

SAILS FOREVER EAST TEXAS CHARTER SCHOOL
ANNUAL FINANCIAL REPORT
YEAR ENDED AUGUST 31, 2021

RUTHERFORD, TAYLOR & COMPANY, P.C.
Certified Public Accountants
3500 Joe Ramsey Blvd.
Greenville, Texas 75401
(903) 455-6252

**SAILS FOREVER EAST TEXAS CHARTER SCHOOL
ANNUAL FINANCIAL REPORT
YEAR ENDED AUGUST 31, 2021**

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CERTIFICATE OF BOARD

Sails Forever East Texas Charter School
Name of School

092-801
Co-District Number

76-0574678
Federal Employer ID

We, the undersigned, certify that the attached auditor's report of the above named school district was reviewed and approved/ disapproved for the year ended August 31, 2021, at a meeting of the board of school trustees of such school district on 1-20-22.


Signature of Board Secretary


Signature of Board President

If the auditor's report was checked above as disapproved, the reasons(s) therefore is/are (attach list if necessary):

FINANCIAL SECTION

**RUTHERFORD,
TAYLOR &
COMPANY, P.C.**
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Members of the Board

Report on the Financial Statements

We have audited the accompanying financial statements of Sails Forever East Texas Charter School (School) non profit organization), which comprise the statements of financial position as of August 31, 2021, and the related statements of activities, and cash flows for the year ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Sails Forever East Texas Charter School as of August 31, 2021, 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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedules of expenses and schedule of capital assets are presented for purpose of additional analysis and are not a required part of the financial statements.

Independent Auditor's Report – Continued

Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2021, on our consideration the School'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Rutherford, Taylor & Company PC

December 23, 2021
Greenville, Texas

**RUTHERFORD,
TAYLOR &
COMPANY, P.C.**
Certified Public Accountants

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

Members of the Board

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sails Forever East Texas Charter School (District), as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 23, 2021.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Report on Internal Control – Continued

Purpose of this Report

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

A handwritten signature in black ink that reads "Rutherford, Taylor & Company PC". The signature is written in a cursive, flowing style.

December 23, 2021
Greenville, Texas

BASIC FINANCIAL STATEMENTS

SAILS FOREVER EAST TEXAS CHARTER SCHOOL
STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2021

	2021
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 417,589
Accounts Receivable	111,648
Total Current Assets	529,237
Net Property and Equipment	1,319,700
Total Assets	\$ 1,848,937
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 6,697
Accrued Liabilities	53,313
Total Current Liabilities	60,010
Total Liabilities	60,010
NET ASSETS	
Without Donor Restrictions	1,754,114
With Donor Restrictions	34,813
Total Net Assets	1,788,927
Total Liabilities and Net Assets	\$ 1,848,937

The accompanying notes are an integral part of this statement.

**SAILS FOREVER EAST TEXAS CHARTER SCHOOL
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	2021 Total
REVENUES			
Local Support	\$ 28,656	\$ -	\$ 28,656
State Program Revenues	-	1,415,897	1,415,897
Federal Program Revenues	-	33,792	33,792
Net Assets Released from Restrictions:			
Restrictions Satisfied by Payments	1,449,689	(1,449,689)	-
Total Revenues	\$ 1,478,345	\$ -	\$ 1,478,345
EXPENSES			
Program Services			
Instructions and Instructional-Related Services	\$ 1,027,159	\$ -	\$ 1,027,159
Instructional and School Leadership	168,908	-	168,908
Support Services - Student (Pupil)	91,680	-	91,680
Support Services			
Administrative Support Services	183,883	-	183,883
Support Services - Non-Student Based	126,312	-	126,312
Total Expenses	\$ 1,597,942	\$ -	\$ 1,597,942
Operating Income (Loss)	\$ (119,597)	\$ -	\$ (119,597)
Increase (Decrease) in Net Assets	\$ (119,597)	\$ -	\$ (119,597)
Net Assets - Beginning (September 1)	1,873,711	34,813	1,908,524
Net Assets - Ending (August 31)	\$ 1,754,114	\$ 34,813	\$ 1,788,927

The accompanying notes are an integral part of this statement.

