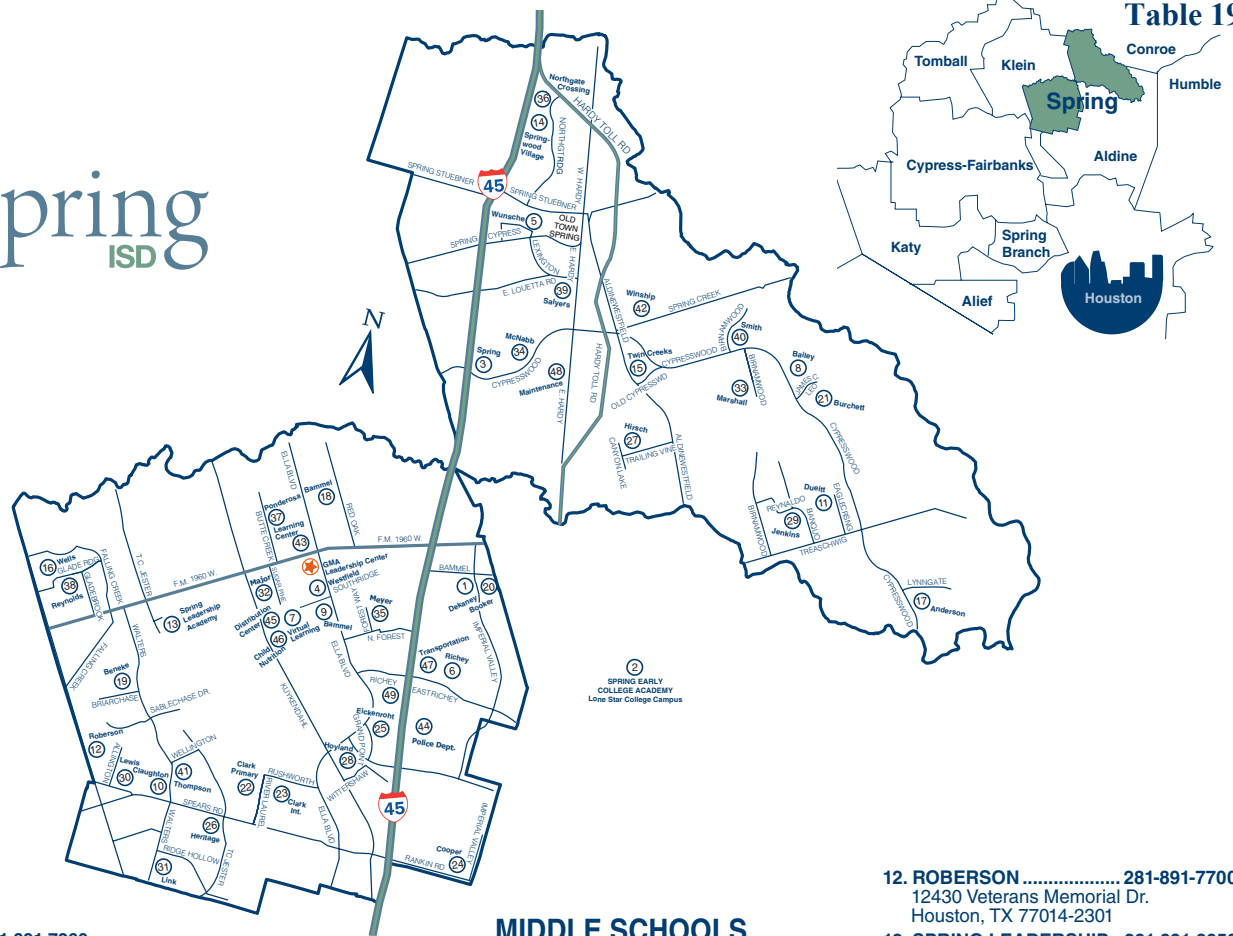
⁶ Springwoods Village opened at 1120 Crossgate Blvd. in August 2019.

⁷ Spring Leadership Academy opened at 14450 T.C. Jester Blvd. in August 2019.

Source: District records



Table 19



HIGH SCHOOLS

1. **ANDY DEKANEY** 281-891-7260
22351 Imperial Valley Dr.
Houston, TX 77073-1102
2. **SPRING EARLY COLLEGE ACADEMY** 281-891-6880
2700 W. W. Thorne Dr.
Academic Building, Suite A 104
Houston, TX 77073-3499
3. **SPRING** 281-891-7000
19428 I-45 N
Spring, TX 77373-2910
4. **WESTFIELD** 281-891-7130
16713 Ella Blvd.
Houston, TX 77090-4213

ELEMENTARY SCHOOLS

17. **ANDERSON** 281-891-8360
6218 Lynngate Dr.
Spring, TX 77373-7356
18. **BAMMEL** 281-891-8150
17309 Red Oak Dr.
Houston, TX 77090-1243
19. **BENEKE** 281-891-8450
3840 Briarchase Dr.
Houston, TX 77014-2755
20. **BOOKER** 281-891-8750
22352 Imperial Valley Dr.
Houston, TX 77073-1101
21. **BURCHETT** 281-891-8630
3366 James C. Leo Dr.
Spring, TX 77373-1700
22. **CLARK PRIMARY (Gra. PK-2)** 281-891-8600
12625 River Laurel Dr.
Houston, TX 77014-3642
23. **CLARK INTERMEDIATE (Gra. 3-5)** 281-891-8540
1825 Rushworth Dr.
Houston, TX 77014-2885
24. **COOPER** 281-891-8660
18655 Imperial Valley Dr.
Houston, TX 77073-4608
25. **EICKENROHT** 281-891-8840
15252 Grand Point Dr.
Houston, TX 77090-6329
26. **HERITAGE** 281-891-8510
12255 T.C. Jester Blvd.
Houston, TX 77067-1381

