



CONROE
INDEPENDENT
SCHOOL DISTRICT



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Year Ended
August 31, 2023



Conroe Independent School District

ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the Conroe Independent School District
For the year ended August 31, 2023

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CONROE
INDEPENDENT
SCHOOL DISTRICT

CONROE INDEPENDENT SCHOOL DISTRICT

Annual Comprehensive Financial Report

For the Year Ended August 31, 2023

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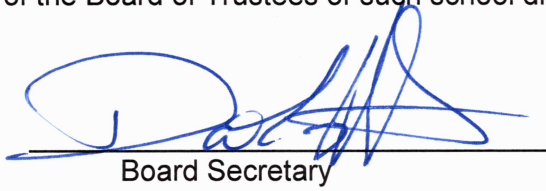
CERTIFICATE OF BOARD

Conroe Independent School District
Name of School

Montgomery
County

170-902
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 August 31, 2023 at a meeting of the Board of Trustees of such school district on the 16th of January, 2024.



Board Secretary



Board President

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT



Introductory Section



January 10, 2024

Mr. Skeeter Hubert, President,
Members of the Board of Trustees, and Citizens
Conroe Independent School District
3205 West Davis
Conroe, TX 77304

Dear Members of the Board of Trustees and Citizens:

The Texas Education Code requires that all school districts file a complete set of financial statements with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with generally accepted auditing standards. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the Conroe Independent School District (the District) for the fiscal year ended August 31, 2023.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operation of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Management of the District is responsible for establishing and maintaining internal control structures designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The financial statements of the District have been audited by Weaver and Tidwell LLP, 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 August 31, 2023, 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 August 31, 2023, 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 legal requirements involving the administration of federal awards. These reports are available in the Single Audit section of this report. The results of the District's Single Audit for the fiscal year ended August 31, 2023, provided no instances of material weaknesses in the internal control structures or material violations of applicable laws and regulations.

GAAP require 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 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.

Profile of the District

Residents of the District elect a seven-member Board of Trustees (the Board), each of which serves for four years. Monthly meetings of the Board are posted and advertised as prescribed under state laws so that the Board may fulfill its charge to the students, parents, staff, and taxpayers of the District. Special meetings or study sessions are scheduled as needed. The Board has final control over all school matters except as limited by state law.

Serving the communities of Conroe, The Woodlands, Oak Ridge North, Shenandoah, and Cut 'n Shoot, the District's boundaries encompass approximately 348 square miles in Montgomery County. During the 2022-2023 fiscal year, the District operated six senior high schools (including three ninth grade campuses), three high school academies, seven junior high schools, eleven intermediate schools, five elementary/intermediate (K-6), thirty-three elementary schools, a career and technology education center, and three alternative campuses. The District serves over 73,000 students, and provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and enriched academic education, special education for children with special needs, career and technology education, and programs for students with limited English proficiency. These basic programs are supplemented by a wide variety of offerings in fine arts and athletics.

The District's vision of where it is headed is the culmination of months of study, collective thought, and thoughtful activities by all constituent groups in the District.

A Vision for CISD

CISD is a learning community united in its commitment to ensuring all students graduate with confidence and competence. The schools and communities work together to provide performance standards which can be applied to the real world. This is achieved through the implementation of quality in instruction, operations, and leadership.

The goals for improvement, which grew out of a comprehensive needs assessment and the work of the Strategic Planning Task Force, target increased academic performance; involvement of parents and community; strategies and support for all students to read and comprehend on level by the end of third grade; closing the achievement gap; dropouts; advancing technology; continuation of Total Quality Management; and safe school environments.

The District attracts highly qualified personnel because of its commitment to excellence. During the 2022-2023 school year, the District employed nearly 8,900 employees consisting of professionals, office professionals, paraprofessionals, and auxiliary staff. Professional employees include more than 4,500 classroom teachers.

Economic Condition and Outlook

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

Located just north of Houston, Texas in Montgomery County, the Conroe Independent School District covers 348 square miles and is a dynamic factor in the quality of life and economic development efforts of the area. Since the early 1990's, the District has been experiencing a rapid and consistent growth of nearly 3,000 students per year for the last two years and into the foreseeable future. The age of the District's school buildings ranges from earliest construction in 1926, through recent additions in 2023. The residential and commercial growth and the overall economic health of the area have dramatically increased in recent years. Increased property values and growth in the District's tax base easily demonstrate this.

With strong collaborative ties with the chambers of commerce and the business community, with the other local governmental entities in the area and with the Lone Star College District, CISD is making new inroads in building support and targeting resources to achieve the greatest impact for all of our students. The financial, cultural, educational and recreational climate of the area is a testimony to the collective leadership and to the communities' progressive attitude toward responsible growth and their vision of the future.

Financial Information

Accounting Systems – The Board of Trustees maintains a system of accounting controls designed to assist the administration in meeting its responsibility for accurately reporting the financial condition of the District. The system is designed to provide reasonable assurance that assets are safeguarded against loss, theft, or misuse so activities can be recorded and transacted by the administration 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 framework of internal controls has been designed to provide reasonable, rather than an absolute, assurance that the financial statements will be free from material misstatement.

The cost of operating the District's schools and the revenues to cover these costs are accounted for through the General Fund. Food Service operations and special programs funded by state or federal government grants are accounted for in Special Revenue Funds.

The District accounts for school construction financed by bond sales through a Capital Projects Fund. During the 2018-2019 school year, the District established a Capital Maintenance Fund using available fund balance. This fund will be used for capital maintenance projects.

A specific portion of the tax rate is dedicated to payment of bond principal and interest. These transactions are recorded in the Debt Service Fund.

The District has established Internal Service Funds to account for the transactions of its self funded employee insurance.

Included in the ACFR as Fiduciary Funds are financial schedules for student activity funds.

The District's accounting records are maintained on a modified accrual basis for governmental fund types and a full accrual basis for the proprietary fund types as prescribed by Texas Education Agency Financial Accountability System Resource Guide (FASRG). Additionally, the District has prepared the government-wide financial statements on the full accrual basis as required by GASB Statement No. 34.

Financial data is submitted by the District to the Texas Education Agency through the Public Education Information Management System (PEIMS). The data is analyzed, reviewed and presented to the State Board of Education.

Budgetary Process – State law requires that every local education agency in Texas prepare and file an annual budget of anticipated revenues and expenditures with the Texas Education Agency. The budget itself is prepared utilizing a detailed line item approach for governmental fund types and is prepared in accordance with the budgeting requirements as outlined in the FASRG. The annual budget serves as the foundation for the District's financial planning and control. The District maintains budgetary controls throughout all of its financial systems. The objective of these controls is to ensure compliance with legal provisions embodied in the annually appropriated budget approved by the Board of Trustees. Activities of the general fund, child nutrition fund, debt service fund and capital projects funds are included in the annually appropriated budget. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by function within each individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Although encumbered amounts lapse at year-end, they are generally re-appropriated as part of the next year's budget through a Board-adopted budget amendment. The budget may be amended during the year to address unanticipated or changing needs of the District. Changes to functional expenditures categories, revenue objects, or other sources and uses require Board approval.

Significant Financial Activities- The District's total tax base grew from approximately \$43.1 billion to approximately \$52.1 billion in 22-23, an increase of over 20.9%. The tax rates per \$100 of assessed value for the past five years are shown on the following table.

	18-19	19-20	20-21	21-22	22-23
M & O	\$1.0600	\$ 0.9700	\$ 0.9525	\$ 0.9160	\$ 0.8546
I & S	0.2200	0.2600	0.2600	0.2600	0.2600
	\$1.2800	\$ 1.2300	\$ 1.2125	\$ 1.1760	\$ 1.1146

The District scored the highest possible rating of "Superior" for the Schools FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas School Districts. The primary goal of Schools FIRST is to ensure quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system.

Major Indicators

In looking at the most common indicators of quality in a school system, the following are examples of what is going on in the District:

Test Scores – The State of Texas created a new assessment test called State of Texas Assessment of Academic Readiness or (STAAR) beginning with the 2011-2012 school year. Conroe Independent School District received a letter rating of B for the 2021-2022 school year. Ratings for the 2022-2023 school year have not yet been released.

Attendance Rate - Despite the rapid growth in the District and the problems facing families today, the attendance rate in the District remains high.

Dropout Rate - The dropout rate has decreased over the last several years and is below the State average, meaning more students are finishing high school and are entering college or the work force.

Public Support - The 2019 Bond Referendum passed with a 56 percent positive vote in every geographic area of the District. Patrons continue to be extremely supportive of the District's efforts.

Other Information

Awards - The District has been awarded the Certificate of Excellence in Financial Reporting awarded to government entities by the Association of School Business Officials International for the 2021-2022 annual comprehensive financial report. The District feels the current annual comprehensive financial report continues to meet the requirements for this award, and we will again submit the report for review. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Conroe Independent School District for its annual comprehensive financial report for the fiscal year ended August 31, 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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. These awards are displayed in the Introductory Section.

Acknowledgments - We would like to express appreciation to the Board of Trustees for concern in providing fiscal accountability to the patrons of our District and for its leadership in the development of one of the best educational operations within the State of Texas. Many hours have been devoted to this District by teachers, principals and administrators, and supporting staff and thanks is extended to the entire Conroe Independent School District Team who have worked so hard to provide a high-quality, cost-efficient education to the students we serve. Additionally, the preparation of this report was accomplished through much time and effort on the part of the District finance department, and special appreciation is expressed to them.



Dr. Curtis Null
Superintendent



Darrin Rice
Chief Financial Officer

Conroe

Independent School District

Consultants and Advisors

Independent Auditors

Weaver and Tidwell, L.L.P.

4400 Post Oak Parkway, Suite 1100 • Houston, Texas 77027

Financial Advisor

BOK Financial Securities Inc.

1401 McKinney Street • Suite 1000 • Houston, Texas 77010

Bond Counsel

Orrick, Herrington & Sutcliffe LLP

600 Main Street • Houston, Texas 77002

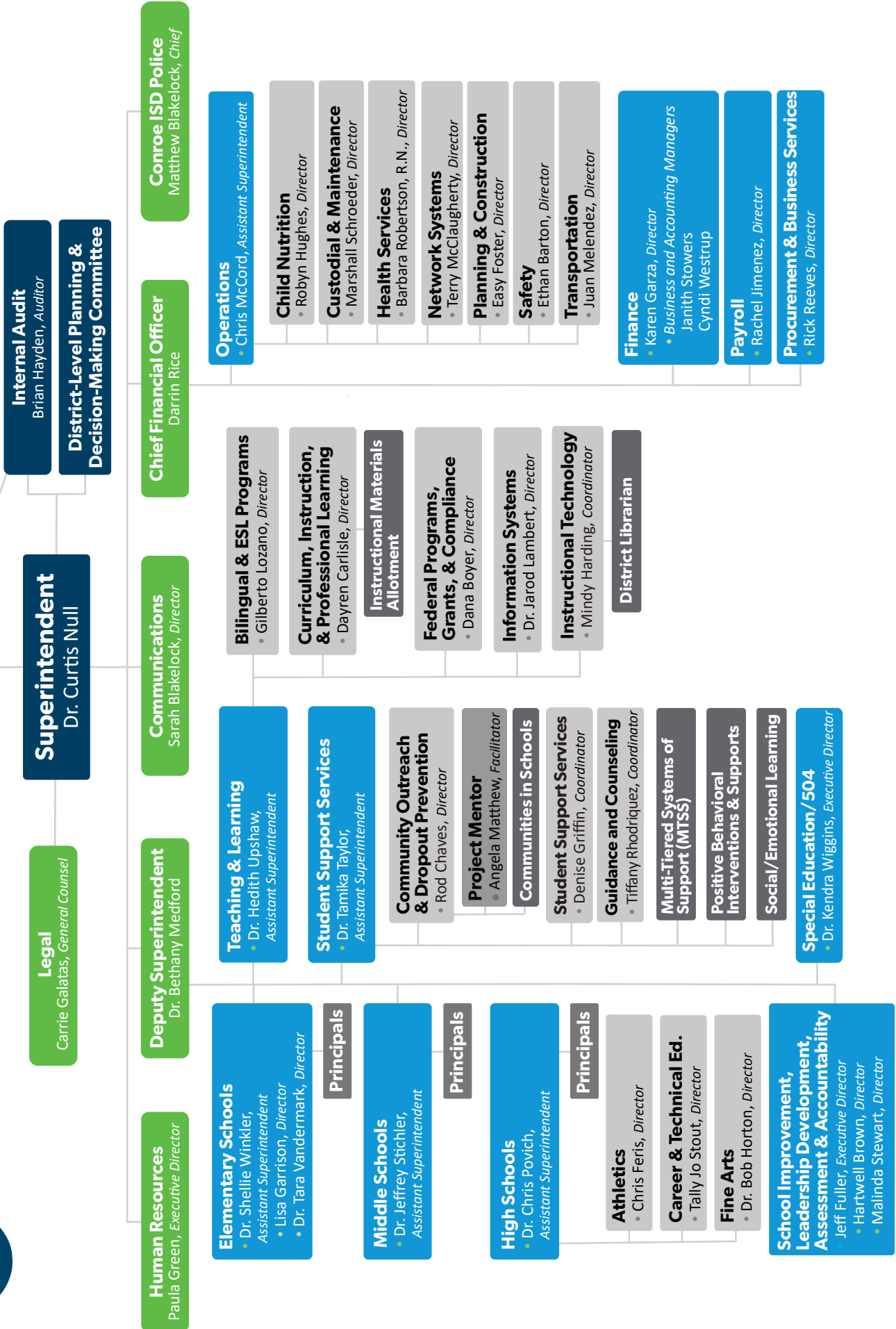
Depository Bank

Woodforest National Bank

1330 Lake Robbins Drive, Suite 100 • The Woodlands, Texas 77380



Board of Trustees



Conroe

Independent School District

Elected Officials Board of Trustees

Mr. Skeeter Hubert.....	<i>President</i>
Mrs. Theresa Wagaman.....	<i>First Vice President</i>
Mrs. Stacey Chase.....	<i>Second Vice President</i>
Mr. Datren Williams	<i>Secretary</i>
Mrs. Melissa Dungan.....	<i>Assistant Secretary</i>
Mrs. Tiffany Baumann Nelson.....	<i>Trustee</i>
Mrs. Misty Odenweller.....	<i>Trustee</i>

Appointed Officials

Dr. Curtis Null	<i>Superintendent of Schools</i>
Dr. Bethany Medford.....	<i>Deputy Superintendent</i>
Mr. Darrin Rice.....	<i>Chief Financial Officer</i>
Dr. Christopher Povich.....	<i>Assistant Superintendent for High Schools</i>
Dr. Jeffrey Stichler	<i>Assistant Superintendent for Middle Schools</i>
Dr. Shellie Winkler.....	<i>Assistant Superintendent for Elementary Schools</i>
Dr. Hedith Saucedo-Upshaw.....	<i>Assistant Superintendent for Teaching & Learning</i>
Dr. Tamika Taylor.....	<i>Assistant Superintendent of Student Support Services</i>
Mr. Chris McCord.....	<i>Assistant Superintendent of Operations</i>
Mrs. Carrie Galatas	<i>General Counsel</i>

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Conroe Independent School District

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended August 31, 2022.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style.

John W. Hutchison
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style.

Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Conroe Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2022

Christopher P. Morill

Executive Director/CEO

Conroe Independent School District





Financial Section



Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Conroe Independent School District (the District), as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1 to the basic financial statements, during the year ended August 31, 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Weaver and Tidwell, L.L.P.
4400 Post Oak Parkway Suite 1100 | Houston, Texas 77027
Main: 713.850.8787

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

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

Other Information Included in the Annual Report

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

Other Reporting Required by Government Auditing Standards

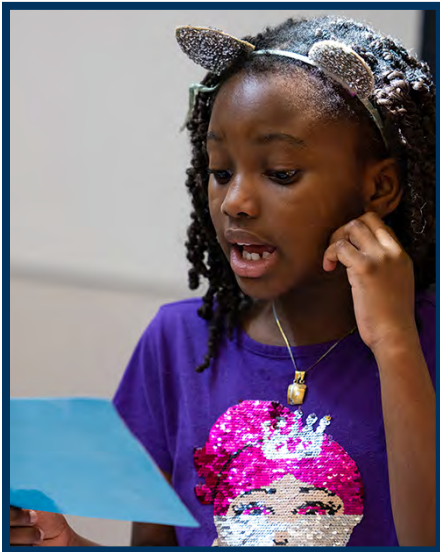
In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
January 10, 2024

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

**Conroe Independent School District
Management's Discussion and Analysis
For the Year Ended August 31, 2023
(Unaudited)**

As management of the District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended August 31, 2023. We encourage readers to consider the information presented here in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows of resources at year end by \$66,049,927, giving the District an ending net position of \$66,049,927. The District's ending net position includes net pension and OPEB liabilities of \$129.3 million and \$225.8 million, respectively.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$363,831,431. Approximately 42 percent of this total amount, \$153,878,716 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$153,878,716, or 23 percent of the total general fund expenditures.

Overview of the Financial Statements

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

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

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

The statement of activities presents information for all of the current year's revenues and expenses regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the District's government-wide financial statements distinguish the functions of the District as being principally supported by taxes and intergovernmental revenues (governmental activities) as opposed to business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The District has no business-type activities and no component units for which it is financially accountable. The government-wide financial statements can be found on pages 12-13 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over the 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 requirements. The fund financial statements provide more detailed information about the District's most significant funds-not the District as a whole.

- Some funds are required by State law and/or bond covenants
- Other funds may be established by the Board to control and manage money for particular purposes or to show that it is properly using certain taxes or grants.

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

- **Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and capital projects fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The District adopts an annual appropriated budget for its general fund, debt service fund and child nutrition fund. A budgetary comparison schedule has been provided to demonstrate compliance with these budgets. The budget comparison schedules can be found on pages 62, and 97-99. The basic governmental fund financial statements can be found on pages 14-20 of this report.
- **Proprietary funds.** Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. There are two proprietary fund types. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. As mentioned above in the government-wide definition, the District has no business-type activities or enterprise funds. The second type of proprietary fund is the internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the various functions. The District uses the internal service funds to report activities for its self-funded insurance program. The basic proprietary fund financial statements can be found on pages 21-23 of this report.
- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District is the trustee, or fiduciary, for these funds and 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 separate statements of fiduciary net position and changes in fiduciary position that can be found on pages 24-25 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-59 of this report.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. Required supplementary information can be found on pages 62-71 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining statements can be found on pages 78-88 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows of the district by \$66,049,927 as of August 31, 2023. This is an increase in net position from 2021-2022 of \$35,294,567.

The District's Net Position

	<u>2023</u>	<u>2022</u>
Current and other assets	\$ 500,880,962	\$ 692,893,256
Capital assets (net)	1,781,775,068	1,613,046,523
Total assets	<u>2,282,656,030</u>	<u>2,305,939,779</u>
Deferred outflows of resources	<u>200,173,726</u>	<u>142,195,227</u>
Total assets and deferred outflows of resources	<u>2,482,829,756</u>	<u>2,448,135,006</u>
Long-term liabilities outstanding	1,994,099,579	2,000,532,902
Due within one year	85,433,701	74,071,757
Other liabilities	123,715,619	105,883,090
Total liabilities	<u>2,203,248,899</u>	<u>2,180,487,749</u>
Deferred inflows of resources	<u>213,530,930</u>	<u>236,891,897</u>
Total liabilities and deferred inflows of resources	<u>2,416,779,829</u>	<u>2,417,379,646</u>
Net position:		
Net investment in capital assets	128,173,853	86,927,552
Restricted	36,573,356	32,333,148
Unrestricted	(98,697,282)	(88,505,340)
Total net position	<u>\$ 66,049,927</u>	<u>\$ 30,755,360</u>

Net investment in capital assets (e.g., land, building, furniture, and equipment) less any related debt used to acquire those assets that is still outstanding is \$128,173,853. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the District's net position, \$36,573,356 represents resources that are subject to external restrictions on how they may be used.

Governmental activities. The District's total net position increased by \$35.3 million. This increase is primarily due to the increase in net investments in capital assets as a result of projects from the 2019 bond referendum. The total cost of all government activities this year was \$850,311,239. The amount that our taxpayers paid for these activities through property taxes was \$565,095,129. There was a net increase in revenues of \$89,017,095 or 11.17% for the year. The majority of the increase was due to increased taxable property values and state funding for student growth.

Changes in the District's Net Position

	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 12,735,230	\$ 6,161,174
Operating Grants & Contributions	113,734,285	101,341,200
General Revenues:		
Property Taxes	565,095,129	502,064,043
State Grants	150,343,001	168,662,763
Investment Earnings	28,629,918	2,168,324
Other	15,068,243	16,191,207
Total Revenues	885,605,806	796,588,711
Expenses:		
Instruction	458,616,504	409,397,268
Instructional Resources and Media Services	10,044,155	9,255,501
Curriculum and Staff Development	21,698,880	19,262,507
Instructional Leadership	7,673,278	6,642,865
School Leadership	41,402,682	36,691,888
Guidance and Counseling	34,230,658	29,106,841
Social Work Services	1,805,057	1,746,679
Health Services	9,361,352	7,688,708
Student (Pupil) Transportation	35,807,653	30,987,693
Food Services	31,661,945	27,910,829
Cocurricular/Extracurricular Activities	20,783,584	17,823,375
General Administration	11,637,109	10,182,283
Plant Maintenance and Operations	77,383,391	69,533,729
Security and Monitoring Services	9,593,120	8,652,246
Data Processing Services	15,278,456	11,645,623
Ancillary Services	486,913	508,310
Debt Service - Interest on Long Term Debt	58,786,801	52,158,093
Other Intergovernmental Charges	4,059,701	3,862,903
Total Expenses	850,311,239	753,057,341
Increase in Net Position	35,294,567	43,531,370
Beginning Net Position	30,755,360	(12,776,010)
Ending Net Position	\$ 66,049,927	\$ 30,755,360

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, bond covenants, and segregation for particular purposes.

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of a fiscal year.

As of the end of the current fiscal year, The District's governmental funds reported combined ending fund balances of \$363,831,431, a decrease of \$211,173,664. Approximately 42 percent of this total amount \$153,878,716 constitutes unassigned fund balance. The remainder of fund balance is non-spendable, restricted, committed or assigned to indicate that it is not available for new spending because it has already been committed 1) for inventory \$3,366,492; 2) to pay debt service \$23,612,095; 3) for capital projects \$163,252,597; 4) for food service and grants \$13,195,190; and 5) to liquidate purchase orders of the prior period \$6,526,341.

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$153,878,716, while the total fund balance was \$163,771,549. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total fund expenditures. Unassigned fund balance represents 23 percent of the total general fund expenditures, while the total fund balance represents 25 percent of that same amount. The fund balance of the District's general fund decreased by \$18,370,077 during the current fiscal year.

To create a bond contingency fund for the 2019 bond referendum the District transferred \$18.8 million of excess fund balance to the capital maintenance fund to be used for capital building repairs and improvements.

The debt service fund has a total fund balance of \$23,612,095, all of which is restricted for the payment of debt service. The increase in fund balance during this period in the debt service fund was \$4,214,138.

The capital projects fund has a total fund balance of \$163,252,597. Of that amount \$126,026,913 is restricted for the construction, equipping, and acquisition of major capital facilities. The remaining amounts are committed or assigned for other uses, \$37,225,684.

General Fund Budgetary Highlights

Over the course of the year, the District recommended and the Board approved several revisions to the budgeted revenue and appropriations. These amendments fall into the following categories:

- Amendments approved shortly after the beginning of the new fiscal year for amounts committed & assigned in the prior year.
- Amendments approved during the year for unexpected occurrences.

The District made the following amendments to budgeted revenue:

- \$359,603 increase for campus donations to the budget
- \$9,438,930 increase for Medicaid
- \$3,490,000 increase for state foundation revenues
- \$1,000,000 increase for TRS On Behalf

Following is a summary of amendments made to appropriations:

- \$5,082,898 increase for prior year encumbrances
- \$359,603 increase for campus donations to the budget
- \$3,490,000 increase for payroll

- \$1,000,000 increase for TRS On Behalf
- \$1,600,000 increase for above district student travel
- \$3,700,000 increase for Phonics curriculum adoption
- \$3,000,000 increase for portable buildings
- \$9,438,930 increase for Medicaid

After appropriations were amended as described above, actual revenues were \$5.7 million over final budgeted amounts. Actual expenditures were \$9.8 million below final budget amounts.

Capital Asset and Debt Administration

Capital assets. The District’s investment in capital assets for its governmental activities as of August 31, 2023, amounts to \$1,781,775,068 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, buildings and improvements, furniture and equipment and right-to-use assets (equipment) and SBITAs.

District's Capital Assets		
(net of depreciation/amortization)		
	2023	2022
Land	\$ 111,446,235	\$ 83,561,702
Buildings and Improvements	1,624,121,114	1,430,352,137
Construction in Progress	14,173,996	72,947,937
Furniture and Equipment	28,272,354	25,475,820
Right-to-Use Assets-Equipment	327,762	708,927
Right-to-Use Assets-SBITA*	3,433,607	1,361,654
Totals, net	\$1,781,775,068	\$1,614,408,177

* Beginning balances have been adjusted to reflect the adoption of GASB 96, SBITAs

Additional information on the District’s capital assets can be found in note 5 on page 44 of this report.

Long-term debt. At the end of August 31, 2023, the District had total bonded debt outstanding of \$1,550,285,000, a decrease of \$66,230,000 from the prior year. This decrease is due to the District paying down principal on current debt.

The “Aaa” long-term rating on the District’s Texas’ bonds reflects the Texas Permanent School Fund guarantee. The “AAA” Standard & Poor underlying rating on the District’s unenhanced debt reflects the District’s: 1) participation in the strong and growing Houston area economy, 2) strong administrative management, and 3) satisfactory financial performance.

The State issues guidelines recommending that a government entity should limit the amount of general obligation debt to 10 percent of its total assessed valuation. The current debt limitation for the District is \$5,213,476,208 which is significantly in excess of the District’s outstanding general obligation debt.

Additional information on the District’s long-term debt can be found in note 8 on pages 45-47 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the region is 4.6 percent, the state and national rates are 4.1 and 3.8 percent, respectively.
- The District's student attendance rate stayed the same at 92%.
- The District's enrollment has experienced an increase of 4.4 percent.
- The District's taxable valuation has increased by 20.92 percent. The District's M&O tax rate is currently at \$.8546 per \$100 in assessed property value.
- The District has appropriated General Fund revenues and expenditures in the 2023-24 budget of \$672,772,241 and \$672,772,241 respectively. Expenditures include budget increases of \$37.85 million for personnel, \$3 million for portable buildings, \$6.86 million for general expense and \$1.75 million for TRS on Behalf.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances as well as demonstrate accountability for funds the District receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Chief Financial Officer, Conroe I.S.D., 3205 West Davis, Conroe, Texas 77304.

CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2023

Data Control Codes	ASSETS	Governmental Activities
	Current assets:	
1110	Cash and cash equivalents	\$ 6,466,314
1120	Current Investments	407,321,877
1220	Property taxes receivable	12,622,623
1230	Allowance for uncollectible	(1,972,233)
1240	Due from other governments	44,066,441
1250	Accrued interest	265,445
1290	Other receivables	1,793,771
1293	Lease receivables	871,157
1300	Inventories	4,741,997
1410	Deferred charges	157,500
	Total current and other assets	<u>476,334,892</u>
	Noncurrent assets:	
	Capital assets:	
1510	Land	111,446,235
1520	Building and improvements - net of depreciation	1,624,121,114
1530	Furniture and equipment - net of depreciation	28,272,354
1559	Right to use assets - equipment - net of amortization	327,762
1553	Right to use assets - SBITAs - net of amortization	3,433,607
1580	Construction in Progress	14,173,996
	Total capital assets (net)	<u>1,781,775,068</u>
1910	Long-term investments	24,546,070
	Total noncurrent assets	<u>1,806,321,138</u>
1000	Total assets	<u>2,282,656,030</u>
	DEFERRED OUTFLOWS OF RESOURCES	
1700	Deferred loss on issuance of refunding bonds	16,739,727
1705	Deferred resources outflow related to net pension liability	113,656,083
1706	Deferred resources outflow related to net OPEB liability	69,777,916
	Total deferred outflows of resources	<u>200,173,726</u>
	Total assets and deferred outflows of resources	<u>2,482,829,756</u>
	LIABILITIES	
	Current liabilities:	
2110	Accounts payable	55,092,301
2130	Right to use lease asset payable - equipment - current year	338,479
2131	Right to use SBITA payable - current year	2,128,150
2140	Interest payable	2,820,389
2150	Payroll deductions and withholdings payable	5,942,585
2160	Accrued wages payable	56,507,245
2180	Due to other governments	169
2300	Unearned revenue	886,301
	Total current liabilities	<u>123,715,619</u>
	Noncurrent liabilities:	
2501	Noncurrent liabilities due within one year	85,433,701
2502	Noncurrent liabilities due in more than one year	1,652,067,093
2533	Right to use SBITA payable - long term	259,242
2590	Arbitrage liability	2,479,422
2540	Net pension liability	223,627,723
2545	Net OPEB liability	115,666,099
	Total noncurrent liabilities	<u>2,079,533,280</u>
2000	Total liabilities	<u>2,203,248,899</u>
	DEFERRED INFLOWS OF RESOURCES	
2600	Deferred gain on issuance of refunding bonds	13,484,370
2603	Deferred resource inflow related to leases	821,289
2605	Deferred resource inflow related to net pension liability	19,283,464
2606	Deferred resource inflow related to net OPEB liability	179,941,807
	Total deferred inflows of resources	<u>213,530,930</u>
	Total liabilities and deferred inflows of resources	<u>2,416,779,829</u>
	NET POSITION	
3200	Net investment in capital assets	128,173,853
	Restricted for:	
3820	Federal and state programs	186,609
3820	Food services	12,774,652
3850	Debt service	23,612,095
3900	Unrestricted	(98,697,282)
3000	Total net position	<u>\$ 66,049,927</u>

See Notes to the Basic Financial Statements.

CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Expenses	Charges for Services	Operating Grants and Contributions	
GOVERNMENTAL ACTIVITIES:					
11	Instruction	\$ 458,616,504	\$ 554,112	\$ 41,973,651	\$ (416,088,741)
12	Instructional Resources and Media Services	10,044,155	-	247,118	(9,797,037)
13	Curriculum and Staff Development	21,698,880	-	11,352,721	(10,346,159)
21	Instructional Leadership	7,673,278	-	1,146,935	(6,526,343)
23	School Leadership	41,402,682	-	2,689,811	(38,712,871)
31	Guidance and Counseling	34,230,658	-	11,906,863	(22,323,795)
32	Social Work Services	1,805,057	-	534,427	(1,270,630)
33	Health Services	9,361,352	-	8,029,111	(1,332,241)
34	Student (Pupil) Transportation	35,807,653	-	9,102,632	(26,705,021)
35	Food Services	31,661,945	10,061,936	20,025,136	(1,574,873)
36	Cocurricular/Extracurricular Activities	20,783,584	1,175,073	277,359	(19,331,152)
41	General Administration	11,637,109	-	369,090	(11,268,019)
51	Plant Maintenance and Operations	77,383,391	944,109	3,753,367	(72,685,915)
52	Security and Monitoring Services	9,593,120	-	395,220	(9,197,900)
53	Data Processing Services	15,278,456	-	269,773	(15,008,683)
61	Ancillary Services	486,913	-	468,590	(18,323)
72	Debt Service - Interest and Fees	58,786,801	-	1,192,481	(57,594,320)
99	Tax Appraisal and Collection	4,059,701	-	-	(4,059,701)
	TOTAL PRIMARY GOVERNMENT:	\$ 850,311,239	\$ 12,735,230	\$ 113,734,285	(723,841,724)

Data Control Codes		
	General revenues:	
	Taxes:	
MT	Property taxes, levied for general purposes	433,391,693
DT	Property taxes, levied for debt service	131,703,436
SF	State aid-grants and contributions not restricted to specific programs	150,343,001
IE	Investment earnings	28,629,918
S1	SHARS/MAC	11,434,312
MI	Miscellaneous	3,633,931
TR	Total general revenues	759,136,291
CN	Change in net position	35,294,567
NB	Beginning net position	30,755,360
NE	Net position—ending	\$ 66,049,927

See Notes to the Basic Financial Statements.

**CONROE INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2023**

Data Control Codes	General Fund	Debt Service Fund
ASSETS		
1110 Cash and Cash Equivalents	\$ 4,881,138	\$ 12,273
1120 Current Investments	160,899,990	23,027,324
1220 Property Taxes - Delinquent	9,849,525	2,773,098
1230 Allowance for Uncollectible Taxes	(1,638,212)	(334,021)
1240 Due From TEA	37,059,872	378,947
1250 Accrued Interest	265,445	-
1260 Due From Other Funds	-	68,549
1290 Sundry Receivables	786,956	-
1293 Lease Receivable	871,157	-
1310 Inventories, at Cost	3,366,492	-
1410 Deferred Expenditures	-	-
1910 Long-Term Investments	24,546,070	-
1000 Total Assets	<u>\$ 240,888,433</u>	<u>\$ 25,926,170</u>
LIABILITIES		
2110 Accounts Payable	\$ 6,836,002	\$ 18,000
2150 Payroll Deductions and Withholdings Payable	5,942,585	-
2160 Accrued Wages Payable	55,707,716	-
2170 Due to Other Funds	68,549	-
2180 Due to Other Governments	169	-
2300 Unearned Revenue	-	-
2000 Total Liabilities	<u>68,555,021</u>	<u>18,000</u>
DEFERRED INFLOWS OF RESOURCES		
2601 Deferred Property Taxes	7,740,574	2,296,075
2603 Deferred Leases	821,289	-
2600 Total deferred inflows of resources	<u>8,561,863</u>	<u>2,296,075</u>
FUND BALANCES		
Nonspendable:		
3410 Inventory	3,366,492	-
Restricted for:		
3480 Debt Service	-	23,612,095
3470 Capital Expenditures	-	-
3450 Food Service Operations	-	-
3450 Grant Operations	-	-
Committed to:		
3545 Technology & Food Service	-	-
3545 Other Purposes	-	-
Assigned to:		
3590 Other Purposes	6,526,341	-
3600 Unassigned:	153,878,716	-
3000 Total Fund Balances	<u>163,771,549</u>	<u>23,612,095</u>
4000 Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 240,888,433</u>	<u>\$ 25,926,170</u>

See Notes to the Basic Financial Statements.

Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
\$ 640,302	\$ 507,894	\$ 6,041,607
204,594,608	8,499,108	397,021,030
-	-	12,622,623
-	-	(1,972,233)
-	6,627,622	44,066,441
-	-	265,445
-	4,301,610	4,370,159
-	290	787,246
-	-	871,157
-	1,375,505	4,741,997
-	157,500	157,500
-	-	24,546,070
<u>\$ 205,234,910</u>	<u>\$ 21,469,529</u>	<u>\$ 493,519,042</u>
\$ 41,982,313	\$ 2,286,899	\$ 51,123,214
-	-	5,942,585
-	799,529	56,507,245
-	4,301,610	4,370,159
-	-	169
-	886,301	886,301
<u>41,982,313</u>	<u>8,274,339</u>	<u>118,829,673</u>
-	-	10,036,649
-	-	821,289
<u>-</u>	<u>-</u>	<u>10,857,938</u>
-	-	3,366,492
-	-	23,612,095
126,026,913	-	126,026,913
-	12,774,652	12,774,652
-	186,609	186,609
-	233,929	233,929
37,225,684	-	37,225,684
-	-	6,526,341
-	-	153,878,716
<u>163,252,597</u>	<u>13,195,190</u>	<u>363,831,431</u>
<u>\$ 205,234,910</u>	<u>\$ 21,469,529</u>	<u>\$ 493,519,042</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AUGUST 31, 2023**

Total fund balances--governmental funds \$ 363,831,431

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Historical cost	2,523,542,178	
Accumulated depreciation / amortization	(741,767,110)	
Change due to Capital Assets	1,781,775,068	1,781,775,068

Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, and therefore are recorded as deferred inflows of resources in the funds. 10,036,649

Internal service funds are used by the District's management to charge the costs of the health insurance program to the individual funds. The assets and liabilities of the internal service funds are included in the government wide statement of net position. 7,762,992

Deferred outflows of resources for pension related items were not recognized on the balance sheet for governmental funds. 113,656,083

Deferred outflows of resources for OPEB related items were not recognized on the balance sheet for governmental funds. 69,777,916

Deferred inflows of resources for pension related items were not recognized on the balance sheet for governmental funds. (19,283,464)

Deferred inflows of resources for OPEB related items were not recognized on the balance sheet for governmental funds. (179,941,807)

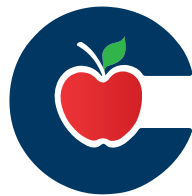
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Net pension liability	223,627,723	
Net OPEB Liability	115,666,099	
Bonds payable	1,550,285,000	
Leases payable	338,479	
SBITA payable	2,387,392	
Arbitrage payable	2,479,422	
Deferred loss on refunding	(16,739,727)	
Deferred gain on refunding	13,484,370	
Premiums on Issuance	186,029,180	
Compensated Absences	1,186,614	
Interest Payable	2,820,389	
Change due to Long-term Liabilities	2,081,564,941	(2,081,564,941)

Total net position--governmental activities \$ 66,049,927

See Notes to the Basic Financial Statements.

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

**CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023**

<u>Data Control Codes</u>		<u>General Fund</u>	<u>Debt Service Fund</u>
REVENUES			
5700	Total Local and Intermediate Sources	\$ 450,597,022	\$ 133,344,094
5800	State Program Revenues	188,834,632	4,440,044
5900	Federal Program Revenues	11,434,312	-
5020	Total Revenues	<u>650,865,966</u>	<u>137,784,138</u>
EXPENDITURES			
Current:			
0011	Instruction	404,870,023	-
0012	Instructional Resources & Media Service	6,375,316	-
0013	Curriculum & Instructional Staff Development	9,985,204	-
0021	Instructional Administration	6,849,597	-
0023	School Administration	40,794,113	-
0031	Guidance and Counseling	23,307,860	-
0032	Social Work Services	1,320,585	-
0033	Health Services	1,260,798	-
0034	Student (Pupil) Transportation	34,086,939	-
0035	Food Services	-	-
0036	Cocurricular/Extracurricular Activities	15,221,291	-
0041	General Administration	11,462,372	-
0051	Plant Maintenance and Operations	70,122,788	-
0052	Security and Monitoring Services	9,371,899	-
0053	Data Processing Services	8,630,992	-
0061	Ancillary Services	9,425	-
0070	Debt Service:		
0071	Principal	1,450,854	66,230,000
0072	Interest	22,144	67,299,020
0073	Bond Issuance Cost and Fees	-	40,980
0081	Facilities Acquisition and Construction	2,298,926	-
0099	Other Intergovernmental Charges	4,059,701	-
6030	Total Expenditures	<u>651,500,827</u>	<u>133,570,000</u>
1100	Excess of Revenues Over (Under) Expenditures	<u>(634,861)</u>	<u>4,214,138</u>
OTHER FINANCING SOURCES AND (USES)			
7911	Capital-Related Debt Issuance	-	-
7913	Proceeds from Right to Use Leased Assets and SBITA	1,064,784	-
7916	Premium or Discount on Issuance of Bonds	-	-
7915	Transfers in	-	-
8911	Transfers out	(18,800,000)	-
7080	Total Other Financing Sources and (Uses)	<u>(17,735,216)</u>	<u>-</u>
1200	Net Change in Fund Balances	(18,370,077)	4,214,138
0100	Fund Balance - September 1	182,141,626	19,397,957
3000	Fund Balance - August 31	<u>\$ 163,771,549</u>	<u>\$ 23,612,095</u>

See Notes to the Basic Financial Statements.

Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
\$ 13,580,146	\$ 10,061,935	\$ 607,583,197
-	7,588,291	200,862,967
-	87,559,983	98,994,295
<u>13,580,146</u>	<u>105,210,209</u>	<u>907,440,459</u>
-	36,346,317	441,216,340
-	131,941	6,507,257
-	11,158,100	21,143,304
-	1,025,779	7,875,376
-	1,872,399	42,666,512
-	11,451,744	34,759,604
-	516,735	1,837,320
-	8,010,408	9,271,206
-	1,118,395	35,205,334
-	30,458,685	30,458,685
-	99,525	15,320,816
-	201,174	11,663,546
348,727	3,071,152	73,542,667
-	264,936	9,636,835
3,408,054	161,739	12,200,785
-	468,460	477,885
-	1,190,852	68,871,706
-	1,629	67,322,793
-	-	40,980
225,523,052	-	227,821,978
-	-	4,059,701
<u>229,279,833</u>	<u>107,549,970</u>	<u>1,121,900,630</u>
<u>(215,699,687)</u>	<u>(2,339,761)</u>	<u>(214,460,171)</u>
-	-	-
-	2,221,723	3,286,507
-	-	-
18,800,000	-	18,800,000
-	-	(18,800,000)
<u>18,800,000</u>	<u>2,221,723</u>	<u>3,286,507</u>
(196,899,687)	(118,038)	(211,173,664)
360,152,284	13,313,228	575,005,095
<u>\$ 163,252,597</u>	<u>\$ 13,195,190</u>	<u>\$ 363,831,431</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF
ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2023**

Net change in fund balances—total governmental funds	\$ (211,173,664)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. The capital outlays that were expensed for governmental purposes but capitalized in Statement of Net Position was:	228,214,359
Capital asset disposals in the current year, net of accumulated depreciations not expensed in governmental funds were:	(172,779)
Total depreciation and amortization recorded in Statement of Activities not recorded in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance.	(60,674,689)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. For the Statement of Activities for the entity wide, a portion of the current year property tax is recognized as income in the current year along with the related penalty and interest. The difference between the fund basis and full accrual basis on property taxes was:	1,725,923
Amortization of gain/loss on refunding bonds and premium on bonds payable.	10,850,726
Repayment of bond principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the Statement of Net Position.	66,230,000
Interest expense accrual amount for the current year over prior year amount.	205,668
Pension expenses not recognized on the fund financial statements under the modified accrual basis are recognized on the accrual basis in the government-wide financial statements. The effect of the change is to decrease net position.	(11,384,143)
OPEB expenses not recognized on the fund financial statements under the modified accrual basis are recognized on the accrual basis in the government-wide financial statements. The effect of the change is to increase net position.	13,532,093
Lease and SBITA expenditures are offset with other financing sources in the fund financials but are eliminated in the Statement of Net Position.	(3,286,507)
Internal service funds are used by management to charge the costs of workers compensation and health insurance to the funds. This credits back income/loss of those funds to the net position of the government.	1,540,632
Repayment of lease asset payables and SBITA payables are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	2,641,706
Interest expense related to long term arbitrage payable is recognized on the government wide financials but not the fund financials.	(2,479,422)
Change in compensated absences to accrual basis	(475,336)
Change in net position of governmental activities	<u>\$ 35,294,567</u>

See Notes to the Basic Financial Statements.

**CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
AUGUST 31, 2023**

Data Control Codes		Internal Service Fund AUGUST 31, 2023
	ASSETS	
	Current Assets:	
1110	Cash and Cash Equivalents	\$ 424,707
1120	Current Investments	10,300,847
1290	Sundry Receivables	1,006,525
	Total Current Assets	<u>11,732,079</u>
1000	Total Assets	<u>11,732,079</u>
	 LIABILITIES	
	Current Liabilities:	
2110	Accounts Payable	<u>3,969,087</u>
	Total Current Liabilities	<u>3,969,087</u>
2000	Total Liabilities	<u>3,969,087</u>
	 NET POSITION	
3300	Unrestricted	<u>7,762,992</u>
3000	Total Net Position	<u>\$ 7,762,992</u>

See Notes to the Basic Financial Statements.

CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED AUGUST 31, 2023

<u>Data Control Codes</u>	<u>Internal Service Fund AUGUST 31, 2023</u>
OPERATING REVENUES	
	Premium Contributions:
5700	Employee
	\$ 21,334,009
5700	Employer
	<u>31,740,928</u>
5020	Total Operating Revenues
	<u>53,074,937</u>
OPERATING EXPENSES	
6400	Claims and Administration
	<u>51,917,377</u>
6030	Total Operating Expenses
	<u>51,917,377</u>
	Operating Income
	<u>1,157,560</u>
NONOPERATING REVENUES	
7020	Earnings on Investments
	<u>383,072</u>
	Total Nonoperating Revenues
	<u>383,072</u>
1300	Change in Net Position
	<u>1,540,632</u>
0100	Net Position - September 1 (Beginning)
	<u>6,222,360</u>
3300	Net Position - August 31 (Ending)
	<u>\$ 7,762,992</u>

See Notes to the Basic Financial Statements.

**CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED AUGUST 31, 2023**

**Internal Service Fund
AUGUST 31, 2023**

Cash Flows From Operating Activities:	
Cash Received from User Charges	\$ 53,074,937
Cash Payments for Insurance Claims	(50,397,861)
Net Cash provided by Operating Activities	<u>2,677,076</u>
 Cash Flows From Investing Activities:	
Purchase of Investments, net	(3,595,831)
Proceeds From Earnings on Investments	383,072
Net Cash used in Investing Activities	<u>(3,212,759)</u>
 Net Decrease in Cash and Cash Equivalents	(535,683)
Cash and Cash Equivalents at Beginning of the Year:	960,390
Cash and Cash Equivalents at the End of the Year	<u>\$ 424,707</u>
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income:	\$ 1,157,560
Effect of Increases and Decrease in Current Assets and Liabilities:	
(Increase)Decrease in Sundry Receivables	1,076,556
Increase (Decrease) in Accounts Payable	442,960
Net Cash provided by Operating Activities	<u>\$ 2,677,076</u>

See Notes to the Basic Financial Statements.

**CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
AUGUST 31, 2023**

<u>Data Control Code</u>		<u>Custodial Funds August 31, 2023</u>
	ASSETS	
1110	Cash and Cash Equivalents	\$ 9,419,957
1290	Sundry Receivables	33,332
	Total Assets	<u>9,453,289</u>
	LIABILITIES	
2110	Accounts Payable	9,424
	Total Liabilities	<u>9,424</u>
	NET POSITION	
3800	Restricted for Student Clubs/Organizations & Teacher Groups	9,443,865
	Total Net Position	<u>\$ 9,443,865</u>

See Notes to the Basic Financial Statements.

CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED AUGUST 31, 2023

<u>Data Control Code</u>	<u>Custodial Funds</u>
ADDITIONS	
Dues and Contributions:	
5700 Student Clubs/Organizations & Teacher Groups	<u>\$ 12,725,777</u>
Total Additions	<u>12,725,777</u>
DEDUCTIONS	
6400 Miscellaneous Operating Expenses	<u>12,065,401</u>
Total Deductions	<u>12,065,401</u>
Net Increase in Fiduciary Net Position	660,376
NB Net Position - Beginning	<u>8,783,489</u>
NE Net Position - Ending	<u><u>\$ 9,443,865</u></u>

See Notes to the Basic Financial Statements.

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Conroe Independent School District (the District) is an independent public educational agency operating under applicable laws and regulations of the State of Texas. A seven member Board of Trustees elected by the District's residents to staggered three-year terms autonomously governs the District.

The financial statements of the Conroe Independent School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Terminology and Classification - The District, throughout its accounting system, utilizes terminology and classification as required by the *Financial Accountability System Resource Guide* published by the TEA, which provides a uniform chart of accounts for all funds and a glossary containing definitions of terms as necessary for common understanding.

Financial Reporting

The financial reporting model for state and local governments includes management's discussion and analysis, government wide financial statements, required supplementary information and fund financial statements and notes.

A. Reporting Entity

The District is considered an independent entity for financial reporting purposes and is considered a primary government. As required by GAAP, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations or functions as part of the District's financial reporting entity. Based on these considerations, the District's basic financial statements do not include any other entities. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the District's financial reporting entity are based on criteria prescribed by GAAP. These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the District's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under GAAP include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Government Wide and Fund Financial Statements

The government wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed for these statements. The governmental activities are supported by tax revenues and intergovernmental revenues. The District has no business type activities that rely, to a significant extent, on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government Wide and Fund Financial Statements (continued)

restricted to meeting operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Funds Balance Sheet and Proprietary Fund Statement of Net Position and as other sources and other uses on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position. All interfund transactions between governmental funds and between governmental funds and internal service funds are eliminated on the Government-wide Statements. Interfund services provided and used are not eliminated in the process of consolidation. Interfund activities between governmental funds and fiduciary funds are reclassified as receivable or payable on the Government-wide Statement of Activities.

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

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

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the proprietary fund. The accounting used for fiduciary funds is the *economic resources measurement focus*. Grant funds are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 collectable within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to pension liability, OPEB liability, compensated absences, leases and SBITA's, and claims and judgments, are recorded only when payment is due.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State of Texas are recognized under the susceptible-to-accrual concept. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

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

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Fund Accounting

The District reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund. Major revenue sources include local property taxes, state funding under the Foundation School Program, and interest earnings. Expenditures include all costs associated with the daily operations of the District except for specific programs funded by the federal or state government, child nutrition service, debt service, and capital projects.

The *debt service fund* accounts for the payment of principal and interest on bonded long-term debt and contractual obligations of the District. The primary source of revenue for debt service is the apportionment of local property taxes and state allocated revenue.

The *capital projects fund* includes funds, which are used to account for the expenditures of resources, accumulated from sales of bonds and related interest earnings for the acquisition and construction of school facilities and other capital asset acquisitions.

Additionally, the District reports the following funds:

Governmental Funds:

Special Revenue Funds

The Special Revenue funds are used to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulations. The Special Revenue Funds include various funds, which are used to account for the District's Child Nutrition Program, including local, state, and federal revenue sources. The Child Nutrition Fund is the only legally adopted budgeted fund. For all other special revenue funds in the fund type, project accounting is employed to maintain integrity for the various sources of the funds. Resources accounted for in these funds are awarded to the District for the purpose of accomplishing specific educational tasks as defined by the grantors in contracts or other agreements.

Proprietary Fund:

Internal Service Fund

The District's internal service fund is used to account for the operation of the District's employee health insurance plan. The health insurance plan is funded through premiums paid by the general fund and special revenue funds to fund claims and administrative expenses. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Fiduciary Fund:

Custodial Fund

The custodial fund accounts for resources held for the benefit of student and staff organizations. The custodial fund is not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Stewardship, Compliance and Accountability

An annual budget for the General, Debt Service, and Child Nutrition Fund must be prepared and adopted by the Board of Trustees prior to expenditure of funds. The annual budgeting process is summarized as follows:

Beginning in January, budget goals and guidelines are established by the Superintendent and Board of Trustees. Campuses and departments are requested to submit budget requests based on the goals established for the budget year. Public hearings are held for citizen comments. The Board of Trustees approves the final budget on a fund-by-fund basis and establishes a tax rate to support the approved budget. The Board of Trustees adopted the 2022-23 budget on August 16, 2022.

A comprehensive detailed budget document is prepared for review by taxpayers, credit rating agencies and other interested parties. The annual budget is recorded as an integral part of the accounting system, providing appropriate budgetary control over revenues, expenditures, and transfers through comparison of actual data and encumbrances to budgetary data.

The District prepares its individual fund budgets for governmental fund types on a GAAP basis. Fund budgets are incorporated into the accounting system to be used as a management tool, and are reviewed by the Board of Trustees at their regular monthly meeting. The Board has legal authority to amend the adopted budget as necessary during the fiscal year, and budget amendments are submitted to the Board of Trustees on a monthly basis as necessary; the Board must approve any increases or changes in functional expenditure categories or revenue accounts prior to expenditure. Appropriations in the General Fund were increased by \$41,465,477 during the fiscal year. This increase consists primarily of re-appropriation of prior year encumbrances, amendment to the payroll budget for the increase in positions to, and implementing GASB 87 and 96. The District uses amended budget figures for reporting and budgetary control purposes. Expenditures may not exceed total amended appropriations by fund at the function level. However, should this occur, the final official budget does not need to be adjusted at year-end should they exceed appropriations only at the functional level. Unexpended appropriations lapse at year-end.

F. Revenue Sources

Specific revenue sources which have been treated as susceptible to accrual under the modified accrual basis of accounting criteria (both measurable and available to finance expenditures of the fiscal period) are:

- The District's Property tax revenues, to the extent that historical data indicate they are collectible soon enough in the subsequent period to finance current period expenditures. Such time does not exceed 60 days after the close of the fiscal year.
- State revenue owed to the District for the 2022-23 fiscal year.
- Grants and revenues from other governments.
- Interest earned on investments.

G. Capital Assets

Capital assets, which include land, buildings, furniture and equipment, right to use leased equipment and right to use assets – SBITAS, and construction-in-progress are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated use life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

**CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Capital Assets (continued)

Land and Construction in Progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased equipment, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40
Buses	10
Right-to-use leased equipment	1-5
Other Vehicles	7
Other Furniture and Equipment	2-5
Right-to-use assets - SBITAs	1-8

H. Investments

Investments consist primarily of local government investment pools, Money Market accounts, U.S. Governmental Agency securities, and Municipal Bonds. Investments of the District are stated at fair value or amortized cost, as applicable, in accordance with Generally Accepted Accounting Principles, as further described in Note 2. Current Investments consist of investments with a maturity of less than one year from August, 31 2023. Long Term investments consist of investments with a maturity greater than one year from August 31, 2023.

I. Inventories

Inventories, which consist primarily of supplies and equipment, are recorded using the consumption method and are stated at cost using the first-in, first-out method. Food Commodities are used only in the child nutrition program and are recorded as unearned revenue since title does not pass to the school district until the commodities are used.

J. Encumbrances

Encumbrance accounting is utilized in all governmental funds. Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, General Fund appropriations lapse each August 31, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget. Encumbrances outstanding at August 31, 2023 that were provided for in the subsequent year's General Fund budget were \$6,526,341. These amounts are classified as assigned fund balance on the Governmental Funds Balance Sheet.

K. Liabilities for Compensated Absences

The District pays compensated absences to certain employees at the time of their separation and/or retirement. Payment for accrued sick leave at the time of retirement is limited to the current salary rate for accumulated sick leave days, up to a maximum of 60 days, for employees hired before July 1, 1988, and currently eligible for retirement. In addition, upon separation or retirement, payment for each day of accrued local leave is paid at the current standard substitute certified teacher rate for professional staff or the substitute paraprofessional rate for paraprofessional and auxiliary staff, to a maximum of \$5,000. If the employee is reemployed with the District, days for which the employee received payment shall not be available to that employee. The payment for the accrued sick leave and/or accrued local leave is made with the employees' final pay check and includes all salary related payments. Compensated absences are reported in governmental funds only if they have matured. No balances are reported as liabilities for compensated absences in the governmental funds as of August 31, 2023.

L. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, and demand deposits.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Comparative Data

Comparative total data for the prior year has been presented only for certain funds in the supplementary information in order to provide an understanding of the changes in the financial position and operations of these funds.

N. Deferred Outflows/Inflows of Resources

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

Deferred outflows/inflows of resources are amortized as follows:

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

O. Other Financing Sources

Amounts recognized as other financing sources represent proceeds from issuance of bonds received by the district and related payments to escrow and operating transfers.

P. Fund Balances and Net Position

The District has adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). In accordance with GASB 54 the District classifies governmental fund balances as follows:

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

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

Committed – Committed fund balances are amounts constrained to specific purposes by the District itself, using a resolution passed by its highest decision making authority (the Board of Trustees). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level of action to remove or change the constraint. The Coke Grant in the Non-Major Governmental Funds has committed \$233,929 for Operations and Food Services. The Capital Projects Fund has \$37,225,684 committed for capital acquisition and construction.

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Fund Balances and Net Position (continued)

Assigned – includes fund balance amounts that are self-imposed by the District to be used for a particular purpose. Fund balance can be assigned by the District's Board, the Superintendent or the Chief Financial Officer pursuant to the District's fund balance policy. At August 31, 2023, \$6,526,341 of fund balance in the General Fund was assigned for encumbrances.

Unassigned – amounts that are available for any purpose are considered unassigned fund balance. Positive numbers can only be reported in the general fund.

Net Position may serve over time as a useful indication of a government's financial position. Net position on the Statement of Net Position includes the following: *Net Investment in Capital Assets* – this component of net position reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets; *Restricted* – this component of net position reports the difference between assets and liabilities of the District that consist of assets with constraints placed on their use by external parties; *Unrestricted* – the difference between the assets and liabilities that is not reported in Net Investment in Capital Assets, or Restricted Net Position.

Q. Leases

Lessee

The District is a lessee for noncancellable leases of property and equipment. The District recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset, reported with other capital assets, in the government-wide and proprietary fund financial statements.

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

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

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

The district has entered into multiple lease agreements as lessee. The leases allow the right to use equipment over the terms of the lease. The District is required to make monthly payments at its incremental borrowing rate. The lease rate, term, and ending lease liabilities are as follows:

CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Leases (continued)

Leases Payable			
Governmental Activities - Lessee			
	Interest Rate	Lease Term in Months	Ending Balance
Equipment	3.59%	22 - 34	\$ 338,479
Total Governmental Activities			\$ 338,479

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. As of August 31, 2023, the schedule of lease payments is as follows:

Principal and Interest Requirements to Maturity			
Governmental Activities - Lessee			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 338,479	\$ 5,594	\$ 344,073
Total Requirements	\$ 338,479	\$ 5,594	\$ 344,073

Lessor

The District is a lessor for noncancellable leases of property and equipment. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund and proprietary fund financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The District has entered into multiple lease agreements as a lessor. The leases allow the lease the right-to-use cell tower and District sites over the term of the lease. The District receives monthly payments at its incremental borrowing rate. The lease rate, terms, and ending lease receivables are as follows:

CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Leases (continued)

**Leases Receivable
 Governmental Activities - Lessor**

	Interest Rate	Lease Term in Months	Ending Balance
Cell Tower	3.59%	140 - 222	\$ 858,438
Site Lease	3.59%	48	12,719
Total Governmental Activities			\$ 871,157

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable. As of August 31, 2023, expectation of lease receipts through the expiration of all leases is as follows:

**Principal and Interest Expected to Maturity
 Governmental Activities - Lessor**

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 41,468	\$ 30,603	\$ 72,071
2025	44,683	29,061	73,744
2026	41,356	27,512	68,868
2027	44,670	25,973	70,643
2028	48,159	24,312	72,471
2029-2033	296,587	91,942	388,529
2034 - 2038	282,784	36,254	319,038
2039 - 2040	71,450	2,061	73,511
Total Requirements	\$ 871,157	\$ 267,718	\$ 1,138,875

R. Subscription-Based Information Technology Arrangements (SBITA)

The District has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The District recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with capital assets, in the government-wide and proprietary fund financial statements.

At the commencement of a SBITA, the District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments. The subscription asset is initially measured at the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straightline basis over the shorter of the subscription term or the useful life of the underlying IT assets. Key estimates and judgements related to SBITAs include how the District determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The District uses its incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.

**CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Subscription-Based Information Technology Arrangements (SBITA) (continued)

- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the District is reasonably certain to exercise such option, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The District has entered into multiple subscription arrangements for both governmental activities and business-type activities. The subscriptions allow the right to use information technology over the terms of the subscription. The District is required to make annual payments at its incremental borrowing rate or interest rate stated or implied within the subscriptions. The subscription rate, terms, and ending subscription liabilities are as follows:

SBITA Payable			
Governmental Activities - Lessee			
	Interest Rate	Lease Term in Months	Ending Balance
IT Software	1.58% - 3.07%	16 - 36	\$ 2,387,392
Total Governmental Activities			\$ 2,387,392

The District monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. As of August 31, 2023, the schedule of subscription payments is as follows:

Principal and Interest Requirements to Maturity			
Governmental Activities - SBITA			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 2,128,150	\$ 48,924	\$ 2,177,074
2025	220,380	4,961	225,341
2026	37,233	726	37,959
2027	1,629	26	1,655
Total Requirements	\$ 2,387,392	\$ 54,637	\$ 2,442,029

S. Use of Estimates

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

T. Data Control Codes

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

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

U. Restricted Resources

When the District has both restricted and unrestricted resources available to fund an expenditure, the District intends to use the restricted resources first. Furthermore, committed fund balances are reduced first, followed by assigned amounts and the unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

V. 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.

W. Other Post-employment Benefits

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

X. Implementation of New Accounting Standard

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96), provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement 1) defines a SBITA; 2) establishes that a SBITA results in a right-to-use subscription intangible asset and a corresponding liability; 3) provides the capitalization criteria for outlays other than subscription payments; and 4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for reporting periods beginning after June 15, 2022 and all reporting periods thereafter. GASB 96 was implemented in the District's 2022-23 financial statements, resulting in recognition of \$1,361,654 in subscription assets and subscription liabilities as of September 1, 2022 within governmental activities to conform to the new standard.

Y. Recently Issued Accounting Pronouncements

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

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS

A. Deposits (Cash)

Deposits and investment transactions of the District are regulated by State statutes through provisions of Chapter 23, Subchapter E, Sections 23.71 through 23.8 (The School Depository Act) of the Texas Education Code and other code sections referenced therein and through provisions of the Texas Revised

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS (continued)

A. Deposits (Cash) (continued)

Civil Statutes, Title 47 Article 2529c, and 2548a regarding security for District funds in Depository institutions.

In accordance with applicable statutes, the District has a depository contract with an area bank (depository) providing for interest rates to be earned on deposited funds and for banking charges the District incurs as a result of banking services received. All depository contracts have a term of two years, commencing with the start of every odd-numbered fiscal year. Depository contracts are awarded on the basis of competitive bids received from area banks and can be awarded to more than one bank if the bids are relatively equal.

The District may place funds with the depository in interest and non-interest bearing accounts. Statutes and the depository contract require that all funds in the depository institution be fully secured by federal depository insurance or a combination of federal depository insurance and acceptable collateral securities and/or an acceptable surety bond. The collateral securities must be delivered to the District or placed with an independent trustee institution with safekeeping receipts delivered to the District. In accordance with State statutes pertaining to lawful collateralization of District deposits, safekeeping receipts are issued in the name of the depository with proper indication that the collateral securities are pledged by the depository to secure funds for the District.

Acceptable collateral securities include direct obligations of the United States of America (U.S.) bonds of any agency of the U.S., (except Farmers Home Administration Insured Notes), bonds of the State of Texas or of any county, school district, city, or town of the State of Texas that have been rated A or better by Moody’s Investor Services, Inc., and letters of credit issued by a federal home loan bank, as authorized by Chapter 2257 Collateral for Public Funds of the Government Code.

The District must approve all collateral securities prior to the security being pledged. The depository can change collateral securities pledged to secure District funds only upon obtaining the written approval of the District. All demand and time deposits in the depository bank were entirely covered by federal depository insurance and by acceptable collateral securities held in the District’s name by an agent of the District at year-end in accordance with provisions of the depository contract. The District’s highest balance of \$34,857,075.60 occurred on August 29, 2023 and the value of collateral pledged and FDIC insurance on that date totaled \$60,250,000.

A summary of the District’s cash and cash equivalents at August 31, 2023 is shown below.

	Cash On hand	Bank Deposits	Total
General	\$ 500	\$ 4,880,638	\$ 4,881,138
Debt Service	-	12,273	12,273
Capital Projects	-	640,302	640,302
Other Governmental	18,175	489,719	507,894
Total Governmental	18,675	6,022,932	6,041,607
Internal Service	-	424,707	424,707
Total Entity Wide	18,675	6,447,639	6,466,314
Fiduciary	-	9,419,957	9,419,957
Total	\$ 18,675	\$ 15,867,596	\$ 15,886,271

B. Investments

The Board of Trustees of the District has adopted a written investment policy (the “Investment Policy”) regarding the investment of its funds as defined in the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The Public Funds Investment Act requires an annual audit of investment

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS (continued)

B. Investments (continued)

practices. Additionally, the investments and investment practices of the District are in compliance with the Trustees' investment policies.

The District's investment policy emphasizes safety of principal and liquidity, addresses investment diversification, yield, and maturity and addresses the quality and capability of investment personnel. The Investment Policy includes a list of authorized investment instruments, a maximum allowable stated maturity of any individual investment and the maximum average dollar weighted maturity allowed for fund groups. In addition, it includes an "Investment Strategy Statement" that specifically addresses each fund's investment options and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification and yield.

The District is authorized to invest in the following investment instruments provided that they meet the guidelines of the investment policy.

1. Obligations of, or guaranteed by governmental entities as permitted by Government Code 2256.009
2. Certificates of deposit and share certificates as permitted by Government Code 2256.010
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011
4. A securities lending program as permitted by Government Code 2256.0115
5. Bankers acceptances as permitted by Government Code 2256.012
6. Commercial paper as permitted by Government Code 2256.013
7. No-load money market mutual funds and no-load mutual funds as permitted by Government Code 2256.014
8. A guaranteed investment contract as an investment vehicle for bond proceeds, provided it meets the criteria and eligibility requirements established by Government Code 2256.015
9. Public funds investment pools as permitted by Government Code 2256.016.

The District's investments are insured, registered, or the District's agent holds the securities in the District's name; therefore, the District is not exposed to custodial risk. Custodial Credit risk for investments is the risk that, in 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 bank trust department hold all securities owned by the District. The District generally holds all US government securities to maturity. The District did not purchase any derivative investment products during the current year nor participate in any reverse repurchase agreements or security lending agreement during the fiscal year 2022-23.

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**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS (continued)

B. Investments (continued)

As of August 31, 2023, the District's investment balances, weighted average maturity and credit rating of investments are as follows:

	General Fund	Debt Service Fund	Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds	Internal Service Fund	Total
Current Investments							
Investment Pool							
Lone Star	\$ 17,963,969	\$ 22,920,791	\$ 141,780,741	\$ 8,499,108	\$ 191,164,609	\$ 10,300,847	\$ 201,465,456
TexasClass	33,003,532	-	62,813,867	-	95,817,399	-	95,817,399
TexPool	5,561,826	-	-	-	5,561,826	-	5,561,826
Money Market Fund	76,336,017	106,533	-	-	76,442,550	-	76,442,550
Municipal Bonds	4,785,444	-	-	-	4,785,444	-	4,785,444
Treasury Notes	23,249,202	-	-	-	23,249,202	-	23,249,202
Total Current Investments	160,899,990	23,027,324	204,594,608	8,499,108	397,021,030	10,300,847	407,321,877
Long-Term Investments							
US Government Agency Securities	16,508,103	-	-	-	16,508,103	-	16,508,103
Treasury Notes	8,037,967	-	-	-	8,037,967	-	8,037,967
Total Long-Term Investments	24,546,070	-	-	-	24,546,070	-	24,546,070
Total Investments	\$ 185,446,060	\$ 23,027,324	\$ 204,594,608	\$ 8,499,108	\$ 421,567,100	\$ 10,300,847	\$ 431,867,947

	Value at August 31, 2023	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk (S & P Rating)
Investments Measured at Amortized Cost							
Investment Pools							
Texpool	\$ 5,561,826				1.288%	24	AAAm
Money Market Fund	76,442,550				17.700%	1	AAAm
Investments Measured at Net Asset Value (NAV)							
Investment Pools							
Lone Star	201,465,456				46.650%	84	AAAf/S1+
Texas CLASS	95,817,399				22.187%	68	AAAm
Investments Subject to Fair Value							
Municipal Bonds	4,785,444	-	4,785,444	-	1.108%	245	AA+
U.S. Government Agency Bonds:							
Federal Home Loan Bank Notes	16,508,103	-	16,508,103	-	3.822%	647	AA+
Treasury Notes	31,287,169	31,287,169	-	-	7.245%	263	AA+
Total	\$ 431,867,947	\$ 31,287,169	\$ 21,293,547	\$ -	100.000%		
Portfolio Weighted Average Maturity						101	

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

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs-other than quoted prices 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.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS (continued)

B. Investments (continued)

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.

Certain investment types are not required to be measured at fair value; these include money market funds and certain other short-term, highly liquid debt instruments as well as certain investment pools which are measured at amortized cost, and other investment pools which are measured at the net asset value (NAV) determined by the pool, which approximates fair value. These instruments are exempt from categorization within the fair value hierarchy.

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

Local Government Investment Pools

As of August 31, 2023 the District's investments included Lone Star Investment Pool, Texas Class and TexPool. These pools are set up in accordance with the Texas Public Funds Investment Act for participant's investments. The Texas State Comptroller of Public Accounts and the State Auditor's office exercise regulatory oversight responsibility in monitoring external pools operations in compliance with the Public Fund Investment Act. External pools must have an advisory Board composed of both participants in the external pool and other persons who do not have a business relationship with the external pools. The advisory Board has oversight responsibility for operations, designation of management and accountability for fiscal matters. The advisory board members review the investment policy as required by the State. State statute requires that the external pools maintain at least an AAA or AAA-m or equivalent rating by a nationally recognized rating service. The investment pools do not have any limitations or restrictions on withdrawals, such as notice periods or maximum transaction amounts, and do not impose any liquidity fees or redemption gates.

Investment Risk

The risk exposure for governmental, individual major funds, non-major funds in the aggregate and fiduciary funds types of the District are not significantly greater than the deposit and investment risk of the overall primary government.

The District's Investment Policy seeks to control risk. Such risk is controlled by investing in compliance with the District's Investment Policy, qualifying the broker and financial institutions with whom the District will purchase investments, sufficient collateralization, portfolio diversification, and limiting maturity.

Credit Risk

As of August 31, 2023, the District invested in Lone Star Investment Pool, Texpool, Texas Class, TD Ameritrade Federated Government Obligations Fund, Woodforest Bank Public Fund Premium Account, Municipal Bonds, US Government Agency Securities, and US Treasury Notes. District policy requires investment pools to have a rating of at least AAAM by Standard and Poor's and obligations of the United States or its agencies to have a rating not less than an A or its equivalent.

**CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS (continued)

B. Investments (continued)

Concentration of Credit Risk:

The District’s investment policy requires the investment portfolio to be diversified in terms of investment instruments, maturity scheduling, and financial institutions in order to reduce the risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer.

Interest Rate Risk

As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy requires that District’s investment portfolio as a whole will not exceed the weighted average maturity of 18 months (547 days). The Investment Policy also limits that no investment shall have an original stated maturity greater than 3 years.

Adjustments to Investments’ Fair Value

The District’s portfolio value fluctuates in an inverse relationship to any change in interest rates. Accordingly, if interest rates have risen, the portfolio value will have declined. If interest rates have fallen, the portfolio value will have risen. The District’s investments in Municipal Bonds, U.S. Government Agency Securities, and US Treasury Notes are reported by the District at fair value in accordance with GAAP. The District had no gains or losses from the sales of securities because they were held to maturity. The amount of increase or decrease in the fair value of investments is included in investment income. The District recorded a \$1,421,354 decrease in the fair value of investments for the year ended August 31, 2023.

	Governmental Funds	Proprietary Funds	Total
Interest Income	\$ 29,668,200	\$ 383,072	\$ 30,051,272
Net decrease in fair value of investments	(1,421,354)	-	(1,421,354)
Total Investment Income	<u>\$ 28,246,846</u>	<u>\$ 383,072</u>	<u>\$ 28,629,918</u>

NOTE 3 - PROPERTY TAXES

The District’s ad valorem property tax is levied each October 1, based on the assessed value determined by the Montgomery Central Appraisal District (MCAD) for all real and business personal property located in the District. The MCAD, a separate governmental entity, is responsible for the recording and appraisal of property for all taxing units in the County, including the District. The MCAD is required by state law to assess property at 100% of its appraised value. Further, real property must be re-appraised at least every three years. Under certain circumstances, taxpayers and taxing units, including the District, may challenge orders of the MCAD Appraisal Review Board through various appeals and, if necessary, legal action. Taxes are levied and due on October 1, of each year, and become delinquent on the following February 1. On January 1, of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. The assessed value for the 2022-23 fiscal year was \$52,134,762,079.

The tax rates assessed for the year ended August 31, 2023, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$0.8546 and \$0.26 per \$100 of valuation, respectively, for a total of \$1.1146 per \$100 of valuation. Total current and delinquent tax collections, including penalty and interest, for the year ended August 31, 2023, were 99.84% of the current tax levy. Delinquent taxes are prorated between general operations and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 3 - PROPERTY TAXES (continued)

Net property taxes receivable at August 31, 2023, consisted of the following:

	General Fund	Debt Service	Total
Delinquent Taxes - Current Year Levy	\$ 3,825,397	\$ 1,162,083	\$ 4,987,480
Delinquent Taxes - Prior Year Levy	6,024,128	1,611,015	7,635,143
Total Property Taxes Delinquent	<u>9,849,525</u>	<u>2,773,098</u>	<u>12,622,623</u>
Less Allowance for uncollectible taxes	(1,638,212)	(334,021)	(1,972,233)
Net Property Taxes Receivable	<u>\$ 8,211,313</u>	<u>\$ 2,439,077</u>	<u>\$ 10,650,390</u>

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at August 31, 2023, consisted of the following individual fund receivables and payables:

	<u>Receivable</u>	<u>Payable</u>
General Fund		
Debt Service	\$ -	\$ 68,549
Total General Fund	<u>-</u>	<u>68,549</u>
Debt Service Fund		
General Fund	68,549	-
Total Debt Service Fund	<u>68,549</u>	<u>-</u>
Non Major Governmental Funds		
Homeless Children & Youth Grant	-	544
ESEA Title I Part A	-	287,654
ESEA Title I Part C-Migrant	-	16,113
Idea B Formula	-	144,098
Idea B Preschool	-	721
Child Nutrition	4,301,610	-
Carl Perkins	-	45,402
ESEA Title II	-	32,617
Title III	-	18,193
TCLAS	-	162
ESSER II	-	109,701
ESSER III	-	1,054,907
Idea B Formula - ARP	-	11,898
Title IV	-	6,159
Idea B Discretionary Deaf	-	891
Instructional Materials	-	2,327,819
Other State Funds	-	243,435
State Deaf	-	1,296
Total Non Major Governmental	<u>\$ 4,301,610</u>	<u>\$ 4,301,610</u>

The District has not cleared the interfund payables and receivables at year-end. Most of the amounts represent short-term borrowings between funds for operating expense payments.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 5 – CAPITAL ASSETS

The following is a summary of the changes in capital assets for the year ended August 31, 2023:

	Beginning Balance	Additions & Transfers In	Retirements & Transfers Out	Ending Balance
Capital Assets, not being depreciated or amortized:				
Land	\$ 83,561,702	\$ 27,884,533	\$ -	\$ 111,446,235
Construction in progress	72,947,937	67,096,951	(125,870,892)	14,173,996
Total Capital Assets, not being depreciated or amortized	156,509,639	94,981,484	(125,870,892)	125,620,231
Capital Assets, being depreciated and amortized:				
Buildings and Improvements	2,039,816,464	244,348,981	-	2,284,165,445
Furniture and Equipment	99,375,445	11,468,279	(2,830,998)	108,012,726
Right-to-Use Assets-Equipment	1,095,615	12,150	-	1,107,765
Right-to-Use Assets-SBITA*	1,361,654	3,274,357	-	4,636,011
Total Capital Assets, being depreciated and amortized	2,141,649,178	259,103,767	(2,830,998)	2,397,921,947
Less accumulated depreciation and amortization for:				
Buildings and Improvements	(609,464,327)	(50,580,004)	-	(660,044,331)
Furniture and Equipment	(73,899,625)	(8,498,966)	2,658,219	(79,740,372)
Right-to-Use Assets-Equipment	(386,688)	(393,315)	-	(780,003)
Right-to-Use Assets-SBITA	-	(1,202,404)	-	(1,202,404)
Total accumulated depreciation and amortization	(683,750,640)	(60,674,689)	2,658,219	(741,767,110)
Total Capital Assets, being depreciated and amortized, net	1,457,898,538	198,429,078	(172,779)	1,656,154,837
Governmental activities Capital Assets, net	\$ 1,614,408,177	\$ 293,410,562	\$ (126,043,671)	\$ 1,781,775,068

* Beginning balances have been adjusted to reflect the adoption of GASB 96, SBITAs

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

Instruction	\$ 34,756,715
Instructional Resources & Media Service	3,208,834
Curriculum & Instructional Staff Development	1,115,356
Instructional Administration	79,824
School Administration	604,416
Guidance and Counseling	649,141
Health Services	156,983
Student (Pupil) Transportation	1,773,910
Food Services	2,060,329
Cocurricular/Extracurricular Activities	5,214,093
General Administration	507,444
Plant Maintenance and Operations	6,378,794
Security and Monitoring Services	464,382
Data Processing Services	3,704,468
	<u>\$ 60,674,689</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 6 - UNEARNED REVENUE

Unearned revenue as of August 31, 2023, consisted of the following:

	General	Non Major Funds	Debt Service	Total
Child Nutrition	\$ -	\$ 886,301	-	\$ 886,301
Total	\$ -	\$ 886,301	\$ -	\$ 886,301

NOTE 7 – DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources as of August 31, 2023, consisted of the following:

	General	Non Major Funds	Debt Service	Total
Property Taxes	\$ 7,740,574	\$ -	\$ 2,296,075	\$ 10,036,649
Leases	821,289	-	-	821,289
Total	\$ 8,561,863	\$ -	\$ 2,296,075	\$ 10,857,938

NOTE 8 - LONG-TERM DEBT AND DEBT SERVICE

General and Historical Information - The District's long-term liabilities consist of bond indebtedness, compensated absences, leases and SBITA's, net pension liability and net OPEB liability. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. Current funding requirements for compensated absences, leases payable, pension, and OPEB plans are accounted for in the governmental funds. Unfunded long-term liabilities are generally liquidated with resources of the general fund.

By local referendum, the District has adopted the provisions of Section 20 of the Texas Education Code requiring the levy each year of a tax rate, unlimited as to amount, sufficient to meet principal and interest requirements during the ensuing fiscal year. Resources from the property taxes for servicing bonded debt principal and interest are accumulated in, and expended from, the Debt Service Fund (Article 278e-1, VCS).

The voters of the District authorized the sale of general obligation bonds in the amount of \$653,570,000 in an election held November 5, 2019. As of August 31, 2023 all of the 2019 bonds have been sold.

Long-term liability activity for the year ended August 31, 2023 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General Obligation Bonds	\$ 1,616,515,000	\$ -	\$ (66,230,000)	\$ 1,550,285,000	\$ 73,975,000
Plus Premiums on Bonds	197,664,220	-	(11,635,040)	186,029,180	11,158,428
Total Bonds Payable	1,814,179,220	-	(77,865,040)	1,736,314,180	85,133,428
Compensated Absences	711,278	644,565	(169,229)	1,186,614	300,273
Lease Payable	719,416	12,150	(393,087)	338,479	338,479
SBITA Payable*	1,361,654	3,274,357	(2,248,619)	2,387,392	2,128,150
Net Pension Liability	86,473,036	154,731,885	(17,577,198)	223,627,723	-
Net OPEB Liability	172,908,251	-	(57,242,152)	115,666,099	-
Total Long Term Liabilities	\$ 2,076,352,855	\$ 158,662,957	\$ (155,495,325)	\$ 2,079,520,487	\$ 87,900,330

* Beginning balances have been adjusted to reflect the adoption of GASB 96, SBITAs

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 8 -LONG-TERM DEBT AND DEBT SERVICE (continued)

Current Year Information - Debt service requirements to maturity for these issues are summarized as follows:

Year Ended August 31	Current Interest Bonds		
	Principal	Interest	Total
2024	\$ 73,975,000	\$ 63,051,873	\$ 137,026,873
2025	71,080,000	59,485,548	130,565,548
2026	68,715,000	56,112,098	124,827,098
2027	72,100,000	52,727,523	124,827,523
2028	74,050,000	49,298,723	123,348,723
2029	77,455,000	45,894,873	123,349,873
2030	81,085,000	42,264,866	123,349,866
2031	75,470,000	38,626,873	114,096,873
2032	79,010,000	35,088,866	114,098,866
2033	82,585,000	31,514,854	114,099,854
2034	86,055,000	28,042,173	114,097,173
2035	89,430,000	24,668,485	114,098,485
2036	59,475,000	21,808,622	81,283,622
2037	61,865,000	19,416,585	81,281,585
2038	63,845,000	16,950,892	80,795,892
2039	63,995,000	14,402,662	78,397,662
2040	63,405,000	11,951,825	75,356,825
2041	65,760,000	9,595,925	75,355,925
2042	60,360,000	7,296,012	67,656,012
2043	51,025,000	5,231,331	56,256,331
2044	37,645,000	3,605,212	41,250,212
2045	38,975,000	2,277,217	41,252,217
2046	32,210,000	1,145,067	33,355,067
2047	20,715,000	339,881	21,054,881
	<u>\$ 1,550,285,000</u>	<u>\$ 640,797,986</u>	<u>\$ 2,191,082,986</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 8 - LONG-TERM DEBT AND DEBT SERVICE (continued)

Outstanding Debt

Outstanding debt at August 31, 2023 consisted of the following:

Original Issue Amount	Description	Interest Rate	Matures	Amount Outstanding Aug 31, 2023
\$ 76,920,000	Unlimited Tax Schoolhouse Bonds, Series 2014	2.00-5.00%	2039	\$ 46,745,000
129,205,000	Unlimited Tax Schoolhouse Bonds, Series 2014A	2.00-5.00%	2039	70,135,000
21,085,000	Unlimited Tax Schoolhouse Bonds, Series 2014B	2.00-5.00%	2030	15,355,000
117,665,000	Unlimited Tax Schoolhouse Bonds, Series 2015	2.00-5.00%	2035	106,305,000
138,015,000	Unlimited Tax Schoolhouse Bonds, Series 2016	5.00%	2041	113,285,000
206,675,000	Unlimited Tax Schoolhouse Bonds, Series 2016A	3.00-4.00%	2042	182,275,000
97,540,000	Unlimited Tax Schoolhouse Bonds, Series 2017	3.00 - 5.00%	2035	89,995,000
174,435,000	Unlimited Tax Schoolhouse Bonds, Series 2018	3.00 - 5.00%	2043	167,860,000
66,755,000	Unlimited Tax Refunding Bonds, Series 2019	4.00 - 5.00%	2026	28,430,000
116,125,000	Unlimited Tax Schoolhouse Bonds, Series 2020	2.50 - 5.00%	2045	112,425,000
328,325,000	Unlimited Tax School Building and Refunding Bonds, Series 2020A	2.25 - 5.00%	2046	309,800,000
162,010,000	Unlimited Tax Schoolhouse Bonds, Series 2022	1.00 - 5.00%	2047	160,175,000
154,120,000	Unlimited Tax Schoolhouse Bonds, Series 2022A	4.00 - 5.00%	2047	147,500,000
\$ 1,788,875,000	Total General Obligation Bonds			\$ 1,550,285,000

Current Year Defeasance of Long-term Debt

During the fiscal year the District completed a partial defeasance of Series 2014 bonds, consisting of \$3,485,000 in principal maturities dated 2038 - 2039. Debt Service Fund resources of \$3,549,892 were placed in escrow for the scheduled redemption date of February 1, 2024.

Prior Year Advance Refunding of Long-term Debt

The District has no defeased bonds outstanding as of August 31, 2023 resulting from prior year advance refundings.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Construction - During the 2022-23 fiscal year, the District continued construction of new facilities as well as renovation of some existing facilities. As of August 31, 2023, the District's construction commitments with the contractors are as follows:

Campus/Location	Authorized Contract	Total In Progress	Remaining Commitment
Bartlett	\$ 37,933,268	\$ 14,173,996	\$ 23,759,272
CHS Master Plan	144,998,625	104,987,156	40,011,469
Hines Elementary	35,443,652	34,218,461	1,225,191
Transportation Centers	16,546,408	10,282,752	6,263,656
ORHS Overhaul & CTE	57,390,656	55,280,352	2,110,304
Safety & Security 22	10,957,058	7,381,582	3,575,476
TOTAL	\$ 303,269,667	\$ 226,324,299	\$ 76,945,368

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 9 - COMMITMENTS AND CONTINGENCIES (continued)

Federal Financial Assistance - 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 is subject to audit by the grantor agencies and the TEA. Any disallowed claims resulting from such audits could become a liability of the General Fund. However, in the opinion of management, such disallowed claims, if any, will not have a material effect on any of the financial statements of the individual funds included herein or on the overall financial position of the District at August 31, 2023.

Legal Proceedings - The District is a defendant in various 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 proceeding will not have a material adverse effect on the accompanying basic financial statements.

NOTE 10 - GENERAL FUND FEDERAL PROGRAM REVENUE

Programs that are federally funded are accounted for in the Special Revenue Funds of the District. The District received \$11,434,312 in revenue from the SHARS and MAC Medicaid Programs. These programs are accounted for in the General Fund as required by the TEA.

NOTE 11 – REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

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

	General	Debt Service	Capital Projects	Other Non Major Funds	Total
Property Taxes	\$ 429,536,744	\$ 130,537,126	\$ -	\$ -	\$ 560,073,870
Penalties, Interest, and Other Tax Related Income	2,607,092	688,244	-	-	3,295,336
Summer School, Tuition and Fees	554,112	-	-	-	554,112
Investment Income	12,145,960	2,118,724	13,580,146	402,016	28,246,846
Food Sales	-	-	-	9,657,662	9,657,662
Co-Curricular Student Activities	1,534,676	-	-	-	1,534,676
Building Rental	944,110	-	-	-	944,110
Other	3,274,328	-	-	2,257	3,276,585
Total	<u>\$ 450,597,022</u>	<u>\$ 133,344,094</u>	<u>\$ 13,580,146</u>	<u>\$ 10,061,935</u>	<u>\$ 607,583,197</u>

Building Rental revenues include revenues from leases recognized under GASB 87 amounting to 70,522 for the year ending August 31, 2023.

NOTE 12 - OTHER FINANCING SOURCES AND OTHER FINANCING USES

Other financing sources general fund consist of \$1,064,784 in proceeds from Right to Use Leased Assets and SBITAs. Other financing sources in the capital projects fund consist of a transfer in of \$18,800,000 from the general fund. Other financing uses in the general fund consist of a transfer out of \$18,800,000 into the capital maintenance fund to assist with the completion of the 2019 bond projects, if needed. Other financing sources in other non major fund consist of \$2,221,723 in proceeds from Right to Use Leased Assets and SBITAs.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 12 - OTHER FINANCING SOURCES AND OTHER FINANCING USES (continued)

For the year ended August 31, 2023 other resources and uses consist of the following:

	General Fund	Debt Service Fund	Capital Projects Fund	Other Non Major Funds
Other Financing Sources				
Proceeds from Right to Use Leased Assets and SBITA	\$ 1,064,784	\$ -	\$ -	\$ 2,221,723
Transfers in		-	18,800,000	-
Total Other Financing Sources	<u>\$ 1,064,784</u>	<u>\$ -</u>	<u>\$ 18,800,000</u>	<u>\$ 2,221,723</u>
Other Financing Uses				
Transfers out	\$ (18,800,000)	\$ -	\$ -	\$ -
Total Other Financing Uses	<u>\$ (18,800,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 13 - DEFINED BENEFIT PENSION PLAN

A. Plan Description

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

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

B. Pension Plan Fiduciary Net Position

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

C. Benefits Provided

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

**CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 13 - DEFINED BENEFIT PENSION PLAN (continued)

D. Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Contribution rates for the last two fiscal years are as follows:

	Contribution Rates	
	2022	2023
Member	8.00%	8.00%
Non-Employer Contributing Entity(State)	7.75%	8.00%
Employer	7.75%	8.00%
District 2023 Employer contributions	\$20,523,399	
District 2023 Member contributions	\$40,122,847	
District 2023 NECE On-Behalf contributions	\$27,034,793	

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA). As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

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

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

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

**CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 13 - DEFINED BENEFIT PENSION PLAN (continued)

E. Actuarial Assumptions

The total pension liability in the August 31, 2021 actuarial valuation rolled forward to August 31, 2022 was determined using the following actuarial assumptions:

Valuation date	August 31, 2021 rolled forward to August 31, 2022
Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected investment rate of return	7.00%
Municipal bond rate as of August 2022	3.91%*
Last year ending August 31 in projection period (100 years)	2121
Inflation	2.30%
Salary increases including inflation	2.95% to 8.95% including inflation
Ad hoc post-employment benefit changes	None
Active mortality rates	The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioner Mortality Tables with full generational projection using the ultimate improvement rates from the most recently published projection scale U-MP. The active mortality rates were based on the published PUB(2010) Mortality Tables for Teachers, below median, also with full generational mortality.