SAILS FOREVER EAST TEXAS CHARTER SCHOOL
STATEMENT OF CASH FLOWS
YEAR ENDED AUGUST 31, 2021

	2021
Cash Flows from Operating Activities:	
Receipts from Foundation School Program Payments	\$ 1,376,091
Receipts from Grant Payments	32,047
Receipts from Local Sources	27,092
Payments to Vendors for Goods and Services Rendered	(389,700)
Payment to Charter School Personnel for Services Rendered	<u>(1,102,531)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (57,001)</u>
Cash Flows from Investing Activities	
Purchase of Land, Improvements, Vehicles and Equipment	<u>\$ (10,211)</u>
Net Cash Provided by (Used for) Investing Activities	<u>(10,211)</u>
Net Increase (Decrease) in Cash	\$ (67,212)
Cash at Beginning of Year	<u>484,801</u>
Cash at End of Year	<u>\$ 417,589</u>
Reconciliation of Change in Net Assets to Net Cash	
Provided by Operating Activities	
Change in Net Assets	(119,597)
Adjustments to Reconcile Change in	
Net Cash Provided by Operating Activities	
Depreciation	123,052
(Increase) Decrease in Current Assets:	
Accounts Receivable	(41,551)
Increase (Decrease) in Current Liabilities	
Accounts Payable	(12,175)
Accrued Liabilities	(5,166)
Unearned Revenue	<u>(1,564)</u>
Net Cash (Used) Provided by Operating Activities	<u>\$ (57,001)</u>

The accompanying notes are an integral part of this statement

**SAILS FOREVER EAST TEXAS CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2021**

	<u>Program Services</u>	<u>Support Services</u>			<u>2021 Total</u>
	<u>Program Expense</u>	<u>Administrative</u>	<u>Non-Student Based</u>	<u>Total Supporting Services</u>	
Expenses					
Salaries	\$ 902,281	\$ 129,930	\$ -	\$ 129,930	\$ 1,032,211
Payroll Taxes	16,341	2,063	-	2,063	18,404
Employee Benefits	71,414	13,632	-	13,632	85,046
Contracted Services	46,295	2,113	43,534	45,647	91,942
Maintenance and Repairs	-	-	4,793	4,793	4,793
Utilities	2,974	-	21,784	21,784	24,758
Depreciation and Amortization	107,650	8,586	6,816	15,402	123,052
Supplies	68,883	4,907	31,078	35,985	104,868
Travel	4,211	1,548	-	1,548	5,759
Insurance	6,989	7,032	17,587	24,619	31,608
Professional Fees	54,707	10,800	720	11,520	66,227
Other	6,002	3,272	-	3,272	9,274
Total Expenses	\$ 1,287,747	\$ 183,883	\$ 126,312	\$ 310,195	\$ 1,597,942

The accompanying notes are an integral part of this statement

SAILS FOREVER EAST TEXAS CHARTER SCHOOL
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2021

A. Summary of Significant Accounting Policies

1. Reporting Entity

Sails Forever East Texas Charter School ("School") is a Texas non-profit corporation. The School is governed by a Board of Directors comprised of five members. The board is selected pursuant to the bylaws of the School, and significantly influence operations. The board has the primary accountability for the fiscal affairs of the School.

The School receives funding from local, state, and federal government sources and must comply with the requirements of the entities providing those funds.

2. Corporate Operations

Sails Forever East Texas Charter High School was organized in 1998 to provide educational services to at-risk students and their programs, services, activities and functions are governed by the School's board of directors. The School operates a single charter school and does not conduct any other charter or non-charter activities. The Texas Education Agency (TEA) is the state agency that granted this charter for operating a school.

3. Basis of Presentation – Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (GAAP). The principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from their estimates.

Net assets and revenues, expenses, gains and losses are classified based on the existence and nature or absence of donor imposed restrictions. Restricted revenues whose restrictions are met in the same year as received are shown as unrestricted revenues. Accordingly, net assets of the organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions are general operations and not subject to donor restrictions. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions - board designated.

Net Assets with Donor Restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulated that resources be maintained in perpetuity.