5. **CARL WUNSCH SR.** 281-891-7650
900 Wunsche Loop
Spring, TX 77373-2513
6. **RICHEY ACADEMY** 281-891-6710
341 East Richey Rd. Building B
Houston, TX 77073-6038
7. **VIRTUAL LEARNING AND ASAP PROGRAM** ... 281-891-6223
1001 Southridge Dr.
Houston, TX 77090

27. **HIRSCH** 281-891-8330
2633 Trailing Vine Rd.
Spring, TX 77373-7716
28. **HOYLAND** 281-891-8810
2200 Wittershaw Rd.
Houston, TX 77090-7202
29. **JENKINS** 281-891-8300
4615 Reynaldo Dr.
Spring, TX 77373-6861
30. **LEWIS** 281-891-8720
3230 Spears Rd.
Houston, TX 77067-5241
31. **LINK** 281-891-8390
2815 Ridge Hollow Dr.
Houston, TX 77067-1939
32. **MAJOR** 281-891-8870
16855 Sugar Pine Dr.
Houston, TX 77090-3626
33. **MARSHALL** 281-891-4900
24505 Birnamwood Blvd.
Spring, TX 77373-9575
34. **MENABBE** 281-891-8690
743 East Cypresswood Dr.
Spring, TX 77373-5516
35. **MEYER** 281-891-8270
16330 Forest Way Dr.
Houston, TX 77090-4717
36. **NORTHGATE CROSSING** 281-891-8780
23437 Northgate Crossing Blvd.
Spring, TX 77373-5687

MIDDLE SCHOOLS

8. **BAILEY** 281-891-8000
3377 James C. Leo Dr.
Spring, TX 77373-1701
9. **BAMMEL** 281-891-7900
16711 Ella Blvd.
Houston, TX 77090-4213
10. **CLAUGHTON** 281-891-7950
3000 Spears Rd.
Houston, TX 77067-5235
11. **DUEITT** 281-891-7800
1 Eagle Crossing
Spring, TX 77373-8027

37. **PONDEROSA** 281-891-8180
17202 Butte Creek Rd.
Houston, TX 77090-2322
38. **REYNOLDS** 281-891-8240
3975 Gladeridge Dr.
Houston, TX 77068-2422
39. **SALYERS** 281-891-8570
25705 Hardy St.
Spring, TX 77373-2684
40. **SMITH** 281-891-8420
26000 Cypresswood Dr.
Spring, TX 77373-5860
41. **THOMPSON** 281-891-8480
12470 Walters Rd.
Houston, TX 77014-2422
42. **WINSHIP** 281-891-8210
2175 Spring Creek Dr.
Spring, TX 77373-6141

ADMINISTRATION and SUPPORT FACILITIES

- ★ **GORDON M. ANDERSON LEADERSHIP CENTER** 281-891-6000
16717 Ella Blvd.
Houston, TX 77090-4213
43. **COMMUNITY ENGAGEMENT CENTER** 281-891-6736
17125 Ella Blvd.
Houston, TX 77090-2409

12. **ROBERSON** 281-891-7700
12430 Veterans Memorial Dr.
Houston, TX 77014-2301
13. **SPRING LEADERSHIP.. ACADEMY** 281-891-8050
14450 T.C. Jester Blvd.
Houston, TX 77014-1457
14. **SPRINGWOODS VILLAGE** 281-891-8100
1120 Crossgate Blvd.
Spring, TX 77373-5687
15. **TWIN CREEKS** 281-891-7850
27100 Old Cypresswood Dr.
Spring, TX 77373-6370
16. **WELLS** 281-891-7750
4033 Gladeridge Dr.
Houston, TX 77068-2307

44. **POLICE COMMAND CENTER & TAX OFFICE** 281-891-6911
420 420 Lockhaven Dr.
Houston, TX 77073-5530
45. **DISTRIBUTION CENTER Operations** 281-891-6465
Construction/Energy 281-891-6430
Safety/Risk Management 281-891-6440
15330 Kuykendahl Rd.
Houston, TX 77090-4109
46. **CHILD NUTRITION and TRAINING CENTER** 281-891-6445
15330 Kuykendahl Rd.
Houston, TX 77090-4109
47. **TRANSPORTATION CENTER** 281-891-6490
341 East Richey Rd.
Houston, TX 77073-6038
48. **MAINTENANCE** 281-891-6405
24037 W. Hardy Rd. #109
Houston, Texas 77373-5717
49. **TEACHUP SPRING LEARNING CENTER** 281-891-6037
15651 I-45 North
Houston, Texas 77090-4213

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281-891-6000
F: 281-891-6006



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16717 Ella Blvd.
Houston, Texas 77090