* The source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

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

F. Discount Rate

A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.00 percent. 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 statutorily required rates. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. As a result, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023

NOTE 13 - DEFINED BENEFIT PENSION PLAN (continued)

F. Discount Rate (continued)

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2022 are summarized below:

Asset Class	Target Allocation*	Long Term Expected Geometric Real Rate of Return**	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
U.S.	18%	4.6%	1.12%
Non-U.S. Developed	13%	4.9%	0.90%
Emerging Markets	9%	5.4%	0.75%
Private Equity	14%	7.7%	1.55%
Stable Value			
Government Bonds	16%	1.0%	0.22%
Absolute Return (including Credit Sensitive Instruments)	-	3.7%	-
Stable Value Hedge Funds	5%	3.4%	0.18%
Real Return			
Real Assets	15%	4.1%	0.94%
Energy, Natural Resources & Infrastructure	6%	5.1%	0.37%
Commodities	-	3.6%	-
Risk Parity			
Risk Parity	8%	4.6%	0.43%
Asset Allocation Leverage			
Cash	2%	3.0%	0.01%
Asset Allocation Leverage	(6)%	3.6%	(0.05)%
Inflation Expectation			2.70%
Volatility Drag ***			(0.91)%
Expected Return		100%	8.19%

* Target allocations are based on the FY2022 policy model.

** Capital Market Assumptions come from Aon Hewitt (as of 8/31/2022).

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

G. 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 (7.00%) in measuring the 2022 Net Pension Liability.

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
District's proportionate share of the net pension liability:	\$ 347,879,946	\$ 223,627,723	\$ 122,915,463

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 13 - DEFINED BENEFIT PENSION PLAN (continued)

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

At August 31, 2023, the District reported a liability of \$223,627,723 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	\$ 223,627,723
State's proportionate share that is associated with District	301,452,545
Total	<u>\$ 525,080,268</u>

The net pension liability was measured as of August 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2021 rolled forward to August 31, 2022. 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, 2021 through August 31, 2022.

At August 31, 2022 the employer's proportion of the collective net pension liability was .3767% which was an increase of .0371% from its proportion measured as of August 31, 2021. For the year ended August 31, 2023, the District recognized pension expense of \$60,723,313 and revenue of \$28,815,446 for support provided by the State.

At August 31, 2023, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 3,242,584	\$ 4,875,508
Changes in actuarial assumptions	41,669,123	10,385,109
Difference between projected and actual investment earnings	22,093,704	-
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	26,127,273	4,022,847
Contributions paid to TRS subsequent to the measurement date	20,523,399	-
	<u>\$ 113,656,083</u>	<u>\$ 19,283,464</u>

\$20,523,399 reported as a deferred outflows related to contribution subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended 2024.

**CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 13 - DEFINED BENEFIT PENSION PLAN (continued)

H. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

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

<u>For Year Ended</u>	<u>Pension Expense Amount</u>
2024	\$ 19,477,059
2025	12,052,137
2026	6,066,476
2027	30,158,631
2028	6,094,917
Thereafter	-
Total	<u>\$ 73,849,220</u>

NOTE 14 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN

A. Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRSCare). 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.

B. OPEB Plan Fiduciary Net Position

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

C. Benefits Provided

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

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

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for the average retiree with and without Medicare coverage.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 14 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (continued)

C. Benefits Provided (continued)

TRS-Care Plan Premium Rates
Effective January 1, 2022 -December 31, 2022

	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

D. 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 .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act.

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

	Contribution Rates	
	2022	2023
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (state)	1.25%	1.25%
Employer/District	0.75%	0.75%
Federal/private funding remitted by employers	1.25%	1.25%

The contribution amounts for the District fiscal year 2023 are as follows:

District 2023 Employer contributions	\$4,328,852
District 2023 Member contributions	\$3,259,994
District 2023 NECE On-Behalf contributions	\$5,701,857

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

The Medicare Prescription Drug, Improvement, and Modernization act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. Medicare Part D allows for TRS-Care to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the years ended August 31, 2023, 2022, and 2021, the subsidy payments received by TRS-Care on behalf of the District were \$2,765,172, \$1,950,678, and \$1,941,245, respectively. These payments are recorded as equal revenues and expenditures in the governmental funds financial statements.

**CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 14 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (continued)

E. Actuarial Assumptions

The actuarial valuation of the total OPEB liability was performed as of August 31, 2021. Update procedures were used to roll forward the total OPEB liability to August 31, 2022.

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuations performed for the pension plan, except that the OPEB valuation is more complex.

The following assumptions used for the valuation of the TRS-Care OPEB liability are identical to the assumptions employed in the August 31, 2022 TRS annual pension actuarial valuation:

<u>Demographic Assumptions</u>	<u>Economic Assumptions</u>
Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Salary Increases
Rates of Disability	

The demographic assumptions were developed in the experience study performed by TRS for the period ending August 31, 2017.

The initial medical trend rates were 8.25% for Medicare retirees and 7.25% for non-Medicare retirees. There was an initial prescription drug trend rate of 8.25% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 13 years.

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

Actuarial Cost Method	Individual Entry Age Normal
Single Discount Rate	3.91%
Inflation	2.30%
Aging Factors	Based on plan specific experience
Election Rates	Normal retirement: 62% participation prior to age 65 and 25% after age 65. 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Salary Increases	3.05% to 9.05%, including inflation
Ad hoc Post-employment Benefit Changes	None

F. Discount Rate

A single discount rate of 3.91 percent was used to measure the total OPEB liability. This was an increase of 1.96 percent in the discount rate since the previous year. Since the plan is a pay-as-you-go plan, the single discount rate is equal to the prevailing municipal bond rate.

G. Rate Sensitivity of the Net OPEB Liability

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 (3.91%) in measuring the net OPEB liability.

	1% Decrease (2.91%)	Current Discount Rate (3.91%)	1% Increase (4.91%)
TRS-CARE	\$ 136,379,502	\$ 115,666,099	\$ 98,885,583

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 14 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (continued)

G. Rate Sensitivity of the Net OPEB Liability (continued)

The following schedule shows the impact of the Net OPEB Liability if the healthcare cost trend rate used was 1% less than and 1% greater than the healthcare cost trend rate that was used in measuring the Net OPEB Liability.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
TRS-CARE	\$ 95,309,386	\$ 115,666,099	\$ 142,055,957

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

At August 31, 2023, the District reported a liability of \$115,666,099 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 115,666,099
State's proportionate share of the net OPEB liability associated with the District	141,094,468
Total	<u>\$ 256,760,567</u>

The net OPEB liability was measured as of August 31, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of August 31, 2021 rolled forward to August 31, 2022. 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, 2021 through August 31, 2022.

At the measurement date of August 31, 2022, the District's proportion of the collective net OPEB liability was .4831% which was an increase of .0348% from its proportion measured as of August 31, 2021.

For the year ended August 31, 2023, the District recognized total OPEB expense of (\$29,171,651) which includes the on-behalf portion of (\$20,022,444) from the State.

The primary reasons for the liability reduction and the presentation of negative OPEB expense for the District and the State were due to savings to the fully-insured Medicare Advantage premiums, which resulted from Congress' repeal of the Health Insurer fee in December 2019 and vendor premium guarantees, and favorable claims and rebate experience for the prescription drug benefits provided to Medicare retirees.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 6,430,626	\$ 96,360,242
Changes in actuarial assumptions	17,618,238	80,357,925
Net difference between projected and actual earnings on pension plan investments	344,538	-
Changes in proportion and difference between the District's contributions and proportionate share of contributions (cost-sharing plan)	41,001,627	3,223,640
District contributions after measurement date	4,382,887	-
	<u>\$ 69,777,916</u>	<u>\$ 179,941,807</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 14 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (continued)

H. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)

At August 31, 2023, the District reported deferred outflows of resources for contributions made after the measurement date and 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:

\$4,382,887 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the fiscal year ended August 31, 2024. Other amounts reported as deferred outflows of resources (deferred inflows of resources) related to OPEB will be recognized in OPEB expense as follows:

<u>For Year Ended</u>	<u>OPEB Expense Amount</u>
2024	\$ 22,325,958
2025	22,324,709
2026	17,419,695
2027	10,779,176
2028	14,606,263
Thereafter	27,090,977
Total	<u>\$ 114,546,778</u>

Changes Since the Prior Actuarial Valuation

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

- The discount rate changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change decreased the total OPEB liability.

Changes of Benefit Terms Since the Prior Measurement Date

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

NOTE 15 - RISK MANAGEMENT

The District is exposed to various risks related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty, and liability coverage through commercial insurance carriers, self-insurance, and from participation in a risk pool. The District's participation in the risk pool is limited to payments of premiums. Settlements over the past three years have not exceeded the coverage of the district's commercial insurance, otherwise the exceeded amount would be funded through the general fund.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 15 - RISK MANAGEMENT (Continued)

Health Benefits

On October 1, 2000, the District began a self-funded environment for provision of employee health insurance. The District made contributions to cover the employees and the employees, at their option, authorized payroll withholdings to pay contributions for dependents. The plan was authorized by state statute and was documented by contractual agreement. The contract between the District and the third party administrator is renewable annually.

In accordance with state statute, the District maintains a catastrophic loss insurance policy, which reimburses the District for annual claims totaling over \$550,000 per covered individual with an aggregate limit of liability for the insurer totaling \$5,000,000. For the fiscal years ended 2021, 2022, and 2023 the District has received insurance settlements in the amounts of \$0, \$3,732,353, and \$5,096,543 respectively. The District made no significant reductions in insurance coverage for the 2022-23 fiscal year. The District's contributions for benefits during the year totaled \$31,740,928. Estimates of claims payable and of claims incurred but not reported at August 31, 2023, are reflected as accrued expenses of the fund. The liabilities include an amount for claims that have been incurred but were not reported until after August 31, 2023. Because actual claims liabilities depend on such complex factors such as inflation, changes in legal requirements, and damage awards, the process used in computing claims liability is an estimate.

Analysis of claims liability for the fiscal year 2023 is as follows:

	Health Benefits	
	2023	2022
Claims payable, September 1	\$ 3,526,127	\$ 3,219,083
Incurred claims and claim adjustment expenses:		
Provision for insured events of the current fiscal year	55,886,464	58,683,972
Total incurred claims and claim adjustment expenses	<u>55,886,464</u>	<u>58,683,972</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events for the current fiscal year	51,917,377	55,157,845
Claim and claim adjustment expenses attributable to insured events of prior fiscal years	3,526,127	3,219,083
Total payments	<u>55,443,504</u>	<u>58,376,928</u>
Claims payable, August 31	<u>\$ 3,969,087</u>	<u>\$ 3,526,127</u>

NOTE 16 - ARBITRAGE EARNINGS REBATE

As a result of the Tax Reform Act of 1986, the Series 2014, 2015, 2016, 2017, 2018, 2019, 2020 and 2022 General Obligation Bonds are subject to arbitrage earnings rebate. Generally, amounts earned on investments from unspent bond proceeds in excess of the interest paid on the bonds must be rebated to the Internal Revenue Service. For the year ended August 31, 2023 the District had \$2,479,422 in arbitrage liability.

NOTE 17 – RELATED PARTY

A member of the Board of Trustees is an officer and shareholder of Woodforest National Bank, the District's primary depository bank.

NOTE 18 – SUBSEQUENT EVENTS

The district voters approved a \$1,972,877,000 bond referendum on November 7, 2023. The bonds will be used to provide funds for construction, renovation, acquisition, and equipment of school buildings in the District.

In October 2023, \$39,740,000 (Series 2014), and \$12,920,000 (Series 2014A) of the District's unlimited tax schoolhouse building bonds were refunded in order to recognize interest savings. The principal amount of the new bonds issued as a result of the refunding was \$51,025,000.

Conroe Independent School District



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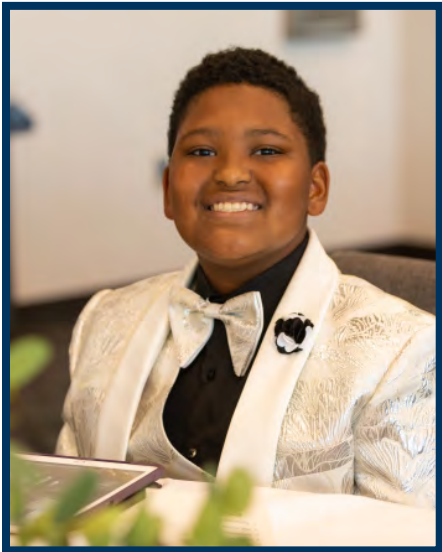
REQUIRED SUPPLEMENTARY INFORMATION

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2023 WITH COMPARATIVE ACTUAL AMOUNT FOR 2022**

		General Fund				
		2023				
Data Control Codes		Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance Positive (Negative)	2022 Actual Amounts
REVENUES						
5700	Local and Intermediate Sources	\$ 452,943,677	\$ 453,303,280	\$ 450,597,022	\$ (2,706,258)	\$ 395,030,989
5800	State Program Revenues	166,884,314	182,374,314	188,834,632	6,460,318	205,984,323
5900	Federal Program Revenues	-	9,438,930	11,434,312	1,995,382	13,164,401
	Total Revenues	<u>619,827,991</u>	<u>645,116,524</u>	<u>650,865,966</u>	<u>5,749,442</u>	<u>614,179,713</u>
EXPENDITURES						
0011	Instruction	393,315,237	409,576,945	404,870,023	4,706,922	373,409,139
0012	Instruction Resources and Media Services	6,488,261	6,653,792	6,375,316	278,476	6,209,693
0013	Curriculum and Instructional Staff Development	7,929,129	10,825,675	9,985,204	840,471	9,194,330
0021	Instructional Administration	6,419,005	7,343,234	6,849,597	493,637	6,244,300
0023	School Administration	38,398,609	40,824,352	40,794,113	30,239	38,693,574
0031	Guidance and Counseling Services	21,357,013	24,158,852	23,307,860	850,992	21,850,060
0032	Social Work Service	850,671	1,401,840	1,320,585	81,255	1,276,272
0033	Health Services	7,771,387	1,376,066	1,260,798	115,268	617,528
0034	Student (Pupil) Transportation	30,530,699	34,214,473	34,086,939	127,534	31,187,104
0036	Co-curricular/Extracurricular Activities	13,270,031	15,644,323	15,221,291	423,032	13,437,617
0041	General Administration	9,868,551	12,384,475	11,462,372	922,103	10,235,257
0051	Plant Maintenance and Operations	62,417,607	70,385,860	70,122,788	263,072	62,521,719
0052	Security and Monitoring Services	9,265,524	9,844,735	9,371,899	472,836	8,902,118
0053	Data Processing Services	7,828,387	8,678,046	8,630,992	47,054	8,038,187
0061	Community Services	17,880	29,906	9,425	20,481	8,431
0071	Principal	-	1,484,612	1,472,998	11,614	406,050
0081	Facilities Acquisition and Construction	-	2,366,283	2,298,926	67,357	1,038,894
0099	Other Intergovernmental Charges	4,100,000	4,100,000	4,059,701	40,299	3,862,903
6030	Total Expenditures	<u>619,827,991</u>	<u>661,293,468</u>	<u>651,500,827</u>	<u>9,792,641</u>	<u>597,133,176</u>
1100	Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>(16,176,944)</u>	<u>(634,861)</u>	<u>15,542,083</u>	<u>17,046,537</u>
OTHER FINANCING SOURCES (USES)						
7913	Proceeds from Right to Use Leased Assets and SBITA Assets	-	1,041,944	1,064,784	22,840	-
8911	Transfers out	-	(18,800,000)	(18,800,000)	-	(16,000,000)
	Total Other Financing Sources and (Uses)	<u>-</u>	<u>(17,758,056)</u>	<u>(17,735,216)</u>	<u>22,840</u>	<u>(16,000,000)</u>
	Net Change in Fund Balance	<u>-</u>	<u>(33,935,000)</u>	<u>(18,370,077)</u>	<u>15,564,923</u>	<u>1,046,537</u>
	FUND BALANCE - SEPTEMBER 1	<u>182,141,626</u>	<u>182,141,626</u>	<u>182,141,626</u>	<u>-</u>	<u>181,095,089</u>
	FUND BALANCE - AUGUST 31	<u>\$ 182,141,626</u>	<u>\$ 148,206,626</u>	<u>\$ 163,771,549</u>	<u>\$ 15,564,923</u>	<u>\$ 182,141,626</u>

See note to required supplementary information

Conroe Independent School District



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**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
TEACHERS RETIREMENT SYSTEM
FOR THE LAST NINE FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
District's Proportion of the Net Pension Liability	0.3767%	0.3396%	0.3091%
District's Proportionate Share of Net Pension Liability	\$ 223,627,723	\$ 86,473,036	\$ 165,523,063
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>301,452,545</u>	<u>139,107,198</u>	<u>290,533,934</u>
Total	<u>\$ 525,080,268</u>	<u>\$ 225,580,234</u>	<u>\$ 456,056,997</u>
District's Covered Payroll	\$ 462,004,321	\$ 432,857,585	\$ 405,799,379
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	48.40%	19.98%	40.79%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.62%	88.79%	75.54%

Note: The amounts presented above were determined as of the measurement date, which is August 31 of the year prior to the District's fiscal year.

Ten years of data is not available.

See notes to required supplementary information.

2020	2019	2018	2017	2016	2015
0.3267%	0.3139%	0.3055%	0.2918%	0.2935%	0.17418%
\$ 169,824,823	\$ 172,789,144	\$ 97,679,904	\$ 110,262,614	\$ 103,744,950	\$ 46,524,632
275,674,543	294,047,217	171,892,834	203,544,224	188,566,858	157,271,184
<u>\$ 445,499,366</u>	<u>\$ 466,836,361</u>	<u>\$ 269,572,738</u>	<u>\$ 313,806,838</u>	<u>\$ 292,311,808</u>	<u>\$ 203,795,816</u>
\$ 383,159,912	\$ 361,846,953	\$ 345,328,126	\$ 326,577,110	\$ 304,661,262	\$ 281,539,848
44.32%	47.75%	28.29%	33.76%	34.05%	16.53%
75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM
FOR THE LAST NINE FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually Required Contribution	\$ 20,523,399	\$ 17,576,873	\$ 14,490,479
Contribution in Relation to the Contractually Required Contribution	<u>(20,523,399)</u>	<u>(17,576,873)</u>	<u>(14,490,479)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 501,535,756	\$ 462,004,321	\$ 432,857,585
Contributions as a Percentage of Covered Payroll	4.09%	3.80%	3.35%

Note: The amounts presented for the fiscal years were determined as of the District's fiscal year end August 31.

Data for ten years is not available.

See notes to required supplementary information.

2020	2019	2018	2017	2016	2015
\$ 12,195,125	\$ 11,496,876	\$ 11,063,733	\$ 10,012,247	\$ 9,270,866	\$ 8,690,378
(12,195,125)	(11,496,876)	(11,063,733)	(10,012,247)	(9,270,866)	(8,690,378)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 405,799,378	\$ 383,159,912	\$ 361,846,953	\$ 345,328,126	\$ 326,577,110	\$ 304,661,262
3.01%	3.00%	3.06%	2.90%	2.84%	2.85%

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB
LIABILITY OF A COST-SHARING MULTIPLE-EMPLOYER OPEB PLAN
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE LAST SIX FISCAL YEARS**

	<u>2023</u>	<u>2022</u>
District's Proportion of the Net OPEB Liability	0.4831%	0.4482%
District's Proportionate Share of Net OPEB Liability	\$ 115,666,099	\$ 172,908,251
State's Proportionate Share of the Net OPEB Liability Associated with the District	141,094,468	231,658,523
Total	<u>\$ 256,760,567</u>	<u>\$ 404,566,774</u>
District's Covered Payroll	\$ 462,004,321	\$ 432,857,585
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	25.04%	39.95%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.52%	6.18%

Note: The amounts presented above were determined as of the measurement date, which is August 31 of the year prior to the District's fiscal year.

Ten years of data is not available.

See notes to required supplementary information.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
0.4277%	0.4353%	0.4202%	0.3933%
\$ 162,575,489	\$ 205,866,828	\$ 209,808,086	\$ 171,016,770
218,462,487	273,550,966	314,607,399	275,229,670
<u>\$ 381,037,976</u>	<u>\$ 479,417,794</u>	<u>\$ 524,415,485</u>	<u>\$ 446,246,440</u>
\$ 405,799,379	\$ 383,159,912	\$ 361,846,953	\$ 345,328,126
40.06%	53.73%	57.98%	49.52%
4.99%	2.66%	1.57%	0.91%

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TO THE TEACHER RETIREMENT SYSTEM OF TEXAS OPEB PLAN
FOR THE LAST SIX FISCAL YEARS**

	<u>2023</u>	<u>2022</u>
Contractually Required Contribution	\$ 4,382,852	\$ 3,967,645
Contribution in Relation to the Contractually Required Contribution	<u>(4,382,852)</u>	<u>(3,967,645)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 501,535,756	\$ 462,004,321
Contributions as a Percentage of Covered Payroll	0.87%	0.86%

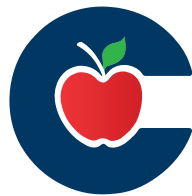
Note: The amounts presented for the fiscal years were determined as of the District's fiscal year end August 31.

Data for ten years is not available.

See notes to the required supplementary information.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 3,501,807	\$ 3,113,437	\$ 3,099,317	\$ 3,026,353
<u>(3,501,807)</u>	<u>(3,113,437)</u>	<u>(3,099,317)</u>	<u>(3,026,353)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 432,857,585	\$ 405,799,378	\$ 383,159,912	\$ 361,846,953
0.81%	0.77%	0.81%	0.84%

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 1 – STEWARDSHIP, COMPLIANCE and ACCOUNTABILITY

Budgetary information

The Board adopts an “appropriated budget” on a basis consistent with GAAP for the general fund, debt service fund, capital projects fund and child nutrition fund (which is included in special revenue funds). At a minimum, the District is required to present the original and the final amended budgets for revenues and expenditures compared to actual revenues and expenditures for the general fund, debt service fund and child nutrition fund.

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

- Prior to August 20th the District prepares a budget based on sited based and line item budgeting concepts for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- After one or more budget workshops with the Board, a meeting is called for the purpose of adopting the proposed budget. At least ten days but not more than 30 days public notice of the meeting is required.
- Prior to August 31st the Board of Trustees legally adopts the budget for the general fund, debt service fund, capital projects fund and child nutrition fund.
- After the budget for the above listed funds is approved, any amendment that causes an increase or decrease in a fund or functional spending category or total revenue or other resources object category requires Board approval prior to the fact. These amendments are presented to the Board at its regular monthly meeting and are reflected in the official minutes. Because the District has a policy of careful budgetary control, several budgetary amendments were necessary throughout the year.
- Expenditure budgets are controlled at the expenditure functional and object level by the appropriate budget manager (principal, department director or divisional administrator). Budget managers may authorize transfers within functional and organizational categories that do not affect the total functional and organizational appropriation. All budget appropriations lapse at year-end.

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in order to reserve that portion of the applicable appropriation, is used in all governmental funds. Encumbrances outstanding at year-end are commitments that do not constitute expenditures or liabilities, but are reported as reservations of fund balances. Since appropriations lapse at the end of each year, outstanding encumbrances are appropriately provided for in the subsequent fiscal year’s budget to provide for the liquidation of the prior commitments. End-of-year outstanding encumbrances that were provided for in the subsequent year’s budget are presented as below:

General Fund	\$6,526,341
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An assignment of fund balance equal to the outstanding encumbrances at year-end is provided for at August 31, 2023.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 2 – NET PENSION LIABILITY AND NET OPEB LIABILITY

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

Changes in Actuarial Assumptions and Inputs

Measurement Date August 31,	<u>Net Pension Liability</u>		<u>Net OPEB Liability</u>
	<u>Discount Rate (1)</u>	<u>Long-term Expected Rate of Return (1)</u>	<u>Discount Rate (1)</u>
2022	7.000%	7.000%	3.910%
2021	7.250%	7.250%	1.950%
2020	7.250%	7.250%	2.330%
2019	7.250%	7.250%	2.630%
2018	6.907%	7.250%	3.690%
2017	8.000%	8.000%	3.420%
2016	8.000%	8.000%	
2015	8.000%	8.000%	
2014	8.000%	8.000%	

(1) Ten years of data is not available

Changes in Demographic and Economic Assumptions

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

Changes in Benefit Terms

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

NONMAJOR GOVERNMENTAL FUNDS Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for particular purposes. Most, but not all, of these funds must be applied for through the Standard Application System (SAS).

Texas Education for Homeless Children & Youth Grant: To facilitate the identification, enrollment, attendance, and academic success of homeless children and unaccompanied youth by removing barriers and promote school stability for students experiencing homelessness.

ESEA, Title I, Part A: To provide educational programs for educationally disadvantaged or handicapped children.

ESEA, Title I, Part D: To provide programs for facilitating the transition and academic needs of students from correctional programs to further education or employment.

ESEA, Title I, Part C Migrant: To provide programs for children of migrant agriculture or agriculture-related workers and children of migrant fishermen.

IDEA, Part B Formula: To provide educational programs for children with disabilities.

IDEA, Part B Preschool: To provide programs for preschool children with disabilities.

IDEA, Part B High Cost Fund: To provide programs and related services for high-need children with disabilities.

Child Nutrition: To provide food service operations for all students of the District. The fund draws revenue from local, state, and federal sources.

Vocational Education: To provide career and technology education to develop new and/or improved marketable skills for paid and unpaid employment.

ESEA, Title II Part A, TPTR: Increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools, and hold local education agencies and schools accountable for improving student academic achievement.

Title III, Part A, LEP & Immigrant: To improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.

ARP Homeless I TEHCY: To provide subgrantees with additional capacity to facilitate the identification, enrollment, attendance, and academic success of homeless children and youth by removing barriers and promoting school stability for students experiencing homelessness.

Texas Covid Learning Acceleration Supports (TCLAS): To provide targeted support to school districts to accelerate student learning in the wake of COVID-19.

ARP Homeless II: To increase local education agencies (LEAs) and education service centers (ESCs) capacity to identify, enroll, and provide wraparound services to address the unique needs of homeless children and youth due to the impact of the COVID-19 pandemic.

ESSER II: To provide additional resources to help school districts safely reopen schools, measure and effectively address significant learning loss, and take other actions to mitigate the impact of COVID-19 on the students and families who depend on our K-12 schools.

ESSER III: To help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on students.

IDEA, Part B Formula ARP: To provide educational programs for children with disabilities through funding from the American Rescue Plan (ARP) Act of 2021.

Title IV: To provide all students access to a well-rounded education, improve academic outcomes by maintaining a safe and healthy school environment, and improve the use of technology to advance student academic achievement.

Summer School LEP: Provides funding for summer school programs to enhance the skills needed in the areas of reading and language development for Limited English Proficient (LEP) students in Pre-Kindergarten and Kindergarten.

SSA IDEA-B Discretionary Deaf: To support an education service center basic special education component and also targeted support to LEA's, Regional Day School Programs for the Deaf, Private residential placements, priority placements, and other emerging needs.

SSA IDEA-C Deaf: To assist local Regional Day School for the Deaf programs and the Texas School for the Deaf in providing direct services to hearing impaired infants to toddlers, ages birth to two years of age.

Visual Impairment: Support program for visually impaired students.

AP/IB Incentive Program: Support professional development of teachers teaching advanced classes.

Instructional Materials Allotment: To purchase instructional materials, technological equipment and technology-related services.

Read To Succeed License Plates: Money awarded to campus libraries from the state based on license plate purchases.

Achievement Academy Teacher Stipend: Money awarded to teachers for attending achievement academies who provide mathematics and reading instruction to students in kindergarten, grade 1, grade 2, or grade 3.

Silent Panic Alert Grant: To purchase silent panic alert technologies for campuses as a measure of school safety

School Safety Standards Formula Grant: To assist LEAs in meeting the new school safety standards and to include other security related costs like metal detectors, cameras, and monitoring tools such as those allowed under the school safety allotment, the SB500 school safety and security grant, and the silent panic alert technology grant.

SSA Deaf Coop: Funds allocated for staff and activities of the Regional Day School Program for the Deaf (RDSPD).

Wellness Grant: Insurance discount offered to non-smokers used to fund wellness programs in the district.

Coke Grant: Funds received from Coke commissions to be used for district technology.