Use of Estimates

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

Contributions

Support that is restricted by the donor is reported as an increase in temporarily restricted or permanently restricted net assets in the reporting period in which the support is recognized. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**SAILS FOREVER EAST TEXAS CHARTER SCHOOL
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2021**

A. Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

Expenses are reported by their functional classification as program services or supporting services. Program services are the direct conduct of supervision of activities that fulfill the purpose of which the School exists. Supporting services are not directly identifiable with specific program activities. Expenses that are attributed to one or more program or supporting activities are allocated among the activities benefitted. Salaries and related cost are charged directly either to program services or supporting services based on actual time worked in the area. Information technology costs are allocated based on whether the cost are associated with program services. The costs of providing the various programs and supporting activities have been summarized on a functional basis in the statement of activities.

B. Property and Equipment

Property and equipment at year-end are as follows:

Land and Improvements	\$	264,603
Building and Improvements		2,277,657
Vehicles		118,534
Furniture and Equipment		184,912
Total Property and Equipment	\$	2,845,706
Less Accumulated Depreciation		(1,528,006)
Net Property and Equipment	\$	1,319,700

The School charged off \$ 123,052 of depreciation expense for the year. The depreciation was recorded as an expense allocated based on the use of the capital asset.

Property and Equipment assets acquired with public funds received by the School for the operation of the School constitute public property pursuant to Chapter 12 of the Texas Education Code. These assets are specifically identified on the Schedule of Capital Assets.

C. Long-Term Debt

The School did not have any debt, short or long term, at year end.

D. Multi-employer Defined Benefit Pension Plan

The School participates in a cost-sharing multi-employer defined benefit pension plan that has a special funding situation. The plan is administrated by Teacher Retirement System of Texas (TRS). TRS's defined benefit pension plan (Plan) is established and administered in accordance with the Texas Constitution, Articles 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 Plan'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 exempt from membership under Texas Government Code, Title 8, Section 822.002 are covered by the plan.

TRS provides service retirement and disability retirement benefits and death benefits to eligible employees (and their beneficiaries) of public and higher education in Texas. Charter schools are legally separate entities from the state and each other. Assets contributed by one charter school or Independent School District (ISD) may be used for the benefit of an employee of another ISD or charter school. The unfunded obligations get passed along to the other charter schools and ISD's. There is not a withdrawal penalty for leaving the TRS system.

**SAILS FOREVER EAST TEXAS CHARTER SCHOOL
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2021**

D. Multi-employer Defined Benefit Pension Plan

Information with respect to the Plan and the School's participation of the Plan for the measurement year ended August 31, 2020 is as follows:

Legal Name of Plan:	Teacher Retirement System of Texas
EIN/Pension Plan Number:	N/A
Total Plan Assets:	\$ 184,361,870,581
Accumulated Benefit Obligations:	\$ 209,961,325,288
Plan funded percentage:	75.24% Funded
Is plan covered by collective bargaining agreements:	No
Employer contributions to the plan:	\$ 41,978
Contribution greater than 5% of total plan contributions?	No
 Contribution Rates:	
Member	7.7%
Non-Employer Contributing Entity (State)	7.5%
Employers	7.5%

There have been no changes that would affect the comparison of employer contributions from year to year.

E. Health Care Coverage

During the year employees of the School were covered by a Health Insurance Plan (the Plan). The School contributed \$ 225 per month per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay contributions or premiums for dependents. All premiums were paid to licensed insurers.

The health care coverage cost to the School for the year was \$ 37,956.

F. Temporarily Restricted Net Assets

The School had temporarily restricted net assets at year-end totaling \$ 34,813. The temporarily restricted net assets are released as education expense are incurred.

G. Commitments and Contingencies

The School receives funds through state and federal programs that are governed by various statutes and regulations. State program funding is based primarily on student attendance data submitted to the Texas Education Agency and is subject to audit and adjustment. Expenses charged to federal programs are subject to audit and adjustment by the grantor agency. The programs administered by the School have complex compliance requirements, and should state or federal auditors discover areas of noncompliance, funds may be subject to refund if so determined by the Texas Education Agency or another grantor agency.

The School receives 96% of their revenues through state programs that are governed by various statutes and regulations. State program funding is based primarily on student attendance data submitted to the Texas Education Agency and is subject to audit and adjustment. The programs administered by the School have complex compliance requirements, and should state or federal auditors discover areas of noncompliance, the funds received from these sources may be subject to refund as determined by the Texas Education Agency or another grantor agency.

SAILS FOREVER EAST TEXAS CHARTER SCHOOL
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2021

H. Litigation

No reportable litigation was pending against the School at year-end.

I. Related Party Transactions

The School paid Terry Lopic for wages and other benefits as superintendent for the year. Contract payments and other compensation paid totaled \$ 92,500 for the year.

J. Subsequent Event

There were no subsequent events determined by management subsequent to the Statements of Financial Position and through December 23, 2021, which approximates the date the financial statements are available to be issued.

K. Economic Dependency

During the year, the School recognized revenue of \$ 1,415,897 from the TEA. For the year, this amount constitutes approximately 95.78% of total revenues earned. Any unforeseen loss of the charter agreement with TEA or changes in legislative funding could have a material effect on the ability of the School to continue to provide the current level of services to its students.

SUPPLEMENTAL INFORMATION

SAILS FOREVER EAST TEXAS CHARTER SCHOOL
STATEMENT OF CAPITAL ASSETS
YEAR ENDED AUGUST 31, 2021

Object Codes	Description	Ownership Interest		
		Local	State	Federal
1510	Land and Improvements	\$ -	\$ 264,603	\$ -
1520	Buildings and Improvements	-	2,277,657	-
1531	Vehicles	-	118,534	-
1539	Furniture and Equipment	-	184,912	-
	Total Capital Assets	\$ -	\$ 2,845,706	\$ -

**SAILS FOREVER EAST TEXAS CHARTER SCHOOL
BUDGETARY COMPARISON SCHEDULES
YEAR ENDED AUGUST 31, 2021**

Codes	Original Budget	Final Budget	Actual Amounts	Variance from Final Budget
REVENUES				
5700 Local and Intermediate Sources	\$ 45,000	\$ 45,000	\$ 28,856	\$ (16,344)
5800 State Program Revenues	1,260,520	1,260,520	1,415,887	155,377
5900 Federal Program Revenues	24,501	26,871	33,792	7,121
5020 Total Revenues	\$ 1,330,021	\$ 1,332,191	\$ 1,478,345	\$ 148,154
EXPENSES				
0011 Instruction	\$ 911,805	\$ 957,476	\$ 985,820	\$ (28,444)
0013 Curriculum and Staff Development	38,875	44,875	41,240	3,635
0023 School Leadership	183,675	174,875	168,908	5,767
0031 Guidance, Counseling and Evaluation Services	4,500	4,500	3,909	591
0035 Food Service	-	29,000	25,008	3,992
0036 Cocurricular/Extracurricular Activities	54,050	48,050	41,486	6,564
0041 General Administration	203,625	203,625	183,883	19,742
0051 Plant Maintenance and Operations	119,650	129,650	117,322	12,328
0052 Security and Monitoring Services	10,000	12,000	8,989	3,011
0053 Data Processing Services	21,950	21,950	21,277	673
Total Expenses	\$ 1,528,130	\$ 1,625,801	\$ 1,597,942	\$ 27,859
Operating Income (Loss)	\$ (198,109)	\$ (293,610)	\$ (119,597)	\$ 174,013
Change in Net Assets	\$ (198,109)	\$ (293,610)	\$ (119,597)	\$ 174,013
Net Assets - Beginning (September 1)	1,908,524	1,908,524	1,908,524	-
Net Assets - Ending (August 31)	\$ 1,710,415	\$ 1,614,914	\$ 1,788,927	\$ 174,013

**SAILS FOREVER EAST TEXAS CHARTER SCHOOL
NOTES TO THE SUPPLEMENTARY INFORMATION
YEAR ENDED AUGUST 31, 2021**

A. Budget

The budget was adopted by the Board of Director's prior to the start of the fiscal year and any expenditures of funds. It was prepared in accordance with accounting practices generally accepted in the United States of America. Once the budget is adopted by the Board at a duly called meeting, can amend the budget as long as the year has not ended. Any amendments adopted by the Board following year end will not be considered valid. All amendments adopted are in turn recorded in the records of the School to provide the guidance and approval to expend funds for the educational and other costs of the School. All budget appropriations lapse at year end.