CONROE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 TOTAL NON MAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2023 WITH COMPARATIVE TOTALS FOR 2022

Data Control Codes	206 Homeless Children & Youth Grant	211 ESEA Title I Part A & D	212 ESEA Title I Part C Migrant	224 IDEA Part B Formula	225 IDEA Part B Preschool
ASSETS:					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120	Temporary Investments, at Fair Value	-	-	-	-
1100	Total Cash and Current Investments	-	-	-	-
Receivables:					
1240	Due from TEA	544	312,927	16,113	203,366
1260	Due from Other Funds	-	-	-	721
1290	Sundry Receivables	-	-	-	-
1300	Inventories, at Cost	-	-	-	-
1400	Deferred Expenditures	-	-	-	-
1000	Total Assets	\$ 544	\$ 312,927	\$ 16,113	\$ 203,366
LIABILITIES:					
Current Liabilities:					
2110	Accounts Payable	\$ -	\$ 25,273	\$ -	\$ 59,268
2160	Accrued Wages Payable	-	-	-	-
2170	Due to Other Funds	544	287,654	16,113	144,098
2300	Unearned Revenues	-	-	-	-
2000	Total Liabilities	544	312,927	16,113	203,366
FUND BALANCE:					
Restricted For:					
3450	Food Service Operations	-	-	-	-
3450	Grant Operations	-	-	-	-
Committed to:					
3545	Technology & Food Service	-	-	-	-
3000	Total Fund Equity	-	-	-	-
4000	Total Liabilities and Fund Equity	\$ 544	\$ 312,927	\$ 16,113	\$ 203,366

226 High Cost Fund	240/242 Child Nutrition and Summer Feeding	244 Voc. Ed. Basic Grant	255 ESEA Title II Part A, TPTR	263 Title III, Part A LEP & Immigrant	278 ARP Homeless I TEHCY Supplemental	279 TCLAS TX Covid Learning
\$ -	\$ 82,813	\$ -	\$ -	\$ -	\$ -	\$ -
-	8,499,108	-	-	-	-	-
-	8,581,921	-	-	-	-	-
-	1,789,330	45,402	45,358	18,558	-	162
-	4,301,610	-	-	-	-	-
-	290	-	-	-	-	-
-	1,375,505	-	-	-	-	-
-	-	-	-	-	-	-
\$ -	\$ 16,048,656	\$ 45,402	\$ 45,358	\$ 18,558	\$ -	\$ 162
\$ -	\$ 1,594,209	\$ -	\$ 12,741	\$ 365	\$ -	\$ -
-	799,529	-	-	-	-	-
-	-	45,402	32,617	18,193	-	162
-	880,266	-	-	-	-	-
-	3,274,004	45,402	45,358	18,558	-	162
-	12,774,652	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	12,774,652	-	-	-	-	-
\$ -	\$ 16,048,656	\$ 45,402	\$ 45,358	\$ 18,558	\$ -	\$ 162

CONROE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 TOTAL NON MAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2023 WITH COMPARATIVE TOTALS FOR 2022

Data Control Codes	280	281	282	284	288
	ARP Homeless II	ESSER II Grant	ESSER III Grant	IDEA B Formula ARP	Title IV Part A-ELA
ASSETS:					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120	Temporary Investments, at Fair Value	-	-	-	-
1100	Total Cash and Current Investments	-	-	-	-
Receivables:					
1240	Due from TEA	-	109,701	1,109,418	11,898
1260	Due from Other Funds	-	-	-	-
1290	Sundry Receivables	-	-	-	-
1300	Inventories, at Cost	-	-	-	-
1400	Deferred Expenditures	-	-	-	-
1000	Total Assets	\$ -	\$ 109,701	\$ 1,109,418	\$ 11,898
LIABILITIES:					
Current Liabilities:					
2110	Accounts Payable	\$ -	\$ -	\$ 54,511	\$ -
2160	Accrued Wages Payable	-	-	-	-
2170	Due to Other Funds	-	109,701	1,054,907	11,898
2300	Unearned Revenues	-	-	-	-
2000	Total Liabilities	-	109,701	1,109,418	11,898
FUND BALANCE:					
Restricted For:					
3450	Food Service Operations	-	-	-	-
3450	Grant Operations	-	-	-	-
Committed to:					
3545	Technology & Food Service	-	-	-	-
3000	Total Fund Equity	-	-	-	-
4000	Total Liabilities and Fund Equity	\$ -	\$ 109,701	\$ 1,109,418	\$ 11,898

289 Other Federal Grants	315 SSA IDEA B Discretionary Deaf	340 SSA IDEA-C Deaf	385 Visually Impaired	397 AP/IB Incentive Program	410 Instructional Materials Allotment
\$ -	\$ -	\$ -	\$ -	\$ 191,152	\$ -
-	-	-	-	-	-
-	-	-	-	191,152	-
-	6,588	576	-	-	2,439,456
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	157,500
\$ -	\$ 6,588	\$ 576	\$ -	\$ 191,152	\$ 2,596,956
\$ -	\$ 5,697	\$ 576	\$ -	\$ 4,543	\$ 269,137
-	-	-	-	-	-
-	891	-	-	-	2,327,819
-	-	-	-	-	-
-	6,588	576	-	4,543	2,596,956
-	-	-	-	-	-
-	-	-	-	186,609	-
-	-	-	-	-	-
-	-	-	-	186,609	-
\$ -	\$ 6,588	\$ 576	\$ -	\$ 191,152	\$ 2,596,956

CONROE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 TOTAL NON MAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2023 WITH COMPARATIVE TOTALS FOR 2022

Data Control Codes	429	435	486	487	Totals		
	Other State Funds	SSA Deaf Coop	Wellness Grant	Coke Grant	23 August 31, 2023	22 August 31, 2022	
ASSETS:							
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 233,929	\$ 507,894	\$ 2,107,159
1120	Temporary Investments, at Fair Value	-	-	-	-	8,499,108	8,597,092
1100	Total Cash and Current Investments	-	-	-	233,929	9,007,002	10,704,251
Receivables:							
1240	Due from TEA	509,931	1,414	-	-	6,627,622	5,264,350
1260	Due from Other Funds	-	-	-	-	4,301,610	2,878,677
1290	Sundry Receivables	-	-	-	-	290	200
1300	Inventories, at Cost	-	-	-	-	1,375,505	1,167,659
1400	Deferred Expenditures	-	-	-	-	157,500	-
1000	Total Assets	\$ 509,931	\$ 1,414	\$ -	\$ 233,929	\$ 21,469,529	\$ 20,015,137
LIABILITIES:							
Current Liabilities:							
2110	Accounts Payable	\$ 260,461	\$ 118	\$ -	\$ -	\$ 2,286,899	\$ 2,134,572
2160	Accrued Wages Payable	-	-	-	-	799,529	836,453
2170	Due to Other Funds	243,435	1,296	-	-	4,301,610	2,878,677
2300	Unearned Revenues	6,035	-	-	-	886,301	852,207
2000	Total Liabilities	509,931	1,414	-	-	8,274,339	6,701,909
FUND BALANCE:							
Restricted For:							
3450	Food Service Operations	-	-	-	-	12,774,652	12,744,249
3450	Grant Operations	-	-	-	-	186,609	190,942
Committed to:							
3545	Technology & Food Service	-	-	-	233,929	233,929	378,037
3000	Total Fund Equity	-	-	-	233,929	13,195,190	13,313,228
4000	Total Liabilities and Fund Equity	\$ 509,931	\$ 1,414	\$ -	\$ 233,929	\$ 21,469,529	\$ 20,015,137

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

CONROE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - NON MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED AUGUST 31, 2023 WITH COMPARATIVE TOTALS FOR 2022

Data Control Codes	206 Homeless Children & Youth Grant	211 ESEA Title I Part A & D	212 ESEA Title I Part C Migrant	224 IDEA Part B Formula	225 IDEA Part B Preschool
REVENUES:					
5700 Local, Intermediate, and Out-of-State	\$ -	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-	-
5900 Federal Program Revenues	75,112	10,522,651	26,609	13,177,677	102,357
5020 Total Revenues	75,112	10,522,651	26,609	13,177,677	102,357
EXPENDITURES:					
0011 Instruction	-	4,944,209	-	3,802,257	102,357
0012 Instructional Resources and Media Services	-	43,230	-	-	-
0013 Curriculum and Instructional Staff Development	-	4,806,573	-	456,370	-
0021 Instructional Administration	-	276,235	-	80,262	-
0023 School Administration	-	125,185	-	-	-
0031 Guidance and Counseling Services	-	1,735	-	8,659,391	-
0032 Social Work Services	75,112	11,411	26,609	-	-
0033 Health Services	-	16,570	-	105,350	-
0034 Student Transportation	-	145,047	-	74,047	-
0035 Food Service	-	-	-	-	-
0036 Co-curricular/Extracurricular Activities	-	-	-	-	-
0041 General Administration	-	8,880	-	-	-
0051 Plant Maintenance and Operations	-	-	-	-	-
0052 Security	-	-	-	-	-
0053 Data Processing Services	-	-	-	-	-
0061 Ancillary Services	-	143,576	-	-	-
0070 Debt Services:	-	-	-	-	-
0071 Principal	-	-	-	-	-
0073 Interest	-	-	-	-	-
6030 Total Expenditures	75,112	10,522,651	26,609	13,177,677	102,357
1100 Excess (Deficiency) Revenues Over Expenditures	-	-	-	-	-
OTHER FINANCING SOURCES AND (USES)					
7913 Proceeds from Right to Use Leased Assets and SBITA	-	-	-	-	-
7080 Total Other Financing Sources and (Uses)	-	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-	-
0100 Fund Balance - Beginning	\$ -	\$ -	\$ -	\$ -	\$ -
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -	\$ -

226 High Cost Fund	240/242 Child Nutrition and Summer Feeding	244 Voc. Ed. Basic Grant	255 ESEA Title II Part A, TPTR	263 Title III, Part A LEP & Immigrant	278 ARP Homeless I TEHCY Supplemental	279 TCLAS TX Covid Learning
\$ -	\$ 10,059,678	\$ -	\$ -	\$ -	\$ -	\$ -
-	148,324	-	-	-	-	-
151,701	22,464,782	590,081	1,727,569	1,308,089	460	819,788
151,701	32,672,784	590,081	1,727,569	1,308,089	460	819,788
151,701	-	590,081	157,476	865,826	-	759,242
-	-	-	-	-	-	-
-	-	-	1,335,001	343,515	-	37,793
-	-	-	132,049	20,046	-	22,753
-	-	-	55,362	-	-	-
-	-	-	-	-	-	-
-	-	-	-	76,536	460	-
-	-	-	13,679	-	-	-
-	-	-	-	-	-	-
-	30,458,685	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	34,002	-	-	-
-	2,183,696	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	2,166	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
151,701	32,642,381	590,081	1,727,569	1,308,089	460	819,788
-	30,403	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	30,403	-	-	-	-	-
\$ -	\$ 12,744,249	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 12,774,652	\$ -	\$ -	\$ -	\$ -	\$ -

CONROE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - NON MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED AUGUST 31, 2023 WITH COMPARATIVE TOTALS FOR 2022

Data Control Codes	280	281	282	284	288
	ARP	ESSER II	ESSER III	IDEA B Formula	Title IV
	Homeless II	Grant	Grant	ARP	Part A-ELA
REVENUES:					
5700 Local, Intermediate, and Out-of-State	\$ -	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-	-
5900 Federal Program Revenues	3,225	10,104,588	22,703,826	2,547,580	1,028,461
5020 Total Revenues	<u>3,225</u>	<u>10,104,588</u>	<u>22,703,826</u>	<u>2,547,580</u>	<u>1,028,461</u>
EXPENDITURES:					
0011 Instruction	-	4,019,620	12,596,206	896,493	305,429
0012 Instructional Resources and Media Services	-	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	1,587,450	1,506,236	256,988	366,782
0021 Instructional Administration	-	68,104	281,879	30,690	113,761
0023 School Administration	-	1,485,089	189,998	16,765	-
0031 Guidance and Counseling Services	-	706,331	696,271	1,258,478	129,538
0032 Social Work Services	3,225	408	322,974	-	-
0033 Health Services	-	2,089,240	5,705,730	3,119	76,720
0034 Student Transportation	-	-	833,151	66,150	-
0035 Food Service	-	-	-	-	-
0036 Co-curricular/Extracurricular Activities	-	-	99,525	-	-
0041 General Administration	-	-	149,138	-	-
0051 Plant Maintenance and Operations	-	-	-	18,897	-
0052 Security	-	22,838	-	-	-
0053 Data Processing Services	-	125,508	-	-	36,231
0061 Ancillary Services	-	-	322,718	-	-
0070 Debt Services:	-	-	-	-	-
0071 Principal	-	-	-	-	-
0073 Interest	-	-	-	-	-
6030 Total Expenditures	<u>3,225</u>	<u>10,104,588</u>	<u>22,703,826</u>	<u>2,547,580</u>	<u>1,028,461</u>
1100 Excess (Deficiency) Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES AND (USES)					
7913 Proceeds from Right to Use Leased Assets and SBITA	-	-	-	-	-
7080 Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
0100 Fund Balance - Beginning	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

289 Other Federal Grants	315 SSA IDEA B Discretionary	340 SSA IDEA-C Deaf	385 Visually Impaired	397 AP/IB Incentive Program	410 Instructional Materials Allotment
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	33,077	12,674	5,783,847
138,894	65,957	576	-	-	-
138,894	65,957	576	33,077	12,674	5,783,847
138,894	65,957	576	33,077	7,853	6,350,846
-	-	-	-	-	88,711
-	-	-	-	-	348,545
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,170,146
-	-	-	-	-	1,590
138,894	65,957	576	33,077	7,853	7,959,838
-	-	-	-	4,821	(2,175,991)
-	-	-	-	-	2,175,991
-	-	-	-	-	2,175,991
-	-	-	-	4,821	-
\$ -	\$ -	\$ -	\$ -	\$ 181,788	\$ -
\$ -	\$ -	\$ -	\$ -	\$ 186,609	\$ -

CONROE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - NON MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED AUGUST 31, 2023 WITH COMPARATIVE TOTALS FOR 2022

Data Control Codes	429	435	486	487	Totals	
	Other State Funds	SSA Deaf Coop	Wellness Grant	Coke Grant	23 August 31, 2023	22 August 31, 2022
REVENUES:						
5700 Local, Intermediate, and Out-of-State	\$ -	\$ -	\$ -	\$ 2,257	\$ 10,061,935	\$ 3,720,155
5800 State Program Revenues	1,052,152	558,217	-	-	7,588,291	5,987,799
5900 Federal Program Revenues	-	-	-	-	87,559,983	94,718,238
5020 Total Revenues	<u>1,052,152</u>	<u>558,217</u>	<u>-</u>	<u>2,257</u>	<u>105,210,209</u>	<u>104,426,192</u>
EXPENDITURES:						
0011 Instruction	-	558,217	-	-	36,346,317	34,372,696
0012 Instructional Resources and Media Services	-	-	-	-	131,941	105,072
0013 Curriculum and Instructional Staff Development	112,847	-	-	-	11,158,100	9,424,735
0021 Instructional Administration	-	-	-	-	1,025,779	899,909
0023 School Administration	-	-	-	-	1,872,399	812,685
0031 Guidance and Counseling Services	-	-	-	-	11,451,744	8,938,375
0032 Social Work Services	-	-	-	-	516,735	576,828
0033 Health Services	-	-	-	-	8,010,408	7,657,315
0034 Student Transportation	-	-	-	-	1,118,395	57,482
0035 Food Service	-	-	-	-	30,458,685	26,545,475
0036 Co-curricular/Extracurricular Activities	-	-	-	-	99,525	119,232
0041 General Administration	-	-	9,154	-	201,174	316,934
0051 Plant Maintenance and Operations	722,194	-	-	146,365	3,071,152	4,583,207
0052 Security	242,098	-	-	-	264,936	2,608
0053 Data Processing Services	-	-	-	-	161,739	139,261
0061 Ancillary Services	-	-	-	-	468,460	558,099
0070 Debt Services:						
0071 Principal	20,706	-	-	-	1,190,852	-
0073 Interest	39	-	-	-	1,629	-
6030 Total Expenditures	<u>1,097,884</u>	<u>558,217</u>	<u>9,154</u>	<u>146,365</u>	<u>107,549,970</u>	<u>95,109,913</u>
1100 Excess (Deficiency) Revenues Over Expenditures	<u>(45,732)</u>	<u>-</u>	<u>(9,154)</u>	<u>(144,108)</u>	<u>(2,339,761)</u>	<u>9,316,279</u>
OTHER FINANCING SOURCES AND (USES)						
7913 Proceeds from Right to Use Leased Assets and SBITA	45,732	-	-	-	2,221,723	-
7080 Total Other Financing Sources and (Uses)	<u>45,732</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,221,723</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	(9,154)	(144,108)	(118,038)	9,316,279
0100 Fund Balance - Beginning	\$ -	\$ -	\$ 9,154	\$ 378,037	\$ 13,313,228	\$ 3,996,949
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,929</u>	<u>\$ 13,195,190</u>	<u>\$ 13,313,228</u>

LONG-TERM DEBT AND DEBT SERVICE

The long-term debt of the District (which consists of general obligation bonds, contractual obligations, leases, SBITAS and accrued compensated absences) is supported, secured and serviced by revenue derived from ad valorem taxes.

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF LONG TERM DEBT
FOR THE YEAR ENDED AUGUST 31, 2023**

<u>Description</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Amount Outstanding Aug 31, 2022</u>	<u>Issued Current Year</u>	<u>Retired/ Refunded Current Year</u>
Unlimited Tax Schoolhouse Bonds, Series 2014	2.00-5.00%	\$ 76,920,000	\$ 54,680,000	-	\$ 7,935,000
Unlimited Tax Schoolhouse Bonds, Series 2014A	2.00-5.00%	129,205,000	74,380,000	-	4,245,000
Unlimited Tax Schoolhouse Bonds, Series 2014B	2.00-5.00%	21,085,000	16,150,000	-	795,000
Unlimited Tax Schoolhouse Bonds, Series 2015	2.00-5.00%	117,665,000	109,435,000	-	3,130,000
Unlimited Tax Schoolhouse Bonds, Series 2016	5.00%	138,015,000	117,675,000	-	4,390,000
Unlimited Tax Schoolhouse Bonds, Series 2016A	3.00-4.00%	206,675,000	191,370,000	-	9,095,000
Unlimited Tax Schoolhouse Bonds, Series 2017	3.00 - 5.00%	97,540,000	96,475,000	-	6,480,000
Unlimited Tax Schoolhouse Bonds, Series 2018	3.00 - 5.00%	174,435,000	169,580,000	-	1,720,000
Unlimited Tax Refunding Bonds, Series 2019	4.00 - 5.00%	66,755,000	39,515,000	-	11,085,000
Unlimited Tax Schoolhouse Bonds, Series 2020	2.50 - 5.00%	116,125,000	113,705,000	-	1,280,000
Unlimited Tax School Building and Refunding Bonds, Series 2020A	2.25 - 5.00%	328,325,000	317,420,000	-	7,620,000
Unlimited Tax Schoolhouse Bonds, Series 2022	1.00 - 5.00%	162,010,000	162,010,000	-	1,835,000
Unlimited Tax Schoolhouse Bonds, Series 2022A	4.00 - 5.00%	154,120,000	154,120,000	-	6,620,000
Total General Obligation Bonds		<u>\$ 1,788,875,000</u>	<u>\$ 1,616,515,000</u>	<u>\$ -</u>	<u>\$ 66,230,000</u>
Vested Compensated Absences		n/a	711,278	644,565	169,229
Total General Long Term Debt		<u>\$ 1,788,875,000</u>	<u>\$ 1,617,226,278</u>	<u>\$ 644,565</u>	<u>\$ 66,399,229</u>

Amount Outstanding Aug 31, 2023	Interest Current Year	Requirements				Sept 1, 2025 Interest To Maturity
		Year Ending August 31, 2024		Year Ending August 31, 2025		
		Principal	Interest	Principal	Interest	
\$ 46,745,000	\$ 2,574,917	\$ 4,445,000	\$ 2,200,525	\$ 4,945,000	\$ 1,965,775	\$ 10,185,925
70,135,000	3,005,438	4,460,000	2,798,063	4,740,000	2,594,013	12,759,143
15,355,000	649,975	800,000	626,050	810,000	597,850	1,703,825
106,305,000	4,788,325	3,275,000	4,640,700	3,430,000	4,485,575	26,703,688
113,285,000	5,507,050	4,530,000	5,284,050	4,885,000	5,048,675	40,025,875
182,275,000	7,738,175	10,280,000	7,253,800	8,625,000	6,781,175	55,627,025
89,995,000	4,230,200	6,065,000	3,916,575	12,850,000	3,443,700	13,955,925
167,860,000	7,903,250	1,805,000	7,815,125	1,905,000	7,722,375	86,104,837
28,430,000	1,698,625	14,440,000	1,060,500	7,005,000	524,375	174,625
112,425,000	3,727,472	1,350,000	3,661,723	1,420,000	3,592,473	39,818,005
309,800,000	12,831,950	5,590,000	12,501,700	9,295,000	12,129,575	96,444,750
160,175,000	5,115,637	1,910,000	5,040,738	1,420,000	4,967,038	63,372,390
147,500,000	7,528,006	15,025,000	6,252,325	9,750,000	5,632,950	71,384,550
<u>\$ 1,550,285,000</u>	<u>\$ 67,299,020</u>	<u>\$ 73,975,000</u>	<u>\$ 63,051,874</u>	<u>\$ 71,080,000</u>	<u>\$ 59,485,549</u>	<u>\$ 518,260,563</u>
1,186,614	-	300,273	-	-	-	-
<u>\$ 1,551,471,614</u>	<u>\$ 67,299,020</u>	<u>\$ 74,275,273</u>	<u>\$ 63,051,874</u>	<u>\$ 71,080,000</u>	<u>\$ 59,485,549</u>	<u>\$ 518,260,563</u>

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

ADDITIONAL SUPPLEMENTARY SCHEDULES

**CONROE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FOR THE YEAR ENDED AUGUST 31, 2023**

Year Ended August 31	Tax Rates		Assessed Value
	Maintenance	Debt Service	
2014 and prior	various	various	various
2015	1.0400	0.240	26,928,550,056
2016	1.0400	0.240	29,840,409,057
2017	1.0400	0.240	32,423,298,323
2018	1.0400	0.240	33,799,892,825
2019	1.0600	0.220	35,737,543,316
2020	0.9700	0.260	38,094,894,351
2021	0.9525	0.260	40,120,650,247
2022	0.9160	0.260	43,115,433,624
2023	0.8546	0.260	52,134,762,079

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

Beginning Balance 9/1/2022	Current Year Levy	Maintenance Total Collections	Debt Service Total Collections	Adjustments	Ending Balance 8/31/2023
\$ 1,516,527	\$ -	\$ 38,594	\$ 9,830	\$ (169,390)	\$ 1,298,713
321,963	-	12,224	3,114	(35)	306,590
390,580	-	18,783	4,784	(83)	366,930
693,864	-	39,628	10,094	(16,487)	627,655
691,037	-	66,086	16,832	3,092	611,211
803,302	-	121,924	31,055	39,405	689,728
1,021,852	-	209,547	53,373	48,048	806,980
1,640,017	-	121,112	30,848	(304,888)	1,183,169
4,078,353	-	170,685	43,474	(2,120,027)	1,744,167
-	552,464,845	429,280,610	130,407,278	12,210,523	4,987,480
<u>\$ 11,157,495</u>	<u>\$ 552,464,845</u>	<u>\$ 430,079,194</u>	<u>\$ 130,610,681</u>	<u>\$ 9,690,158</u>	<u>\$ 12,622,623</u>
		\$ 101,898			

**CONROE INDEPENDENT SCHOOL DISTRICT
 USE OF FUNDS REPORT – SELECT STATE ALLOTMENT PROGRAMS
 FOR THE YEAR ENDED AUGUST 31, 2023**

Data Control Codes		Responses
Section A: Compensatory Education Programs		
AP1	Did your LEA expend any state compensatory education program state allotment funds during the District's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 46,382,570
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$ 21,426,675
Section B: Bilingual Education Programs		
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 8,871,270
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$ 4,521,950

CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
ORIGINAL BUDGET, AMENDED BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2023

		Debt Service Fund			
		2023			
Data Control Codes		Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance Positive (Negative)
REVENUES					
5700	Local and Intermediate Sources	\$ 135,550,381	\$ 135,550,381	\$ 133,344,094	\$ (2,206,287)
5800	State Program Revenues	1,473,226	1,473,226	4,440,044	2,966,818
	Total Revenues	<u>137,023,607</u>	<u>137,023,607</u>	<u>137,784,138</u>	<u>760,531</u>
EXPENDITURES					
0070	Debt Service				
0071	Principal	62,745,000	66,230,000	66,230,000	-
0071	Interest	67,321,253	67,321,253	67,299,020	22,233
0071	Bond Issuance Cost and Fees	100,000	100,000	40,980	59,020
6030	Total Debt Service	<u>130,166,253</u>	<u>133,651,253</u>	<u>133,570,000</u>	<u>81,253</u>
1200	Net Change in Fund Balance	6,857,354	3,372,354	4,214,138	841,784
0100	FUND BALANCE - SEPTEMBER 1	<u>19,397,957</u>	<u>19,397,957</u>	<u>19,397,957</u>	<u>-</u>
3000	FUND BALANCE - AUGUST 31	<u>\$ 26,255,311</u>	<u>\$ 22,770,311</u>	<u>\$ 23,612,095</u>	<u>\$ 841,784</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
ORIGINAL BUDGET, AMENDED BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED AUGUST 31, 2023**

		Capital Projects Fund			
		2023			
Data		Original	Amended	Actual	Variance
Control		Budget	Budget	Amounts	Positive
Codes		Budget	Budget	(Budgetary	(Negative)
		Basis)			
REVENUES					
5700	Local and Intermediate Sources	\$ -	\$ -	\$ 13,580,146	\$ 13,580,146
	Total Revenues	-	-	13,580,146	13,580,146
EXPENDITURES					
0034	Student (Pupil) Transportation	-	-	-	-
0051	Plant Maintenance and Operations	205,373	432,373	348,727	83,646
0053	Data Processing Services	4,047,389	4,047,389	3,408,054	639,335
0081	Facilities Acquisition and Construction	350,903,571	380,778,508	225,523,052	155,255,456
6030	Total Expenditures	355,156,333	385,258,270	229,279,833	155,978,437
1100	Excess of Revenues Over (Under) Expenditures	(355,156,333)	(385,258,270)	(215,699,687)	(142,398,291)
OTHER FINANCING SOURCES AND (USES)					
7915	Transfers in	-	18,800,000	18,800,000	-
7080	Total Other Financing Sources and (Uses)	-	18,800,000	18,800,000	-
	Net Change in Fund Balance	(355,156,333)	(366,458,270)	(196,899,687)	169,558,583
0100	FUND BALANCE - SEPTEMBER 1	360,152,284	360,152,284	360,152,284	-
3000	FUND BALANCE - AUGUST 31	\$ 4,995,951	\$ (6,305,986)	\$ 163,252,597	\$ 169,558,583

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
ORIGINAL BUDGET, AMENDED BUDGET AND ACTUAL - CHILD NUTRITION
FOR THE YEAR ENDED AUGUST 31, 2023**

		Child Nutrition			
		2023			
Data		Original	Final	Actual	Variance
Control		Budget	Amended	Amounts	Positive
Codes		Budget	Budget	(Budgetary	(Negative)
				Basis)	
REVENUES					
5700	Local and Intermediate Sources	\$ 4,281,777	\$ 8,609,604	\$ 10,059,678	\$ 1,450,074
5800	State Program Revenues	-	-	148,324	148,324
5900	Federal Program Revenues	19,718,223	22,390,396	22,464,782	74,386
	Total Revenues	<u>24,000,000</u>	<u>31,000,000</u>	<u>32,672,784</u>	<u>1,672,784</u>
EXPENDITURES					
Support Services - Student (Pupil)					
0035	Food Service	22,416,000	31,432,651	30,458,685	973,966
0051	Plant Maintenance and Operations	1,584,000	2,209,150	2,183,696	25,454
0071	Debt Services	-	3,000	-	3,000
	Total Support Services - Student (Pupil)	<u>24,000,000</u>	<u>33,644,801</u>	<u>32,642,381</u>	<u>1,002,420</u>
6030	Total Expenditures	<u>24,000,000</u>	<u>33,644,801</u>	<u>32,642,381</u>	<u>1,002,420</u>
1200	Net Change in Fund Balance	-	(2,644,801)	30,403	2,675,204
0100	FUND BALANCE - SEPTEMBER 1	12,744,249	12,744,249	12,744,249	-
3000	FUND BALANCE - AUGUST 31	<u>\$ 12,744,249</u>	<u>\$ 10,099,448</u>	<u>\$ 12,774,652</u>	<u>\$ 2,675,204</u>

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT



Statistical Section

FINANCIAL TRENDS INFORMATION

These schedules contain trend information to help the reader understand how the District's financial performance and position have changed over time.