B. Budget Amendments

Various situations arose during the year requiring the amending of the budget for the year. These amendments approved during the year allowed the School to operate within the budget for all functional expenses except for Function 11 – Instruction and Function 35 – Food Service. Instructional costs were increased during the year and year end for various expenses including salary accruals. Function 35 relates to the various snacks and other food products sold to students for supplementing their individual nutrition goals. These expenses are covered by the sale price generated to provide these items for the students.

Schedule of Real Property Ownership Interest

Instructions:

- [1] Description - enter the legal property description for each real property asset as shown in the county clerk's real property records.
- [2] Property Address - enter complete street address including number, name, city, state, and zip code.
- [3] Total Assessed Value - enter amount determined by the county appraisal district.
- [4] - [6] Ownership Interest - enter the amount of ownership interest for each real property asset. (The same methodology used in the Schedule of Capital Assets.)

[1] Description (list each parcel separately)	[2] Property Address	[3] Total Assessed Value	[4] Ownership Interest - Local	[5] Ownership Interest - State	[6] Ownership Interest - Federal
AB 262 A JORDAN SUR TR 21-07 SEC 2	2402 Alpine Road Lone	1,350,870	1,350,870		

Schedule of Related Party Transactions

Instructions:

- [1] Related Party Name - enter the related party's name such as the company's name or a Board member's name.
- [2] Name of Relation to the Related Party - enter the individual's name within the organization to whom the related party is associated.
- [3] Relationship - enter the relationship between the organizational member and the related party such as "Owner of company" or "Board member's spouse."
- [4] Type of Transaction - select from the drop-down box whether the transaction is Financial (i.e., loans, leases, purchase/sale of goods or services, etc.) or Nonfinancial (i.e., donated property).
- [5] Description of Terms and Conditions - if applicable, enter any terms and conditions of long-term commitments such as loans, leases, or contracts.
- [6] Source of Funds Used - select from the drop-down box whether the transaction was paid with Local, State, or Federal funds or N/A (if nonfinancial transaction).
- [7] Payment Frequency - select from the drop-down box whether the transaction was paid Weekly, Monthly, Quarterly, Yearly, or One Time or N/A (if nonfinancial transaction).
- [8] Total Paid During FY - enter the total amount paid during the fiscal year.
- [9] Principal Balance Due - if applicable, enter the outstanding principal balance due at the end of the fiscal year.

[1] Related Party Name	[2] Name of Relation to the Related Party	[3] Relationship	[4] Type of Transaction	[5] Description of Terms and Conditions	[6] Source of Funds Used	[7] Payment Frequency	[8] Total Paid During FY	[9] Principal Balance Due
N/A								

Schedule of Related Party Compensation and Benefits

Instructions:

- [1] Related Party Name - enter the related party's name such as a Board member's spouse's name.
- [2] Name of Relation of the Related Party - enter the individual's name within the organization to whom the related party is associated.
- [3] Relationship - enter the relationship between the organization member and the related party such as "Board member's spouse."
- [4] Compensation or Benefit - select from the drop-down box whether the transaction was Compensation or Benefit.
- [5] Payment Frequency - select from the drop-down box whether the transaction was paid Weekly, Monthly, Quarterly, Yearly, or One Time.
- [6] Description - enter a description of the compensation or benefit such as "Life Insurance."
- [7] Source of Funds Used - select from the drop-down box whether the transaction was paid with Local, State, or Federal funds.
- [8] Total Paid During FY - enter the total amount paid on-behalf of or to the related party during the fiscal year.

Related Party Name	Name of Relation of the Related Party	Relationship	Compensation or Benefit	Payment Frequency	Description	Source of Funds Used	Total Paid During FY
Shannon Lopic	Terry Lopic	Spouse	Compensation	Monthly	Employee - Spec State	\$	36,000