**CONROE INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Governmental Activities:				
Net Investment in Capital Assets	\$ 128,173,853	\$ 86,927,552	\$ 182,950,529	\$ 156,946,395
Restricted	36,573,356	32,333,148	21,316,549	21,003,274
Unrestricted	(98,697,282)	(88,505,340)	(217,043,088)	(234,695,117)
Total Primary Government Net Position	<u>\$ 66,049,927</u>	<u>\$ 30,755,360</u>	<u>\$ (12,776,010)</u>	<u>\$ (56,745,448)</u>

Source: Conroe Independent School District's Audit Reports

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 149,838,599	\$ 102,665,360	\$ 99,328,993	\$ 98,335,464	\$ 63,318,387	\$ 55,860,590
23,715,446	35,733,054	40,617,176	35,478,341	36,667,781	39,197,500
(242,024,567)	(217,621,585)	15,218,125	7,556,228	11,108,820	42,717,550
<u>\$ (68,470,522)</u>	<u>\$ (79,223,171)</u>	<u>\$ 155,164,294</u>	<u>\$ 141,370,033</u>	<u>\$ 111,094,988</u>	<u>\$ 137,775,640</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Government Activities:				
Instruction	\$ 458,616,504	\$ 409,397,268	\$ 414,943,046	\$ 416,503,864
Instructional Resources & Media Services	10,044,155	9,255,501	9,378,978	9,520,526
Curriculum & Staff Development	21,698,880	19,262,507	15,693,919	14,148,690
Instructional Leadership	7,673,278	6,642,865	6,183,704	5,495,458
School Leadership	41,402,682	36,691,888	38,224,620	39,268,663
Guidance and Counseling	34,230,658	29,106,841	28,540,607	28,365,090
Social Work Services	1,805,057	1,746,679	1,081,307	1,132,342
Health Services	9,361,352	7,688,708	7,166,545	7,284,880
Student (Pupil) Transportation	35,807,653	30,987,693	29,870,314	29,473,959
Food Services	31,661,945	27,910,829	21,774,573	22,624,579
Cocurricular/Extracurricular Activities	20,783,584	17,823,375	17,115,115	17,607,828
General Administration	11,637,109	10,182,283	9,653,437	9,922,128
Plant Maintenance & Operations	77,383,391	69,533,729	64,256,760	61,322,445
Security & Monitoring Services	9,593,120	8,652,246	10,183,036	9,577,607
Data Processing Services	15,278,456	11,645,623	12,040,536	9,343,028
Ancillary Services	486,913	508,310	167,554	129,042
Debt Service - Principal, Interest and Fees	58,786,801	52,158,093	48,929,881	45,014,180
Other Intergovernmental Charges	4,059,701	3,862,903	3,871,780	3,847,087
Total Expenses	<u>850,311,239</u>	<u>753,057,341</u>	<u>739,075,712</u>	<u>730,581,396</u>
Program Revenues:				
Charges for Services				
Instruction	554,112	324,894	300,451	334,927
Food Services	10,061,936	3,716,892	2,079,462	6,459,616
Cocurricular/Extracurricular Activities	1,175,073	1,035,093	887,784	739,360
Plant Maintenance and Operations	944,109	1,084,295	854,409	955,628
Operating Grants and Contributions	113,734,285	101,341,200	105,371,071	104,132,379
Total Program Revenues	<u>126,469,515</u>	<u>107,502,374</u>	<u>109,493,177</u>	<u>112,621,910</u>
Net(Expense)/Revenue	<u>\$ (723,841,724)</u>	<u>\$ (645,554,967)</u>	<u>\$ (629,582,535)</u>	<u>\$ (617,959,486)</u>
General Revenues:				
Property Taxes - General	\$ 433,391,693	\$ 391,241,307	\$ 380,201,355	\$ 366,875,775
Property Taxes - Debt Services	131,703,436	110,822,736	103,519,287	98,157,187
State Aid - Grants and Contributions not Restricted	150,343,001	168,662,763	150,584,281	147,355,734
Grants, Contributions and other not Restricted	-	-	21,729,262	-
Investment Earnings	28,629,918	2,168,324	932,879	7,066,540
SHARS/MAC	11,434,312	9,123,826	8,199,309	4,723,637
Gain on Sale of Land	-	-	4,246,308	-
Miscellaneous	3,633,931	7,067,381	4,139,292	5,505,687
Total General Revenues	<u>759,136,291</u>	<u>689,086,337</u>	<u>673,551,973</u>	<u>629,684,560</u>
Changes in Net Position				
Governmental Activities	\$ 35,294,567	\$ 43,531,370	\$ 43,969,438	\$ 11,725,074
Implementation of GASB 65/68/71/75*	-	-	-	-
Total Change in Net Position	<u>\$ 35,294,567</u>	<u>\$ 43,531,370</u>	<u>\$ 43,969,438</u>	<u>\$ 11,725,074</u>

* As a result of implementing GASB 65/68/71/75 the District retroactively restated its beginning net position, see Note 1 in Notes to Basic Financial Statements
Source: Conroe Independent School District's Audit Reports

	2019	2018	2017	2016	2015	2014
\$	381,248,013	\$ 239,018,347	\$ 333,746,944	\$ 322,169,816	\$ 290,341,912	\$ 274,468,996
	9,020,489	6,830,250	7,545,478	7,410,104	7,373,579	7,671,668
	12,881,800	7,802,027	10,159,088	9,181,862	6,974,021	5,201,765
	4,873,610	3,171,943	4,438,377	4,366,238	3,563,861	3,167,912
	35,664,668	20,100,042	30,807,471	30,003,389	27,230,365	25,189,667
	24,946,767	13,985,615	20,506,326	19,678,273	17,649,527	16,573,242
	1,088,794	560,165	903,519	773,648	607,069	541,487
	6,429,794	3,746,090	5,502,476	5,419,823	4,861,473	4,328,583
	30,263,081	21,555,827	25,174,163	23,066,027	21,775,733	20,144,800
	24,467,324	19,756,769	20,654,816	20,497,140	19,246,095	18,556,801
	18,115,181	13,658,407	14,716,924	14,016,098	13,288,568	12,815,943
	10,480,182	6,625,846	8,371,364	8,177,200	7,197,020	6,390,924
	59,353,638	44,317,507	49,266,693	47,130,133	47,720,551	43,650,101
	8,728,623	5,321,170	6,999,672	7,017,907	5,696,964	5,380,599
	9,342,852	8,658,027	9,812,182	6,859,908	7,348,296	6,872,519
	153,074	74,738	151,258	96,286	109,825	113,160
	49,053,865	50,073,297	46,882,662	41,978,773	42,377,233	42,447,828
	4,008,566	3,886,256	3,436,384	3,082,741	2,760,118	2,293,905
	<u>690,120,321</u>	<u>469,142,323</u>	<u>599,075,797</u>	<u>570,925,366</u>	<u>526,122,210</u>	<u>495,809,900</u>
	464,095	365,631	337,015	396,625	435,740	416,951
	9,308,525	8,310,970	7,799,024	7,287,364	7,031,534	7,223,852
	1,004,903	855,564	1,007,920	924,414	1,040,374	857,208
	1,565,006	1,506,128	1,584,496	1,571,149	1,571,721	1,412,007
	92,386,308	(29,270,271)	69,182,114	72,943,371	62,644,844	59,240,324
	<u>104,728,837</u>	<u>(18,231,978)</u>	<u>79,910,569</u>	<u>83,122,923</u>	<u>72,724,213</u>	<u>69,150,342</u>
\$	<u>(585,391,484)</u>	<u>(487,374,301)</u>	<u>(519,165,228)</u>	<u>(487,802,443)</u>	<u>(453,397,997)</u>	<u>(426,659,558)</u>
\$	376,015,488	\$ 349,880,678	\$ 336,544,513	\$ 308,302,429	\$ 279,826,101	\$ 249,103,090
	78,064,864	80,737,562	77,629,343	71,424,519	64,088,008	58,741,533
	119,693,729	105,480,059	106,307,975	129,874,071	128,446,936	128,143,058
	-	-	-	-	-	-
	10,913,072	8,087,945	4,785,674	2,070,482	1,407,818	622,080
	9,193,630	6,512,218	5,040,830	4,176,125	3,929,257	3,829,629
	-	-	-	-	435,335	-
	2,263,350	2,165,248	2,651,154	2,229,862	1,296,494	1,409,685
	<u>596,144,133</u>	<u>552,863,710</u>	<u>532,959,489</u>	<u>518,077,488</u>	<u>479,429,949</u>	<u>441,849,075</u>
\$	10,752,649	\$ 65,489,409	\$ 13,794,261	\$ 30,275,045	\$ 26,031,952	\$ 15,189,517
	-	(299,876,874)	-	-	(52,712,604)	(8,886,325)
\$	<u>10,752,649</u>	<u>(234,387,465)</u>	<u>13,794,261</u>	<u>30,275,045</u>	<u>(26,680,652)</u>	<u>6,303,192</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)**

	<u>2023</u>		<u>2022</u>		<u>2021</u>		<u>2020</u>
General Fund							
Nonspendable	\$ 3,366,492	\$	3,742,104	\$	5,054,008	\$	3,864,583
Assigned	6,526,341		5,082,898		4,641,881		6,402,847
Unassigned	153,878,716		173,316,624		171,399,200		153,677,343
Total General Fund	<u>\$ 163,771,549</u>	<u>\$</u>	<u>182,141,626</u>	<u>\$</u>	<u>181,095,089</u>	<u>\$</u>	<u>163,944,773</u>
All Other Governmental Funds							
Nonspendable	\$ -	\$	-	\$	-	\$	821,003
Restricted	162,600,269		349,745,348		206,277,002		167,285,036
Committed	37,459,613		36,378,037		19,019,363		372,557
Assigned	-		6,740,084		7,980,973		-
Total All Other Governmental Funds	<u>\$ 200,059,882</u>	<u>\$</u>	<u>392,863,469</u>	<u>\$</u>	<u>233,277,338</u>	<u>\$</u>	<u>168,478,596</u>

Source: Conroe Independent School District's Audit Reports

2019	2018	2017	2016	2015	2014
\$ 2,113,911	\$ 1,905,563	\$ 1,709,526	\$ 1,773,595	\$ 1,718,823	\$ 1,945,546
3,295,337	3,523,258	3,016,113	3,653,363	4,852,192	3,532,861
134,673,794	132,818,949	129,585,582	119,371,657	115,116,577	95,773,112
<u>\$ 140,083,042</u>	<u>\$ 138,247,770</u>	<u>\$ 134,311,221</u>	<u>\$ 124,798,615</u>	<u>\$ 121,687,592</u>	<u>\$ 101,251,519</u>
\$ 601,416	\$ 511,724	\$ 427,418	\$ 350,741	\$ 521,404	\$ 462,881
121,001,296	203,523,332	149,865,516	152,401,823	73,388,592	69,845,105
370,066	366,086	578,403	568,186	557,109	561,995
-	-	-	-	-	-
<u>\$ 121,972,778</u>	<u>\$ 204,401,142</u>	<u>\$ 150,871,337</u>	<u>\$ 153,320,750</u>	<u>\$ 74,467,105</u>	<u>\$ 70,869,981</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Revenue From Local and Intermediate Sources				
Local and Intermediate Sources	\$ 607,583,197	\$ 513,244,746	\$ 492,390,635	\$ 485,160,259
State Revenue	200,862,967	213,302,515	191,054,914	189,651,022
Federal Revenue	98,994,295	107,882,639	90,310,080	44,839,463
Total Revenue	<u>907,440,459</u>	<u>834,429,900</u>	<u>773,755,629</u>	<u>719,650,744</u>
Expenditures				
Instruction and Instructional Computing	441,216,340	407,781,835	372,415,436	350,777,590
Instructional Resources and Media Services	6,507,257	6,314,765	6,037,560	5,861,339
Curriculum and Instructional Staff Development	21,143,304	18,619,065	14,676,405	12,182,652
Instructional Administration	7,875,376	7,144,209	6,000,118	5,037,466
School Administration	42,666,512	39,506,259	36,692,706	35,320,201
Guidance and Counseling Services	34,759,604	30,788,435	27,189,872	25,139,235
Social Work Services	1,837,320	1,853,100	1,043,810	1,011,608
Health Services	9,271,206	8,274,843	6,849,943	6,541,026
Student (Pupil) Transportation	35,205,334	31,244,586	28,033,559	28,763,003
Food Services	30,458,685	26,545,475	19,555,567	19,619,275
Cocurricular/Extracurricular Activities	15,320,816	13,556,849	11,766,399	11,530,322
General Administration	11,663,546	10,552,191	9,154,036	8,999,115
Plant Maintenance and Operations	73,542,667	67,397,426	57,376,330	54,125,228
Security and Monitoring Services	9,636,835	8,904,726	8,781,448	8,474,980
Data Processing Services	12,200,785	13,128,207	10,854,438	7,441,977
Ancillary Services	477,885	566,530	167,013	127,233
Debt Service				
Principal	68,871,706	51,151,199	46,810,000	47,245,000
Interest	67,322,793	59,910,151	55,952,584	54,206,951
Bond Issuance Cost and Fees	40,980	2,231,372	1,996,814	1,423,265
Facilities Acquisition and Construction	227,821,978	208,751,293	158,274,725	85,883,372
Other Intergovernmental Charges	4,059,701	3,862,903	3,871,780	3,847,087
Total Expenditures	<u>1,121,900,630</u>	<u>1,018,085,419</u> #	<u>883,500,543</u>	<u>773,557,925</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	<u>(214,460,171)</u>	<u>(183,655,519)</u>	<u>(109,744,914)</u>	<u>(53,907,181)</u>
Refunding Bonds Issued	-	-	163,235,000	66,755,000
Sale of General Obligation Bonds	-	316,130,000	165,090,000	116,125,000
Sale of Real Property	-	-	4,531,016	-
Payment to Refunded Bond Escrow Agent	-	-	(204,045,850)	(75,385,151)
Proceeds from Right to Use Leased Assets and SBITAs	3,286,507	-	-	-
Premium or Discount on Issuance of Bonds	-	28,158,187	63,308,806	17,204,881
Transfers In (Out), Net	-	-	(425,000)	(425,000)
Total Other Financing Sources and (Uses)	<u>3,286,507</u>	<u>344,288,187</u> #	<u>191,693,972</u>	<u>124,274,730</u>
Net Change in Fund Balances	<u>\$ (211,173,664)</u>	<u>160,632,668</u> 0	<u>81,949,058</u> \$	<u>70,367,549</u>
Debt Service as a percentage of noncapital expenditures^a	15.24%	13.76%	14.15%	15.08%

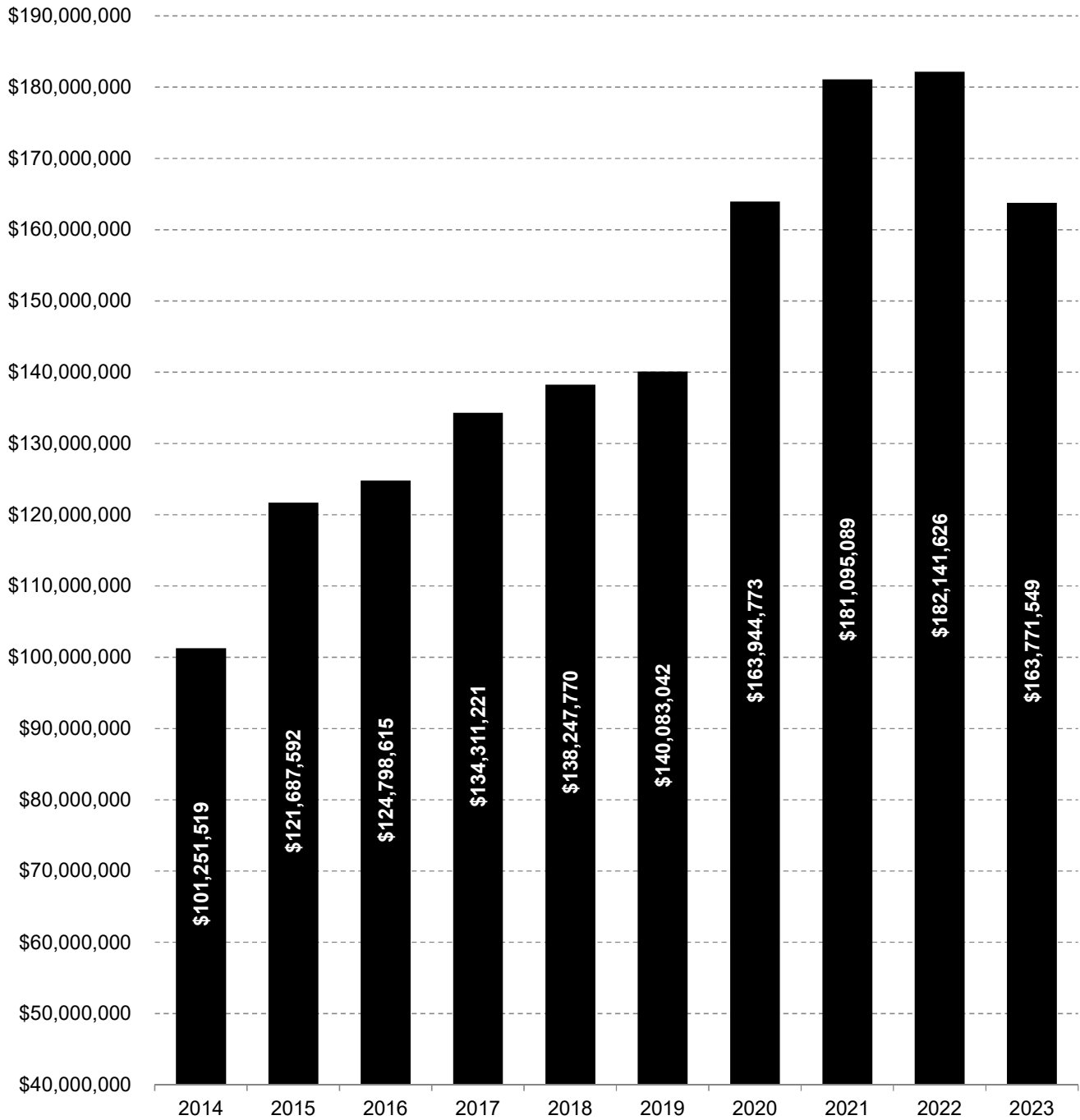
Source: Conroe Independent School District's Audit Reports

^a The ratio of debt service expenditures to noncapital expenditures is calculated using total expenditures from the schedule above less capital outlay from the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance.

	2019	2018	2017	2016	2015	2014
\$	478,545,624	\$ 452,020,591	\$ 431,987,501	\$ 393,103,877	\$ 357,049,409	\$ 318,892,144
	159,053,316	143,362,175	140,416,527	161,304,863	162,361,421	159,117,443
	45,792,778	42,210,757	36,919,755	36,112,307	32,751,001	32,184,406
	<u>683,391,718</u>	<u>637,593,523</u>	<u>609,323,783</u>	<u>590,521,047</u>	<u>552,161,831</u>	<u>510,193,993</u>
	325,342,618	315,570,221	301,909,252	282,182,128	266,891,516	249,249,591
	5,549,355	5,464,520	5,210,885	5,018,791	4,960,852	4,758,711
	11,400,390	10,742,738	9,439,068	8,331,982	6,649,517	4,790,913
	4,524,538	4,569,985	4,312,060	4,168,819	3,571,024	3,141,754
	32,663,379	30,918,531	29,762,496	28,177,409	26,957,411	24,711,967
	22,661,521	20,769,418	19,592,289	18,364,323	17,393,282	16,176,089
	1,010,238	874,161	880,566	733,288	612,998	538,391
	5,856,102	5,492,345	5,263,173	5,055,423	4,756,710	4,192,986
	27,662,964	26,975,760	23,479,515	20,659,922	20,187,478	18,638,779
	21,795,490	20,119,920	18,371,515	17,842,926	17,489,879	17,713,106
	12,549,250	11,203,798	11,056,164	9,992,991	9,747,914	9,565,486
	9,624,135	8,568,318	7,969,258	7,728,036	7,103,122	6,229,332
	48,588,931	51,835,880	46,178,553	43,337,798	45,957,235	41,557,680
	7,876,093	6,898,176	6,664,235	6,647,386	5,580,730	5,309,822
	6,752,315	6,891,657	6,681,671	5,923,727	5,738,640	4,720,848
	151,257	80,455	149,462	94,048	110,453	112,165
	53,815,000	44,390,000	40,185,000	37,800,000	36,635,000	33,865,000
	55,623,232	53,922,285	50,067,946	45,342,150	43,536,033	44,904,779
	19,003	2,097,229	1,417,029	1,091,149	2,249,660	678,827
	106,510,433	152,915,095	160,265,189	90,052,427	36,612,274	64,470,897
	4,008,566	3,886,256	3,436,384	3,082,741	2,760,118	2,293,905
	<u>763,984,810</u>	<u>784,186,748</u>	<u>752,291,710</u>	<u>641,627,464</u>	<u>565,501,846</u>	<u>557,621,028</u>
	<u>(80,593,092)</u>	<u>(146,593,225)</u>	<u>(142,967,927)</u>	<u>(51,106,417)</u>	<u>(13,340,015)</u>	<u>(47,427,035)</u>
	-	97,540,000	69,155,000	23,930,000	231,600,000	35,230,000
	-	174,435,000	137,520,000	114,085,000	36,355,000	41,690,000
	-	-	-	-	455,996	-
	-	(113,364,741)	(81,788,984)	(28,766,110)	(259,169,776)	(41,668,197)
	-	45,449,320	25,145,104	26,072,195	31,131,992	10,506,310
	-	-	-	(2,250,000)	(3,000,000)	(3,200,000)
	-	<u>204,059,579</u>	<u>150,031,120</u>	<u>133,071,085</u>	<u>37,373,212</u>	<u>42,558,113</u>
\$	<u>(80,593,092)</u>	<u>\$ 57,466,354</u>	<u>\$ 7,063,193</u>	<u>\$ 81,964,668</u>	<u>\$ 24,033,197</u>	<u>\$ (4,868,922)</u>
	16.51%	15.40%	15.12%	14.96%	15.12%	15.89%

General Fund Balances

Last Ten Fiscal Years



Unaudited
Source: District's Audit Reports

REVENUE CAPACITY INFORMATION

These schedules contain information to help assess the factors affecting the District's most significant local revenue source, the property tax.

**CONROE INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES-DIRECT AND ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>School District</u>										
Maintenance & Operations	\$ 0.8546	\$ 0.9160	\$ 0.9525	\$ 0.9700	\$ 1.0600	1.0400	1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400
Debt Service	0.2600	0.2600	0.2600	0.2600	0.2200	0.2400	0.2400	0.2400	0.2400	0.2450
Conroe ISD Total	1.1146	1.1760	1.2125	1.2300	1.2800	1.2800	1.2800	1.2800	1.2800	1.2850
<u>County</u>										
Montgomery	0.3742	0.4083	0.4312	0.4475	0.4667	0.4667	0.4667	0.4767	0.4767	0.4838
Hospital District	0.0502	0.0567	0.0588	0.0589	0.0599	0.0664	0.0665	0.0710	0.0725	0.0729
Lone Star College System	0.1078	0.1078	0.1078	0.1078	0.1078	0.1078	0.1078	0.1079	0.1081	0.1160
Drainage District #6	0.1260	0.1400	0.1400	0.1400	0.1400	0.1600	0.1700	0.1700	0.1925	0.2050
Drainage District #10	0.3750	0.4200	0.4400	0.4400	0.4400	0.4400	0.4400	0.4400	0.4400	0.4500
<u>Cities</u>										
Conroe	0.4272	0.4375	0.4375	0.4375	0.4175	0.4175	0.4175	0.4200	0.4200	0.4200
Oak Ridge North	0.4248	0.4723	0.4712	0.4900	0.4807	0.4470	0.4509	0.4598	0.4822	0.5244
Panorama	0.6000	0.6534	0.6732	0.6779	0.6748	0.6852	0.6604	0.6743	0.6591	0.6741
Shenandoah	0.1477	0.1799	0.1799	0.1799	0.1799	0.2099	0.2295	0.2399	0.2404	0.2664
Woodlands Township	0.1850	0.2231	0.2231	0.2240	0.2273	0.2300	0.2300	0.2300	0.2500	0.2940
<u>Water Districts</u>										
Chateau Woods	0.3100	0.3315	0.3350	0.3350	0.2950	0.2741	0.2473	0.2498	0.2616	0.2592
Rayford Road MUD	0.4450	0.4940	0.5000	0.5000	0.5100	0.5100	0.5300	0.5500	0.5800	0.6000
Lazy River	0.1424	0.4556	0.4440	0.4725	0.4896	0.4829	0.4731	0.5213	0.5564	0.5662
Montgomery County Mud #7	0.1044	0.1150	0.1250	0.1250	0.1250	0.1645	0.1645	0.1645	0.1645	0.1645
Montgomery County Mud #15	0.6589	0.7300	0.7800	0.8200	0.8700	0.8900	0.9369	1.0375	1.1970	1.2400
Montgomery County Mud #39	0.2925	0.3000	0.3550	0.3550	0.3550	0.3550	0.3650	0.4000	0.4150	0.4150
Montgomery County Mud #40	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0900	0.1300	0.1400
Montgomery County Mud #42	0.9600	1.0150	1.0700	1.0700	1.0800	1.1100	1.1400	1.1700	1.2500	1.2500
Montgomery County Mud #46	0.1890	0.2097	0.2097	0.2097	0.2125	0.2125	0.2125	0.2250	0.2300	0.2400
Montgomery County Mud #47	0.1951	0.2093	0.2450	0.2450	0.2450	0.2450	0.2450	0.2450	0.2450	0.2450
Montgomery County Mud #60	0.1550	0.1600	0.1650	0.1650	0.1650	0.1650	0.1650	0.1850	0.1975	0.2175
Montgomery County Mud #67	0.1514	0.1550	0.1600	0.1600	0.1600	0.2175	0.2375	0.2575	0.2800	0.3025
Montgomery County Mud #89	0.6400	0.7100	0.7550	0.7950	0.8828	0.8828	0.8864	0.9500	1.0600	1.0600
Montgomery County Mud #90	0.5800	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
Montgomery County Mud #92	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
Montgomery County Mud #94	0.7400	0.7650	0.7650	0.7850	0.8000	0.8000	0.7700	0.8400	0.9300	1.0100
Montgomery County Mud #99	1.0150	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
Montgomery County Mud #107	0.5300	0.5900	0.6200	0.6500	0.6800	0.6900	0.7000	0.7000	0.7000	0.7000
Montgomery County Mud #112	0.8300	0.9000	0.9200	0.9500	0.9800	1.0000	1.0207	1.0257	1.1000	1.1000
Montgomery County Mud #113	0.7650	0.8300	0.8700	0.8800	0.8900	0.9000	0.9200	1.0200	1.1700	1.1700
Montgomery County Mud #115	1.0900	1.2200	1.2800	1.3000	1.3200	1.3500	1.3500	1.3500	1.3500	1.3500
Montgomery County Mud #119	0.9900	1.1100	1.2100	1.2400	1.2900	1.3200	1.3700	1.3700	1.4500	1.4500
River Plantation MUD	0.5200	0.3160	0.3223	0.3200	0.3200	0.3200	0.3200	0.3200	0.3200	0.3200
Spring Creek UD	0.9100	0.9700	0.9900	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
S. Montgomery County MUD	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1660	0.1733	0.2175	0.2258
Texas National MUD	1.0669	1.0988	1.0996	1.1330	1.1330	1.1330	1.1330	1.1330	1.1330	1.1330
Woodlands Metro Center MUD	0.0700	0.0700	0.0900	0.0900	0.0900	0.1050	0.1250	0.1550	0.1650	0.1650
Woodlands MUD #2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.1000	0.1100	0.1300
Woodlands Road District #1	0.1600	0.1800	0.1900	0.2000	0.2000	0.2150	0.2600	0.3200	0.3600	0.3600
Woodlands MUD #1	0.0700	0.0700	0.0750	0.0750	0.0750	0.0800	0.0900	0.0000	0.0000	0.0000

Rates are per \$100 of Assessed Valuation
Source: Montgomery Central Appraisal District

**CONROE INDEPENDENT SCHOOL DISTRICT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Year Ended August 31	Residential Property Assessed Actual Value	Commercial Property Assessed Actual Value	Personal Property Assessed Actual Value	Total Assessed Actual Value	Total Direct Rate^a
2014	\$ 16,605,744,687	\$ 4,075,853,150	\$ 3,259,961,347	\$ 23,941,559,184	1.2850
2015	18,486,813,533	4,892,308,998	3,549,427,525	26,928,550,056	1.2800
2016	20,405,506,794	5,591,063,572	3,843,838,691	29,840,409,057	1.2800
2017	22,296,827,687	6,197,325,221	3,929,145,415	32,423,298,323	1.2800
2018	23,311,385,541	6,623,261,152	3,865,246,132	33,799,892,825	1.2800
2019	24,206,386,061	7,408,737,111	4,122,420,144	35,737,543,316	1.2800
2020	26,004,013,685	7,581,915,160	4,508,965,506	38,094,894,351	1.2300
2021	26,956,436,926	8,639,912,823	4,524,300,498	40,120,650,247	1.2125
2022	29,590,311,490	8,639,912,823	4,885,209,311	43,115,433,624	1.1760
2023	33,461,022,631	10,820,789,845	7,852,949,603	52,134,762,079	1.1146

^a Per \$100 of assessed value

Source: Montgomery County Central Appraisal District

**CONROE INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS
 CURRENT YEAR AND NINE YEARS AGO
 (UNAUDITED)**

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
HH Woodlands Tower Holdings LLC	\$ 206,071,200	4	0.40%	\$		
The Woodlands Mall Associates	194,306,149	5	0.37%	85,872,793	7	0.36%
Entergy Texas Inc	304,954,460	1	0.58%	106,862,980	5	0.45%
Ball Metal Container Corp	147,330,120	6	0.28%			
IMI MSW LLC	140,022,810	8	0.27%			
McKesson Corporation	207,184,458	3	0.40%	150,428,390	3	0.63%
Wal-Mart Real Estate Bus Trst	145,653,816	7	0.28%	97,292,666	6	0.41%
HH Hacket Tower Holding LLC	126,126,630	9	0.24%			
Woodlands Land Dev LP	258,768,854	2	0.50%	107,386,026	4	0.45%
HL Champion Holding Company LLC	117,149,530	10	0.22%			
Densbury Onshore LLC.				190,797,840	1	0.80%
Anadarko Realty Co.				185,985,190	2	0.78%
Hughes Christensen Co				79,009,441	9	0.33%
JD Warmack Woodlands LP				75,968,240	10	0.32%
Kimco Market Street LLC.				81,268,300	8	0.34%
	<u>\$ 1,847,568,027</u>		<u>3.54%</u>	<u>\$ 1,160,871,866</u>		<u>4.87%</u>

Source: Texas Municipal Reports

**CONROE INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 306,032,828	\$ 303,640,582	99.25%	\$ 1,847,586	\$ 305,488,168	99.8%
2015	342,333,079	340,022,635	99.22%	1,754,856	341,777,491	99.8%
2016	378,256,391	375,151,983	99.33%	2,266,454	377,418,437	99.8%
2017	412,503,483	409,238,612	99.18%	1,771,696	411,010,308	99.6%
2018	429,095,967	426,070,764	99.21%	1,220,514	427,291,278	99.6%
2019	452,854,751	449,619,013	99.29%	1,484,974	451,103,987	99.6%
2020	464,302,840	460,594,148	99.20%	2,425,918	463,020,066	99.7%
2021	481,456,997	477,475,575	99.17%	1,745,869	479,221,444	99.5%
2022	500,158,706	496,080,353	99.18%	214,159	496,294,512	99.2%
2023	564,675,369	559,687,888	99.12%	-	559,687,888	99.1%

Source: Montgomery County Tax Assessor/Collector

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

DEBT CAPACITY INFORMATION

These schedules present information to help assess the affordability of the District's current debt burden and its ability to issue additional debt in the future.

**CONROE INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)**

Year Ended August 31	Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt
2014	\$ 23,941,559,184	\$ 1,065,699,646	\$ 35,392,863	\$ 1,030,306,783
2015	26,928,550,056	1,077,252,720	33,907,685	1,043,345,035
2016	29,840,409,057	1,166,502,397	32,924,897	1,133,577,500
2017	32,423,298,323	1,275,329,495	37,487,956	1,237,841,539
2018	33,799,892,825	1,430,400,271	32,175,686	1,398,224,585
2019	35,737,543,316	1,366,602,397	20,032,539	1,346,569,858
2020	38,094,894,351	1,424,833,695	19,084,934	1,405,748,761
2021	40,120,650,247	1,531,852,497	17,694,374	1,514,158,123
2022	43,115,433,624	1,814,179,220	19,397,957	1,794,781,263
2023	52,134,762,079	1,736,314,180	23,612,095	1,712,702,085

^aPersonal income information is only available through 2021 therefore the same personal income was used in calculating the 2021 through 2023 ratios.

Source: Conroe Independent School District's Audit Reports

Ratio of Net Bonded Debt to Personal Income^a	Ratio of Gross Bonded Debt to Personal Income^a	Ratio of Net Bonded Debt Per ADA	Ratio of Net Bonded Debt To Assessed Value	Ratio of Net Bonded Debt Per Capita	Ratio of Gross Bonded Debt Per Capita
3.55%	3.68%	\$ 19,879	4.30%	\$ 3,196	\$ 3,306
3.60%	3.72%	19,625	3.87%	3,155	3,258
3.49%	3.59%	20,556	3.80%	3,305	3,401
3.81%	3.92%	21,850	3.82%	3,513	3,619
4.30%	4.40%	24,107	4.14%	3,876	3,965
3.58%	3.64%	22,686	3.77%	3,647	3,702
3.65%	3.70%	23,051	3.69%	3,706	3,756
3.69%	3.73%	24,819	3.77%	3,990	4,037
4.37%	4.42%	28,657	4.16%	4,787	4,839.13
3.83%	3.88%	26,202	3.29%	4,835	4,902

**CONROE INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

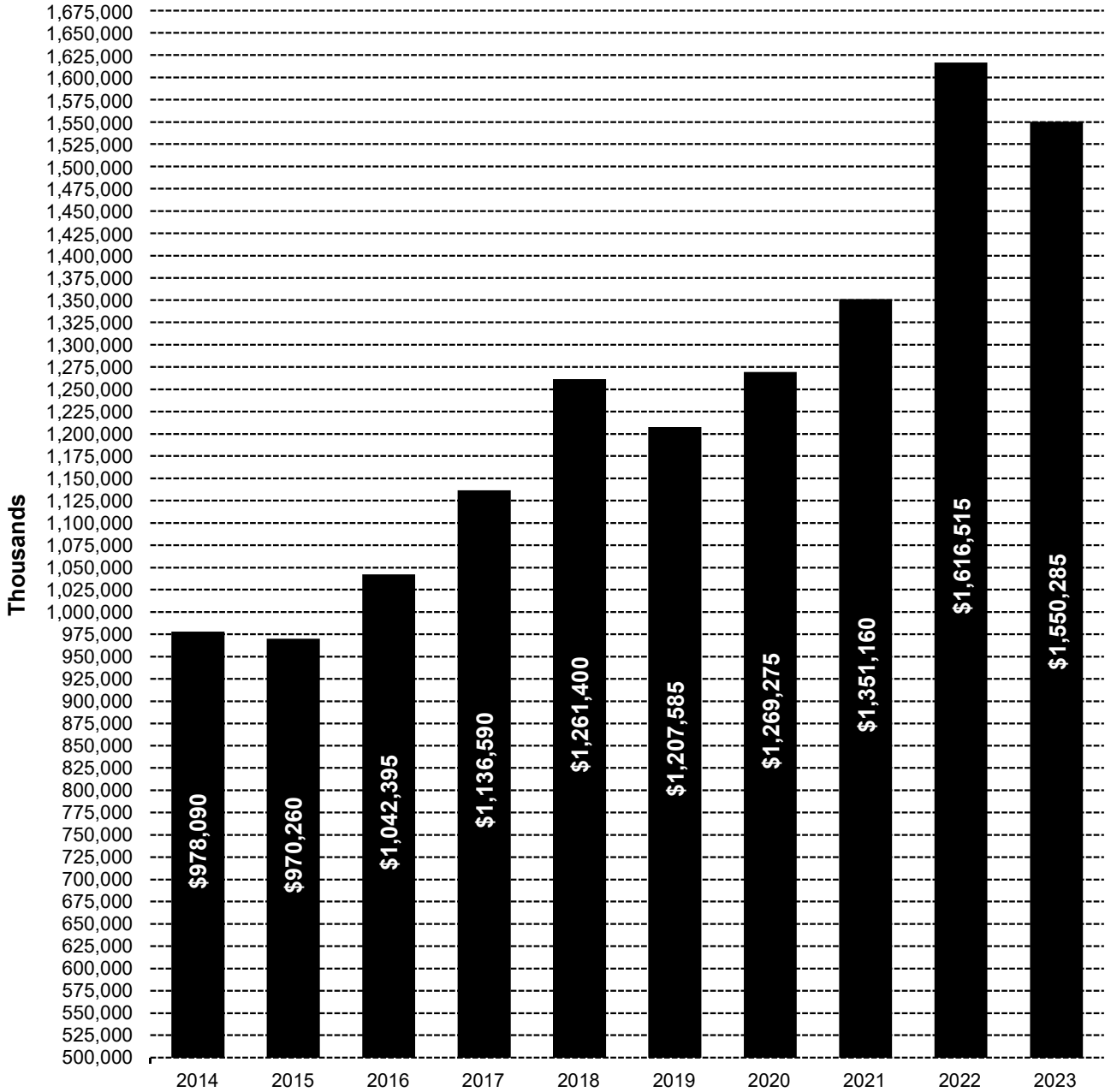
Year Ended August 31	General Obligation Bonds (1)	Leases and Subscriptions Payable	Total Outstanding Debt	Ratio of Total Outstanding Debt Per ADA	Ratio of Total Outstanding Debt To Assessed Value
2014	\$ 1,065,699,646	\$ -	\$ 1,065,699,646	\$ 20,561	4.45%
2015	1,077,252,720	-	1,077,252,720	20,262	4.00%
2016	1,166,502,397	-	1,166,502,397	21,153	3.91%
2017	1,275,329,495	-	1,275,329,495	22,511	3.93%
2018	1,430,400,271	-	1,430,400,271	24,662	4.23%
2019	1,366,602,397	-	1,366,602,397	23,024	3.82%
2020	1,424,833,695	-	1,424,833,695	23,364	3.74%
2021	1,531,852,497	-	1,531,852,497	25,109	3.82%
2022	1,814,179,220	718,041	1,814,897,261	28,978	4.21%
2023	1,736,314,180	2,725,871	1,739,040,051	26,605	3.34%

(1) Presented net of original issuance discounts and premiums.

Source: Conroe Independent School District's Audit Reports

Outstanding Bonds

Last Ten Fiscal Years



Unaudited
Source: School District Records

**CONROE INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed Value	\$ 52,134,762,079
Debt Limit (Percent of 2022-2023 School Year Assessed Value)*	10.00%
Maximum Legal Debt	<u>5,213,476,208</u>
Amount of Debt Applicable to Debt Limit**	<u>1,526,672,905</u>
Legal Debt Margin	<u><u>\$ 3,686,803,303</u></u>

*This debt limit is established by law as stated in Vernon's Civil Statutes, Article 835p.

** Does not include capital lease obligations and is net of reserve for retirement of bonded debt.

	<u>Debt Limit</u>	<u>Amount of Debt Applicable to Debt Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net Debt Applicable to the Limit as a Percentage of Debt Limit</u>
2014	\$ 2,390,887,116	\$ 942,697,137	\$ 1,448,189,979	39.43%
2015	2,692,855,006	936,352,315	1,756,502,691	34.77%
2016	2,984,040,906	1,009,470,103	1,974,570,803	33.83%
2017	3,242,329,832	1,099,102,044	2,143,227,788	33.90%
2018	3,379,989,283	1,229,224,314	2,150,764,969	36.37%
2019	3,573,754,332	1,187,552,461	2,386,201,871	33.23%
2020	3,809,489,435	1,250,190,066	2,559,299,369	32.82%
2021	4,012,065,025	1,333,465,626	2,678,599,399	33.24%
2022	4,311,543,362	1,597,117,043	2,714,426,319	37.04%
2023	5,213,476,208	1,526,672,905	3,686,803,303	29.28%

**CONROE INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF AUGUST 31, 2023
(UNAUDITED)**

	Net Debt	Overlapping	
		Percent ^a	Amount
County			
Montgomery	\$ 441,665,000	59.61	\$ 263,276,507
Lone Star College System	581,905,000	19.83	115,391,762
Cities			
Conroe	502,220,000	77.28	388,115,616
Oak Ridge North	12,285,000	100.00	12,285,000
Shenandoah	16,485,000	100.00	16,485,000
Townships			
The Woodlands Township	20,220,000	83.47	16,877,634
Water Districts			
East Plantation UD	5,090,000	100.00	5,090,000
River Plantation MUD	8,610,000	100.00	8,610,000
Conroe MUD #1	23,445,000	76.39	17,909,636
Conroe Municipal Mgmt District #1	63,450,000	100.00	63,450,000
Montgomery DD #10	12,460,000	100.00	12,460,000
MUD #15	39,285,000	100.00	39,285,000
MUD #36	1,315,000	100.00	1,315,000
MUD #39	9,760,000	100.00	9,760,000
MUD #42	8,590,000	100.00	8,590,000
MUD #46	49,205,000	98.54	48,486,607
MUD #47	10,940,000	99.39	10,873,266
MUD #60	6,940,000	100.00	6,940,000
MUD #67	17,360,000	100.00	17,360,000
MUD #88	30,570,000	100.00	30,570,000
MUD #89	16,485,000	100.00	16,485,000
MUD #90	5,705,000	100.00	5,705,000
MUD #92	12,995,000	100.00	12,995,000
MUD #94	25,215,000	100.00	25,215,000
MUD #95	61,685,000	100.00	61,685,000
MUD #99	28,650,000	100.00	28,650,000
MUD #105	67,005,000	100.00	67,005,000
MUD #107	19,780,000	100.00	19,780,000
MUD #111	40,635,000	100.00	40,635,000
MUD #112	37,070,000	100.00	37,070,000
MUD #113	128,455,000	57.85	74,311,218
MUD #115	39,660,000	100.00	39,660,000
MUD #119	104,015,000	100.00	104,015,000
MUD #121	35,045,000	89.07	31,214,582
MUD #127	26,290,000	100.00	26,290,000
MUD #132	22,575,000	100.00	22,575,000
MUD #138	35,525,000	89.47	31,784,218
MUD #139	67,040,000	100.00	67,040,000
MUD #142	8,760,000	100.00	8,760,000
MUD #145	3,675,000	100.00	3,675,000
MUD #148	5,495,000	100.00	5,495,000
MUD #164	11,675,000	100.00	11,675,000
Montgomery UD #4	15,400,000	5.08	782,320
Montgomery WC&ID #1	23,969,997	100.00	23,969,997
Rayford Road MUD	19,545,000	100.00	19,545,000
S. Montgomery County MUD	7,515,000	100.00	7,515,000
Spring Creek UD	58,050,000	100.00	58,050,000
Texas National MUD	6,220,000	7.56	470,232
The Woodlands Metro Ctr. MUD	7,360,000	100.00	7,360,000
The Woodlands RUD #1	26,010,000	98.76	25,687,476
Total Estimated Overlapping Debt			1,978,231,068
District Direct Debt			1,739,040,051
Total Overlapping and Direct Debt			<u>\$ 3,717,271,119</u>

^a 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 authorities actual taxable value that is within the District's boundaries and dividing it by the overlapping taxing authorities' total actual taxable value.

Source: Texas Municipal Reports

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules provide demographic and economic indicators to help in understanding the environment in which the District operates and to facilitate in comparisons over time.

**CONROE INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Population Information:

<u>Year</u>	<u>Estimated Population</u>	<u>Land Area</u>	<u>Density Per Square Mile</u>	<u>Population Change</u>
2014	322,383	348	934	14.28%
2015	330,686	348	959	2.58%
2016	343,014	348	994	3.73%
2017	352,382	348	994	0.00%
2018	360,766	348	1,046	2.38%
2019	369,194	348	1,070	2.34%
2020	379,314	348	1,099	2.74%
2021	379,464	348	1,100	0.04%
2022	374,898	348	1,124	-1.20%
2023	386,967	348	1,112	3.22%

Source: Texas Municipal Reports

	<u>Montgomery County</u>	<u>Texas</u>	<u>U.S.</u>
<u>Housing:</u>			
Housing Units, 2022	265,168	12,136,678	143,786,655
Occupied Housing Units 2020	92.2%	90.5%	90.3%
Owner Occupied Median Value, 2017-2021	\$ 257,700	\$ 202,600	\$ 244,900
Persons under 18 years old, 2022	25.6%	24.8%	21.7%
Persons 65 and over, 2022	13.9%	13.4%	17.3%
Persons Per Household, 2017-2021	2.83	2.76	2.6
<u>Income:</u>			
Median household income, 2017-2021	\$ 88,597	\$ 67,321	\$ 69,021
Persons below poverty level, 2022	10.5%	14.0%	11.5%

Source: United States Census Bureau

**CONROE INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Year Ended August 31	Montgomery County			Per Capita Personal^a Income	Percent Unemployed County	Percent Unemployed State	Percent Unemployed U.S.
	Civilian Labor Force	Total Employment	Personal Income^a (In Thousands)				
2014	253,103	241,166	\$ 28,982,523	\$ 55,849	4.7	5.5	6.3
2015	250,993	240,362	32,516,990	60,490	4.2	4.4	5.2
2016	259,617	245,412	30,837,487	55,493	5.5	5	5
2017	261,159	249,459	34,776,605	60,783	4.5	4.5	4.5
2018	272,940	262,593	37,585,521	63,605	3.8	3.9	3.9
2019	278,760	268,877	39,403,353	64,853	3.5	3.6	3.8
2020	282,803	263,182	41,035,812	65,516	6.9	6.9	6.9
2021	289,048	273,247	44,756,112	68,974	5.5	5.9	5.2
2022	302,050	289,601	44,756,112	68,974	4.1	4.1	3.7
2023	312,603	298,364	44,756,112	68,974	4.6	4.1	3.8

^aPersonal & per capita income information is only available through 2021 therefore the same income was used through 2023

Source: Texas LMI of Texas Workforce Commission, Bureau of Economic Analysis

**CONROE INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO
 (UNAUDITED)**

Employer	2023		2014	
	Employees	Percentage of Total Employment	Approximate Range of Number of Employees	Percentage of Total Employment
Conroe Independent School District	8,910	2.99%	6,403	2.66%
Memorial Hermann The Woodlands Hospital	3,030	1.02%	1330	0.55%
Houston Methodist The Woodlands Hospital	2,398	0.80%	500-1000	0.41%
CHI St. Luke's Health The Woodlands	2,187	0.73%	1,261	0.52%
Lone Star College - Montgomery	1,398	0.47%	693	0.29%
Alight Solutions	1,520	0.51%	500-1000	0.41%
Texas Children's	1,334	0.45%	0-500	0.21%
Chevron Phillips Chemical Company	1,220	0.41%	0-500	0.21%
Woodforest National Bank	1,072	0.36%	756	0.21%
Entergy Texas	1,011	0.34%	0-500	0.21%
	<u>19,443</u>	<u>8.08%</u>	<u>13,687</u>	<u>5.68%</u>

Source:
 South Montgomery County Chamber of Commerce
 Conroe Area Chamber of Commerce

OPERATING INFORMATION

These schedules provide information about the District's operations and resources to assist in using the financial statement information to better understand and assess the District's economic condition.

**CONROE INDEPENDENT SCHOOL DISTRICT
 FULL TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Instruction	5607	5,330	5,063	4,836
Instructional Resources & Media Services	74	74	75	76
Curriculum & Staff Development	194	182	159	139
Instructional Leadership	64	63	55	44
School Leadership	585	559	558	543
Guidance and Counseling	371	345	330	316
Social Work Services	15	17	13	15
Health Services	150	149	146	116
Student (Pupil) Transportation	569	571	567	609
Food Services	325	299	355	395
Cocurricular/Extracurricular Activities	41	40	40	34
General Administration	98	90	89	86
Plant Maintenance & Operations	636	593	630	586
Security & Monitoring Services	110	103	104	98
Data Processing Services	64	64	60	57
Ancillary Services	9	13	2	2
Total Employees	<u><u>8,910</u></u>	<u><u>8,492</u></u>	<u><u>8,246</u></u>	<u><u>7,952</u></u>

Source: District Records

2019	2018	2017	2016	2015	2014
4,731	4,615	4,464	4,357	4,160	4,078
75	76	71	72	69	71
130	126	113	108	81	49
45	47	45	43	40	37
523	493	495	495	494	468
294	264	262	256	239	222
14	11	13	12	10	9
111	102	100	101	93	87
583	566	568	524	502	485
376	357	344	320	339	192
34	34	31	29	29	29
85	87	85	81	77	73
574	544	547	529	506	488
91	77	77	72	72	69
57	54	51	55	47	44
2	1	-	1	2	2
7,725	7,454	7,266	7,055	6,760	6,403

**CONROE INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures¹</u>	<u>Cost Per Student</u>	<u>Percentage Change</u>	<u>Government Wide Expenses²</u>
2014	55,009	\$ 413,701,525	7,521	8.62%	\$ 495,809,900
2015	56,363	446,468,879	7,921	5.33%	526,122,210
2016	58,239	467,341,738	8,025	1.30%	570,925,366
2017	59,764	500,356,546	8,372	4.33%	599,075,797
2018	61,614	530,862,139	8,616	2.91%	469,142,323
2019	62,837	548,017,142	8,721	1.22%	690,120,321
2020	64,799	584,799,337	9,025	3.48%	730,581,396
2021	64,563	620,466,420	9,610	6.48%	739,075,712
2022	67,761	696,041,404	10,272	6.89%	753,057,341
2023	70,783	757,843,173	10,707	4.23%	850,311,239

¹ Operating expenditures are total expenditures less debt service and facilities acquisition & construction from Changes in Fund Balance Schedule

² Government Wide Expenses are total expenses from the Statement of Activities

Source: Nonfinancial information from district records

<u>Cost Per Student</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Student Teacher Ratio</u>	<u>Percentage of Students in Free/Reduced Lunch Program</u>
\$ 9,013	6.46%	3,311	16.61	36%
9,335	3.56%	3,413	16.51	36%
9,803	5.02%	3,536	16.47	36%
10,024	2.25%	3,628	16.47	36%
7,614	-24.04%	3,754	16.41	37%
10,983	44.24%	3,820	16.45	40%
11,275	2.65%	3,930	16.49	39%
11,447	1.53%	4,110	15.71	40%
11,113	-2.92%	4,239	15.99	40%
12,013	8.09%	4,239	16.70	44%

**CONROE INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Minimum Salary*	Maximum Salary*	County Average Salary	Statewide Average Salary
2014	47,300	59,168	51,414	49,692
2015	48,700	60,292	52,730	50,715
2016	50,000	61,438	54,027	51,892
2017	51,500	62,295	55,670	52,525
2018	52,500	63,020	56,509	53,334
2019	53,700	64,070	57,487	54,122
2020	55,500	66,070	59,758	57,091
2021	57,000	67,370	61,206	57,641
2022	58,500	68,670	62,404	58,887
2023	60,000	69,570	63,228	60,716

Sources:
District Records
Texas Education Agency Website

* Amounts do not include additional salary steps based on experience or academic credentials, nor fringe benefits such as pension, health insurance, disability, etc.

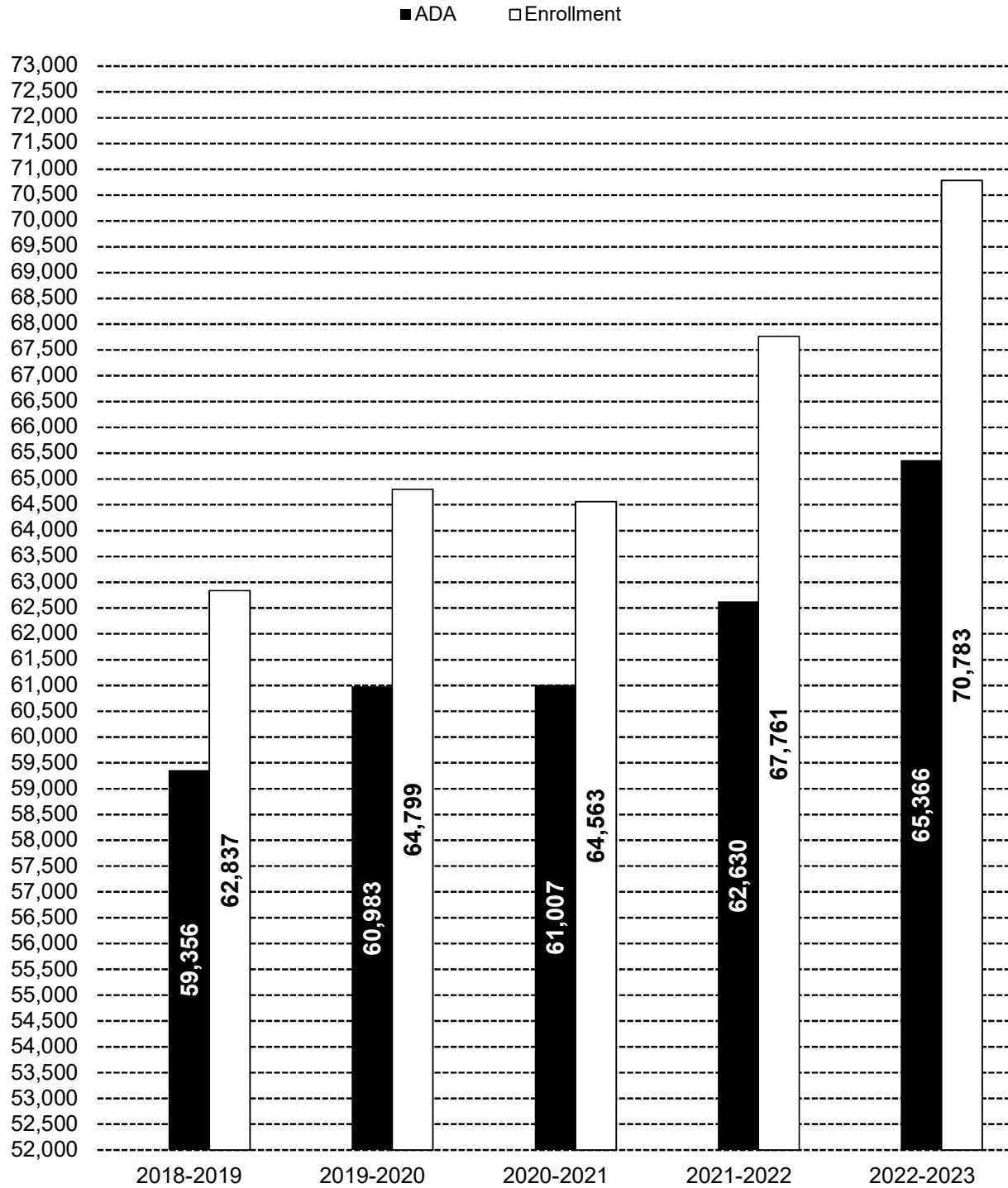
**CONROE INDEPENDENT SCHOOL DISTRICT
ATTENDANCE DATA
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Total Enrollment</u>	<u>Average Daily Attendance</u>		
		<u>Amount</u>	<u>Percent Increase (Decrease)</u>	<u>Percent of Membership</u>
2014	55,009	51,830	2.7%	94.2%
2015	56,363	53,165	2.6%	94.3%
2016	58,239	55,147	3.7%	94.7%
2017	59,764	56,653	2.7%	94.8%
2018	61,580	58,001	2.4%	94.2%
2019	62,837	59,356	2.3%	94.5%
2020	64,799	60,983	2.7%	94.1%
2021	64,563	61,007	0.0%	94.5%
2022	67,761	62,630	2.7%	92.4%
2023	70,783	65,366	4.4%	92.3%

Source: Conroe Independent School District's PEIMS Data

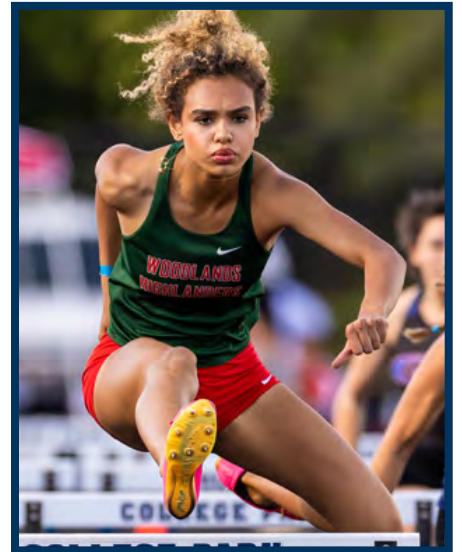
Average Daily Attendance & Enrollment

Last Five Fiscal Years



Unaudited
Source: District PEIMS Data

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2023	2022	2021	2020	2019
Elementary Schools					
Anderson Elementary (1994)					
Square Footage	77,000	77,000	77,000	77,000	77,000
Capacity	800	800	800	800	800
Enrollment	761	703	563	671	625
Armstrong Elementary (1969)					
Square Footage	99,146	99,146	99,146	99,146	99,146
Capacity	770	770	770	770	700
Enrollment	623	608	603	661	650
Austin Elementary (1952)					
Square Footage	101,392	101,392	101,392	114,314	114,314
Capacity	950	950	950	950	950
Enrollment	939	807	1,001	958	926
Birnham Woods Elementary (2009)					
Square Footage	121,472	121,472	121,472	121,472	113,560
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	985	976	956	1,003	1,040
Bradley Elementary (2017)					
Square Footage	125,121	125,121	125,121	125,121	125,121
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	1,048	1,019	962	979	884
Broadway Elementary (2007)					
Square Footage	113,560	113,560	113,560	113,560	113,560
Capacity	1,000	1,000	1,000	1,000	950
Enrollment	1,337	1,281	1,162	1,101	977
Buckalew Elementary (1998)					
Square Footage	86,000	86,000	86,000	80,619	80,619
Capacity	770	770	770	770	770
Enrollment	720	676	623	672	664
Bush Elementary (1996)					
Square Footage	77,000	77,000	77,000	87,201	87,201
Capacity	850	850	850	850	850
Enrollment	890	906	794	783	742
Creighton Elementary (1980)					
Square Footage	95,000	95,000	95,000	95,000	95,000
Capacity	770	770	770	770	770
Enrollment	954	839	759	815	829
David Elementary (1990)					
Square Footage	68,150	68,150	68,150	68,150	68,150
Capacity	700	700	700	700	700
Enrollment	642	621	603	641	658
Ford Elementary (1978)					
Square Footage	81,000	81,000	81,000	81,000	81,000
Capacity	900	900	900	900	900
Enrollment	870	922	846	875	899
Galatas Elementary (1994)					
Square Footage	72,470	72,470	72,470	72,470	72,470
Capacity	850	850	850	850	850
Enrollment	808	777	745	609	617
Giesinger Elementary (1990)					
Square Footage	68,150	68,150	68,150	72,150	72,150
Capacity	700	700	700	700	700
Enrollment	769	819	749	796	764

2018	2017	2016	2015	2014
77,000	77,000	77,000	77,000	77,000
800	800	800	800	800
646	655	681	673	925
99,146	99,146	84,146	84,146	84,146
770	770	600	600	600
700	726	684	694	770
114,314	114,314	114,314	114,314	114,314
950	950	950	950	950
1,014	929	913	873	931
113,560	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
984	1,169	1,045	940	799
125,121	-	-	-	-
1,000	-	-	-	-
793	-	-	-	-
113,560	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
891	1,172	1,060	974	867
80,619	80,619	80,619	80,619	80,619
770	770	770	770	770
632	645	673	698	739
87,201	87,201	87,201	87,201	87,201
850	850	850	850	850
732	717	724	698	715
95,000	95,000	95,000	95,000	95,000
770	770	770	770	770
876	889	887	845	810
68,150	68,150	68,150	68,150	68,150
700	700	700	700	700
707	662	629	626	623
81,000	81,000	81,000	81,000	81,000
900	900	900	900	900
833	866	1,010	991	1,014
72,470	72,470	72,470	72,470	72,470
850	850	850	850	850
639	672	669	660	705
72,150	72,150	72,150	72,150	72,150
700	700	700	700	700
702	616	541	509	632

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2023	2022	2021	2020	2019
Glen Loch Elementary (1980)					
Square Footage	64,000	64,000	64,000	64,000	64,000
Capacity	600	600	600	600	600
Enrollment	539	518	518	598	702
Hailey Elementary (1978)					
Square Footage	64,000	64,000	64,000	64,000	64,000
Capacity	680	680	680	680	680
Enrollment	657	598	571	615	762
Hope Elementary (2021)					
Square Footage	127,826	127,826	-	-	-
Capacity	1,000	1,000	-	-	-
Enrollment	616	485	-	-	-
Houser Elementary (1980)					
Square Footage	89,400	89,400	89,400	89,400	89,400
Capacity	900	900	900	900	850
Enrollment	645	571	567	533	815
Houston Elementary (2007)					
Square Footage	119,000	119,000	119,000	119,000	119,000
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	587	613	616	642	636
Kaufman Elementary (2006)					
Square Footage	113,560	113,560	113,560	113,560	113,560
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	939	880	851	891	878
Lamar Elementary (1971)					
Square Footage	85,478	85,478	85,478	85,478	85,478
Capacity	770	770	770	770	770
Enrollment	751	624	608	801	777
Milam Elementary (2006)					
Square Footage	113,560	113,560	113,560	113,560	113,560
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	563	505	656	710	745
Oak Ridge Elementary (1973)					
Square Footage	78,659	78,659	78,659	78,659	78,659
Capacity	750	750	750	750	750
Enrollment	628	682	599	651	770
Patterson Elementary (2014)					
Square Footage	121,472	121,472	121,472	121,472	121,472
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	1,005	898	897	945	945
Powell Elementary (1994)					
Square Footage	77,000	77,000	77,000	77,000	77,000
Capacity	850	850	850	850	850
Enrollment	893	843	782	861	871
Reaves Elementary (1974)					
Square Footage	87,358	87,358	87,358	87,358	87,358
Capacity	730	730	730	730	730
Enrollment	735	695	683	708	683
Reed Elementary (2022)					
Square Footage	127,826	-	-	-	-
Capacity	950	-	-	-	-
Enrollment	596	-	-	-	-
Rice Elementary (1978)					
Square Footage	78,008	78,008	78,008	78,008	78,008
Capacity	730	730	730	730	730
Enrollment	623	618	591	617	598
Ride Elementary (1983)					
Square Footage	60,000	60,000	60,000	60,000	60,000
Capacity	660	660	660	660	660
Enrollment	580	605	571	754	714

2018	2017	2016	2015	2014
64,000	64,000	64,000	64,000	64,000
600	600	600	600	600
676	651	631	640	639
64,000	64,000	64,000	64,000	64,000
680	680	680	680	680
786	715	722	720	697
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
89,400	89,400	89,400	89,400	89,400
920	920	920	920	920
824	789	867	848	834
119,000	119,000	119,000	119,000	119,000
1,000	1,000	1,000	1,000	1,000
680	798	797	842	941
113,560	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
866	810	832	864	890
85,478	85,478	85,478	85,478	85,478
770	770	770	770	770
741	729	701	713	742
113,560	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
784	801	813	816	916
78,659	78,659	74,088	74,088	74,088
750	750	700	700	700
751	724	554	563	476
121,472	121,472	121,472	121,472	-
1,000	1,000	1,000	1,000	-
802	762	747	686	-
77,000	77,000	77,000	77,000	77,000
850	850	850	850	850
897	818	772	807	803
87,358	87,358	87,358	87,358	87,358
730	730	730	730	730
708	692	716	685	854
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
78,008	78,008	78,008	78,008	78,008
730	730	730	730	730
595	581	654	666	650
60,000	60,000	60,000	60,000	60,000
660	660	660	660	660
728	699	656	568	541

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2023	2022	2021	2020	2019
Runyan Elementary (1967)					
Square Footage	92,550	92,550	92,550	75,310	75,310
Capacity	610	610	610	610	610
Enrollment	656	603	564	596	593
San Jacinto Elementary (1980)					
Square Footage	65,000	65,000	65,000	98,505	98,505
Capacity	850	850	850	850	800
Enrollment	588	496	567	607	650
Snyder Elementary (2013)					
Square Footage	121,742	121,742	121,742	121,742	121,742
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	1,319	1,265	1,164	1,119	1,039
Wilkinson Elementary (2009)					
Square Footage	121,472	121,472	121,472	121,472	121,472
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	946	805	693	706	717
K-6 Schools					
Deretchin Elementary (2005)					
Square Footage	129,104	129,104	129,104	129,104	129,104
Capacity	1,185	1,185	1,185	1,185	1,185
Enrollment	1,174	908	895	831	912
Stewart Elementary (2014)					
Square Footage	121,472	121,472	121,472	121,472	121,472
Capacity	800	800	800	800	800
Enrollment	812	1,125	1,002	990	851
Suchma Elementary (2019)					
Square Footage	125,121	125,121	125,121	125,121	-
Capacity	1,000	1,000	1,000	1,000	-
Enrollment	1,239	1,022	928	905	-
Coulson Tough Elementary (2002)					
Square Footage	129,104	129,104	129,104	129,104	129,104
Capacity	1,185	1,185	1,185	1,185	1,185
Enrollment	1,049	1,007	975	881	889
Intermediate Schools					
Bozman Intermediate(2009)					
Square Footage	121,472	121,472	121,472	121,472	121,472
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	1008	953	940	949	865
Collins Intermediate (1990)					
Square Footage	80,000	80,000	80,000	80,000	80,000
Capacity	800	800	800	800	800
Enrollment	762	723	729	754	757
Clark Intermediate (2018)					
Square Footage	125,121	125,121	125,121	125,121	125,121
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	1086	1013	935	930	820
Cox Intermediate (2008)					
Square Footage	113,560	113,560	113,560	113,560	113,560
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	869	862	896	903	849
Cryar Intermediate (2004)					
Square Footage	113,560	113,560	113,560	113,560	113,560
Capacity	1,000	1,000	1,000	1,000	1,000
Enrollment	776	772	763	805	793
Grangerland Intermediate (2008)					
Square Footage	137,434	137,434	137,434	137,434	137,434
Capacity	1,185	1,185	1,185	1,185	1,185
Enrollment	1,218	1,209	1,175	1,198	1,172

2018	2017	2016	2015	2014
75,310	75,310	75,310	75,310	75,310
610	610	610	610	610
606	665	690	653	621
98,505	98,505	98,505	98,505	98,505
800	800	800	800	800
708	723	702	724	569
121,742	121,742	124,560	124,560	124,560
1,000	1,000	1,000	1,000	1,000
949	1,065	956	862	798
121,472	121,472	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
714	682	620	613	628
129,104	129,104	129,104	129,104	129,104
1,185	1,185	1,185	1,185	1,185
949	1,015	1,067	1,121	1,165
121,472	121,472	121,472	121,472	-
800	800	800	800	-
729	703	601	423	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
129,104	129,104	129,104	129,104	129,104
1,185	1,185	1,185	1,185	1,185
947	1,008	1,011	1,127	1,218
121,472	121,472	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
797	802	800	746	696
80,000	80,000	80,000	80,000	80,000
800	800	800	800	800
703	697	674	611	570
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
113,560	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
1478	1312	1229	1093	964
113,560	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
707	655	630	606	710
137,434	137,434	113,560	113,560	113,560
1,185	1,185	1,000	1,000	1,000
1,092	1,057	1,014	990	1,016

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2023	2022	2021	2020	2019
Mitchell Intermediate (1996)					
Square Footage	129,000	129,000	129,000	129,000	129,000
Capacity	1,200	1,200	1,200	1,200	1,200
Enrollment	1,222	1,130	1,128	1,208	1,195
Travis Intermediate (1926)					
Square Footage	168,166	168,166	168,166	168,166	168,166
Capacity	700	700	700	700	700
Enrollment	530	596	619	680	672
Vogel Intermediate (2001)					
Square Footage	125,970	125,970	125,970	125,970	125,970
Capacity	1,185	1,185	1,185	1,185	1,185
Enrollment	901	961	991	944	1,088
Wilkerson Intermediate (1974)					
Square Footage	95,334	95,334	95,334	86,884	86,884
Capacity	730	730	730	730	730
Enrollment	739	790	769	756	743
Junior High Schools					
Irons Junior High (2012)					
Square Footage	221,194	221,194	221,194	207,194	207,194
Capacity	1,200	1,200	1,200	1,200	1,450
Enrollment	1,325	1,241	1,122	1,144	1,152
Knox Junior High (1978)					
Square Footage	203,491	203,491	203,491	203,491	203,491
Capacity	1,400	1,400	1,400	1,400	1,400
Enrollment	1,464	1,380	1,424	1,479	1,410
McCullough Junior High (1976)					
Square Footage	298,516	298,516	298,516	298,516	298,516
Capacity	2,300	2,300	2,300	2,300	2,300
Enrollment	2,184	2,084	2,068	2,132	2,142
Moorhead Junior High (2001)					
Square Footage	269,538	190,560	190,560	190,560	190,560
Capacity	1,600	1,100	1,100	1,100	1,100
Enrollment	1,423	1,299	1,241	1,173	1,152
Peet Junior High (2013)					
Square Footage	207,194	207,194	207,194	240,475	240,475
Capacity	1,500	1,500	1,500	1,500	1,500
Enrollment	1,295	1,283	1,278	1,447	1,413
Stockton Junior High (2021)					
Square Footage	236,231	236,231	236,231	-	-
Capacity	1,500	1,500	1,500	-	-
Enrollment	1,388	1,416	1,296	-	-
York Junior High (2008)					
Square Footage	257,363	257,363	257,363	210,000	210,000
Capacity	1,500	1,500	1,500	1,500	1,500
Enrollment	2,010	2,032	1,876	1,670	1,450
High Schools					
Caney Creek High School (1995)					
Square Footage	464,864	454,880	454,880	454,880	454,880
Capacity	2,890	2,890	2,890	2,890	2,890
Enrollment	2,436	2,271	2,159	2,085	2,094
Conroe High School (1962)					
Square Footage	664,808	696,307	696,307	606,307	606,307
Capacity	3,300	3,300	3,300	3,300	3,300
Enrollment	3,349	3,383	3,264	3,095	3,009
Conroe High 9th Grade (1995)					
Square Footage	173,647	173,647	160,454	221,194	221,194
Capacity	1,200	1,200	1,200	1,200	1,100
Enrollment	1,386	1,280	1,165	1,148	1,082

2018	2017	2016	2015	2014
129,000	129,000	129,000	129,000	129,000
1,200	1,200	1,200	1,200	1,200
1,242	1,229	1,244	1,208	1,163
168,166	168,166	168,166	168,166	168,166
700	700	700	700	700
647	615	596	558	539
125,970	125,970	113,560	113,560	113,560
1,185	1,185	1,000	1,000	1,000
1,104	1,067	1,078	1,072	1,109
86,884	86,884	86,884	86,884	86,884
730	730	730	730	730
785	734	683	702	729
207,194	207,194	207,194	207,194	207,194
1,200	1,200	1,200	1,200	1,200
1,088	1,120	1,145	1,102	1,041
203,491	190,585	162,584	162,584	162,584
1,400	1,400	1,150	1,150	1,150
1,415	1,370	1,336	1,252	1,277
298,516	298,516	298,516	298,516	298,516
2,300	2,300	2,300	2,300	2,300
2,208	2,232	2,224	2,229	2,254
190,560	190,560	190,560	190,560	190,560
1,100	1,100	1,100	1,100	1,100
1,102	1,037	1,056	1,085	1,075
240,475	240,475	240,475	240,475	240,475
1,500	1,500	1,500	1,500	1,500
1,426	1,344	1,256	1,211	1,214
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
210,000	210,000	210,000	210,000	210,000
1,500	1,500	1,500	1,500	1,500
1,379	1,223	1,118	1,002	915
454,880	454,880	454,880	454,880	454,880
2,890	2,890	2,890	2,890	2,890
2,042	1,935	1,925	1,822	1,855
606,307	606,307	606,307	606,307	606,307
3,400	3,400	3,400	3,400	3,400
2,909	2,763	2,631	2,539	2,457
221,194	221,194	221,194	221,194	221,194
1,100	1,100	1,100	1,100	1,100
1,051	1,042	1,003	941	870

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2023	2022	2021	2020	2019
Grand Oaks High School (2018)					
Square Footage	529,243	529,243	529,233	522,641	522,641
Capacity	3,200	3,000	3,000	3,000	3,000
Enrollment	3,473	3,310	2,965	2,108	1,241
Oak Ridge High School (1981)					
Square Footage	452,542	363,000	363,000	363,000	363,000
Capacity	2,300	2,300	2,300	2,300	2,300
Enrollment	1,939	1,923	1,889	2,353	2,835
Oak Ridge 9th Grade Campus(1985)					
Square Footage	203,476	203,476	203,476	195,556	195,556
Capacity	1,350	1,350	1,350	1,350	1,300
Enrollment	685	662	625	660	592
College Park High School (2005)					
Square Footage	519,943	519,943	519,943	481,746	481,746
Capacity	2,850	2,850	2,850	2,850	2,850
Enrollment	3,221	3,243	3,133	3,170	3,127
The Woodlands High School (1996)					
Square Footage	465,269	465,269	465,269	413,527	413,527
Capacity	3,100	3,100	3,100	3,100	3,000
Enrollment	3,293	3,302	3,247	3,269	3,256
TWHS 9th Grade Campus (2000)					
Square Footage	200,000	200,000	200,000	200,000	200,000
Capacity	1,300	1,300	1,300	1,300	1,350
Enrollment	1,084	1,077	1,062	1,086	1,089
Alternative Schools					
Washington High School (1951)					
Square Footage	158,735	163,735	163,735	-	-
Capacity	750	750	750	-	-
Enrollment	231	246	140	-	-
Total Square Footage	10,233,844	9,836,187	9,701,512	9,576,390	9,331,408
Total Capacity	74,350	71,970	71,700	70,450	65,224
Total Enrollment	70,783	67,761	64,563	64,799	62,837

Source: District Records

2018	2017	2016	2015	2014
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
363,000	363,000	363,000	363,000	363,000
2,300	2,300	2,300	2,300	2,300
3,166	2,964	2,834	2,619	2,361
195,556	195,556	149,000	149,000	149,000
1,350	1,350	1,050	1,050	1,050
1,249	1,169	1,036	1,018	1,026
481,746	481,746	469,000	469,000	469,000
2,850	2,850	2,850	2,850	2,850
3,101	2,926	2,840	2,794	2,695
413,527	413,527	403,600	403,600	403,600
3,000	3,000	3,000	3,000	3,000
3,292	3,288	3,166	3,063	3,043
200,000	200,000	200,000	200,000	200,000
1,400	1,400	1,400	1,400	1,400
1,044	1,122	1,102	1,079	1,088
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,683,646	8,657,568	8,491,477	8,491,477	8,248,533
64,420	64,420	63,280	63,280	61,480
61,580	59,764	58,239	56,363	55,009

Conroe ISD • Campus Locations

Caney Creek Feeder Zone

- High School
31 Caney Creek High School
- Junior High School
25 Moorhead Junior High ▲
- Intermediate Schools
16* Grangerland Intermediate ▲
63 Veterans Memorial Intermediate ▲
- Elementary Schools
3 Austin Elementary ▲
6 Creighton Elementary ▲○
16* Milam Elementary ▲
62 Hope Elementary ▲
22 San Jacinto Elementary ▲

College Park Feeder Zone

- High School
42 The Woodlands College Park HS and Academy of Science & Technology
- Junior High School
29* Knox Junior High
- Intermediate Schools
23 Collins Intermediate
29* Wilkerson Intermediate ▲
- Elementary Schools
4 Buckalew Elementary
7 David Elementary
9 Galatas Elementary
12 Hailey Elementary
13 Houser Elementary
15 Lamar Elementary ▲○
18 Powell Elementary
20 Ride Elementary

Conroe Feeder Zone

- 34** Washington High School (9-12)
JDC Montgomery Co. Juvenile Detention Center
- High School
36 Conroe High School and Academy for Science & Health Professions
- 33** Conroe High School - 9th grade campus
- Junior High School
56 Peet Junior High
49* Stockton Junior High
- Intermediate Schools
49* Bozman Intermediate ▲
41 Cryar Intermediate ▲
14 Travis Intermediate ▲
- Elementary Schools
1 Anderson Elementary ▲○
2 Armstrong Elementary ▲
+ Bartlett Elementary ▲ (opens 2024-2025)
10 Giesinger Elementary
64 Gordon-Reed Elementary (PK-6)
14 Houston Elementary ▲
49* Patterson Elementary ▲
27 Reaves Elementary ▲
19 Rice Elementary ▲
21 Runyan Elementary ▲
57 Stewart Elementary (K-6)
50 Wilkinson Elementary

Grand Oaks Feeder Zone

- High School
59 Grand Oaks High School
- Junior High School
46* York Junior High
- Intermediate Schools
46* Cox Intermediate
60 Clark Intermediate
- Elementary Schools
51 Birnham Woods Elementary
58 Bradley Elementary
45 Broadway Elementary
8 Ford Elementary
65 Hines Elementary
55 Snyder Elementary

Oak Ridge Feeder Zone

- High School
37 Oak Ridge High School
37 Oak Ridge HS - 9th grade campus and Academy for Careers in Engineering & Science
- Junior High School
54 Irons Junior High
- Intermediate Schools
24 Vogel Intermediate ▲
- Elementary Schools
8 Ford Elementary ▲
13 Houser Elementary ▲
44 Kaufman Elementary
17 Oak Ridge Elementary ▲
61 Suchma Elementary (K-6)

The Woodlands Feeder Zone

- High School
30 The Woodlands High School
38 The Woodlands HS - 9th grade campus
- Junior High School
39 McCullough Junior High
- Intermediate Schools
26 Mitchell Intermediate
29* Wilkerson Intermediate ▲
- Elementary Schools
4 Buckalew Elementary
5 Bush Elementary
43 Deretchin Elementary (PK-6) ▲○
9 Galatas Elementary
11 Glen Loch Elementary ▲
18 Powell Elementary
40 Tough Elementary (K-6)



▲ Bilingual Campus
 ○ Dual Language Programs
 * Multi-Campus Site

► **Deane L. Sadler Administration / Technology Center**
 3205 West Davis • Conroe, Texas

◆ **Walter P. Jett Teacher Training Center**
 19043 David Memorial Dr. • Shenandoah, Texas

● **DAEP and JJAEP**
 2235 N. First Street • Conroe, Texas

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

CONROE ISD INSURANCE SCHEDULE 08/31/2023

Coverage	Limits/Values	Deductible	Agent	Company & Policy Number	Expiration Date	Annual Premium 23/24
Automobile Collision Included	\$100,000/\$300,000/ \$100,000	\$ 2,500	TASB	TASB Risk Management Fund	8/31/2024	\$ 529,919
Comprehensive		\$ 2,500				
Liability		\$ 2,500				
Ancilliary Coverage Violent Acts	\$ 250,000	0				
Buildings and Contents	\$500,000,000 All Risk Insured Values \$2,816,456,673	\$100,000 per occurrence \$100,000 per location Flood: \$100,000 per location except \$250,000 at Anderson EI, TWHS; \$500,000 at Galatas EI, Caney Creek HS, GOHS	Soules Insurance Agency	Affiliated FM GP 732 property policy# 1122165	9/1/2024	\$ 2,975,728
Terrorism	80% of covered terrorism losses paid by US Government		Soules Insurance Agency	Affiliated FM GP 732 Acct #65810	9/1/2024	
Boiler & Machinery	Included in Property Sublimit	10,000	Soules Insurance Agency	Affiliated FM GP 732	9/1/2024	
All Wind DBB	\$10,000,000 limit for all wind incl NWS	1 percent; \$100,000 per location plus \$5,000,000 per location	Soules Insurance Agency	Arch/Berkshire	9/1/2024	\$ 1,304,087
General Liability 2,000,000 Total Limit	\$1,000,000 Per Occurrence \$1,000,000 Personal Injury	100,000	TASB	TASB Risk Management Fund	9/1/2024	INCLUDED IN ELL
Sexual Abuse/Harassment Included	\$1,000,000 Each Person \$2,000,000 Total Limit					
Law Enforcement Liability Included						INCLUDED IN ELL
Crime Liability	\$ 500,000	\$ 2,500	Soules Insurance Agency	Travelers/National Union policy# 105986560	9/1/2024	\$ 19,918
Notary Public Errors & Omission	\$ 20,000		Soules Insurance Agency	Western Surety 18202168	9/1/2024	\$ 617
Peace Officer Bonds	\$ 5,000		Soules Insurance Agency	Western Surety	Various 2024	\$50.00 ea
Safekeeping Bond-ROTC Equipment	\$ 10,000		Soules Insurance Agency	Western Surety 69191793	7/9/2024	\$ 200

CONROE ISD INSURANCE SCHEDULE 08/31/2023

Coverage	Limits/Values	Deductible	Agent	Company & Policy Number	Expiration Date	Annual Premium 23/24
School Professional Legal Liability	\$1,000,000 Per Occurrence \$1,000,000 Annual Aggregate *Sublimits for Limited Sexual Misconduct Claim Coverage	\$ 100,000	TASB	TASB Risk Management Fund	8/31/2024	\$ 134,120
Student Medical Malpractice Liability	\$1,000,000 \$5,000,000 Aggregate		Affinity Insurance Services HPSO	CNA 0127305506	8/23/2024	\$ 1,910
Student Sports and Activity Accident	\$30,000 for a 52 week period	\$ 250	Greater East Texas Insurance Associates	National Health Insurance Company	7/31/2024	\$ 132,425
Student Accident Catastrophic	\$10,000,000 Accident Med Expense \$10,000 Accidental Death \$20,000 Accidental Dismemberment \$100,000 Catastrophic Cash Benefit	25,000	Greater East Texas Insurance Associates	Legend Insurance Agency	7/31/2024	\$ 10,175
Underground Storage Tanks - 4 Sites	\$1,000,000 ea \$2,000,000 Aggregate Limit All Storage Tank Incidents \$1,000,000 Aggregate	5,000	Soules Insurance Agency	ACE American Ins. Co. Policy G24726794 009	9/1/2024	\$ 9,470
Unemployment	Reimbursable unemployment benefits		TASB	Texas Workforce Commission	n/a	Per Billing
Workers' Compensation	*Estimate subject to payroll audit		TASB	TASB Risk Management Fund 951	8/31/2024	\$ 2,322,457
Privacy & Information Systems	\$250,000 Limit	0	TASB	TASB Risk Management Fund 951	8/31/2024	\$ 12,500

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT



Single Audit Section



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Conroe Independent School District (the District) as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 10, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

The Board of Trustees
Conroe Independent School District

Purpose of this Report

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
January 10, 2024



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Conroe Independent School District's (the District's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

The Board of Trustees
Conroe Independent School District

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

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

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
January 10, 2024

CONROE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 August 31, 2023

Project No.	Federal Grantor/ Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Expenditures, Indirect costs, and Refunds
US DEPARTMENT OF EDUCATION			
Passed Through State Department of Education			
2063	234600057110015	Education for Homeless Children and Youth	84.196A \$ 75,112
		Total Education for Homeless Children and Youth	<u>75,112</u>
2113	23610101170902	Title 1	84.010A 10,270,323
2114	24610101170902	Title 1	84.010A 252,328
		Total ESEA, Title 1	<u>10,522,651</u>
2123	23615001236950	Title 1 Part C, Migrant Program	84.011A 26,609
		Total Title 1, Part C	<u>26,609</u>
2633	23671001170902	Title III, Part A LEP	84.365A 1,049,686
2634	24671001170902	Title III, Part A LEP	84.365A 365
2633	23671003170902	Title III Immigrant	84.365A 258,038
		Total Title III	<u>1,308,089</u>
Special Education Cluster:			
2253	236610011709026610	IDEA-B Preschool	84.173A 102,357
			<u>102,357</u>
2243	236600011709026600	IDEA-B Formula	84.027A 13,019,564
2244	246600011709026600	IDEA-B Formula	84.027A 158,113
2263	236600061709026680	IDEA-B High Cost Risk Pool	84.027A 135,907
2263		IDEA-B Discretionary Residential Award	84.027A 15,794
2842	225350011709025350	IDEA-B Formula - ARP	84.027A 41,984
2843	225360021709025360	IDEA-B Formula - ARP	84.027A 2,505,596
3153	236600111709026673	IDEA-B Discretionary Deaf	84.027A 60,261
3154	246600111709026673	IDEA-B Discretionary Deaf	84.027A 5,697
			<u>15,942,916</u>
		Total Special Education Cluster	<u>16,045,273</u>
3404	243911011709023911	ECI - Part C	84.181A 576
		Total ECI - Part C	<u>576</u>
2443	23420006170902	Vocational Ed-Carl Perkins Grant	84.048A 588,139
2444	24420006170902	Vocational Ed-Carl Perkins Grant	84.048A 1,942
		Total Vocational Education	<u>590,081</u>
2553	23694501170902	Title II, Part A, Teacher/Principal Training	84.367A 1,698,272
2554	24694501170902	Title II, Part A, Teacher/Principal Training	84.367A 29,297
		Total Title II, Part A Teacher/Principal	<u>1,727,569</u>
2811	21521001170902	COVID 19 - Elementary and Secondary School Emergency Relief Fund II	84.425D 10,104,588
		Total Assistance Listing 84.425D	<u>10,104,588</u>
2821	21528001170902	COVID 19 - Elementary and Secondary School Emergency Relief Fund III	84.425U 22,703,826
2792	21528042170902	COVID 19 - TCLAS Elementary and Secondary School Emergency Relief Fund III	84.425U 819,788
		Total Assistance Listing 84.425U	<u>23,523,614</u>
2782	215330017110015	COVID 19 - ARP Homeless I - TEHCY Supplemental Grant	84.425W 460
2802	21533002170902	COVID 19 - ARP Homeless II	84.425W 3,225
		Total Assistance Listing 84.425W	<u>3,685</u>
		Total Education Stabilization Fund	<u>33,631,887</u>
2883	23680101170902	Title IV Part A, Subpart 1	84.424A 1,006,354
2884	24680101170902	Title IV Part A, Subpart 1	84.424A 22,107
		Total Title IV Part A, Subpart 1	<u>1,028,461</u>
2893	69551102	Summer School LEP	84.369A 138,894
		Total Summer School LEP	<u>138,894</u>
		Total Passed Through Programs	<u>65,095,202</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>\$ 65,095,202</u>

CONROE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 August 31, 2023

Project No.	Federal Grantor/ Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Expenditures, Indirect costs, and Refunds
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Direct Programs:			
Medicaid Cluster:			
	Medicaid Administrative Claiming Program (MAC) Contract# HHS000537900027	93.778	\$ 432,033
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 432,033
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Passed Through State Department of Education:			
Child Nutrition Cluster:			
2403	71402201	School Breakfast Program	10.553 \$ 4,335,776
Total Assistance Listing Number 10.553			4,335,776
2403	71302201	National School Lunch Program	10.555 16,483,852
Passed Through Texas Department of Agriculture:			
Child Nutrition Cluster:			
2403	806780706	National School Lunch Program - Noncash Assistance (Commodities)	10.555 1,640,154
Passed Through Texas Department of Agriculture:			
Child Nutrition Cluster:			
2403		2022 Supply Chain Assistance Grant 2nd Round	10.555 5,000
Total Assistance Listing Number 10.555			18,129,006
Total Child Nutrition Cluster			22,464,782
TOTAL DEPARTMENT OF AGRICULTURE			\$ 22,464,782
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 87,992,017

Note A: Nutritional program revenues are accounted for in the Special Revenue Fund.

Expenditures are not specifically attributable to this revenue source and are shown on this schedule in an amount equal to revenues for balancing purposes only. As noted, commodities are reported herein at their market value at the time of donation.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 1 - BASIS OF PRESENTATION

Conroe Independent School District (the District) utilizes the fund types specified in the Texas Education Agency's Financial Accounting System Resource Guide.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. Federal and state financial assistance generally is accounted for in a special revenue fund. Generally, unused balances must be returned to the grantor at the close of specified project periods.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for governmental funds. This basis of accounting recognizes revenue in the accounting period in which it becomes measurable and available. Expenditures are recorded in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due, and certain compensated absences and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grants are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly when such funds are received, they are recorded as unearned revenues until earned. Non-cash assistance, including in-kind donations and donated food commodities, are reported at their estimated acquisition value at the time of donation. Donated food commodities are considered expended when consumed.

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - PERIOD OF AVAILABILITY

The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project extended 30 days beyond the federal project period ending date, in accordance with the provisions of the Uniform Guidance.

NOTE 4 - BASIS OF FUNDING

Federal funding for food services under child nutrition programs is primarily based upon the number and type of meals served and on user charges as reported to the U.S. Department of Agriculture. Federal funding received related to various grant programs is based upon periodic reports detailing reimbursable expenditures made in compliance with the program guidelines to the grantor agencies. The programs are governed by various rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, that the District has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of funding monies may be required. In the opinion of the District's management, there are no significant contingent liabilities relating to matters of compliance and, accordingly, no provision has been made in the basic financial statements for such contingences.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2023**

NOTE 5 - RECONCILIATION TO BASIC FINANCIAL STATEMENTS

The following is a reconciliation of the Schedule of Expenditures of Federal Awards and expenditures reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds:

Total expenditures per Schedule of Expenditures of Federal Awards:	\$ 87,992,017
SHARS reimbursements	<u>11,002,278</u>
Reconciled Balance	<u>\$ 98,994,295</u>
Related expenditures on Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds:	
General Fund	\$ 11,434,312
Special Revenue Fund	<u>87,559,983</u>
	<u>\$ 98,994,295</u>

Conroe Independent School District
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended August 31, 2023

Section 1. Summary of Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weaknesses identified? Yes No

Significant deficiencies identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

Material weaknesses identified? Yes No

Significant deficiencies identified? Yes None reported

An unmodified opinion was issued on compliance for major federal programs.

Any audit findings disclosed that were required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.010A	Title I Grants to Local Education Agencies
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs: \$2,639,761

Auditee qualified as a low-risk auditee? Yes No

Conroe Independent School District

Schedule of Findings and Questioned Costs – Continued
For the Fiscal Year Ended August 31, 2023

Section 2. Financial Statement Findings

None reported

Section 3. Federal Award Findings and Questioned Costs

None reported

Section 4. Schedule of Prior Audit Findings and Questioned Costs

None reported



CONROE
INDEPENDENT
SCHOOL DISTRICT