



LAMARCISD

A PROUD TRADITION | A BRIGHT FUTURE

Comprehensive Annual

Financial Report - For the Year Ended August 31, 2018



Lamar Consolidated Independent School District

Rosenberg, Texas 77471

www.lcisd.org



**LAMAR CONSOLIDATED
INDEPENDENT
SCHOOL DISTRICT**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended August 31, 2018

**Thomas E. Randle, Ed. D.
Superintendent of Schools**

**Prepared by
Department of Business and Finance**

**Jill R. Ludwig, CPA, RTSBA
Chief Financial Officer**

**Michele Reynolds, CPA
Director of Finance**

3911 Avenue I
Rosenberg, Texas 77471

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
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LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
PRINCIPAL OFFICIALS AND ADVISORS

Board of Trustees

James Steenbergen, President

Kay Danziger, Vice President

Kathryn Kaminski, Secretary

Joe Hubenak

Dr. Tyson Harrell

Melisa Roberts

Mandi Bronsell

Administration

Thomas E. Randle, Ed.D., Superintendent

Jill R. Ludwig, CPA, RTSBA, Chief Financial Officer

Michele Reynolds, CPA, Director of Finance

Kathleen Bowen, Ed.D., Chief Human Resources Officer

Leslie Haack, Deputy Superintendent of Support Services

Valerie Vogt, Chief Academic Officer

Mike Rockwood, Chief of Staff

Consultants and Advisors

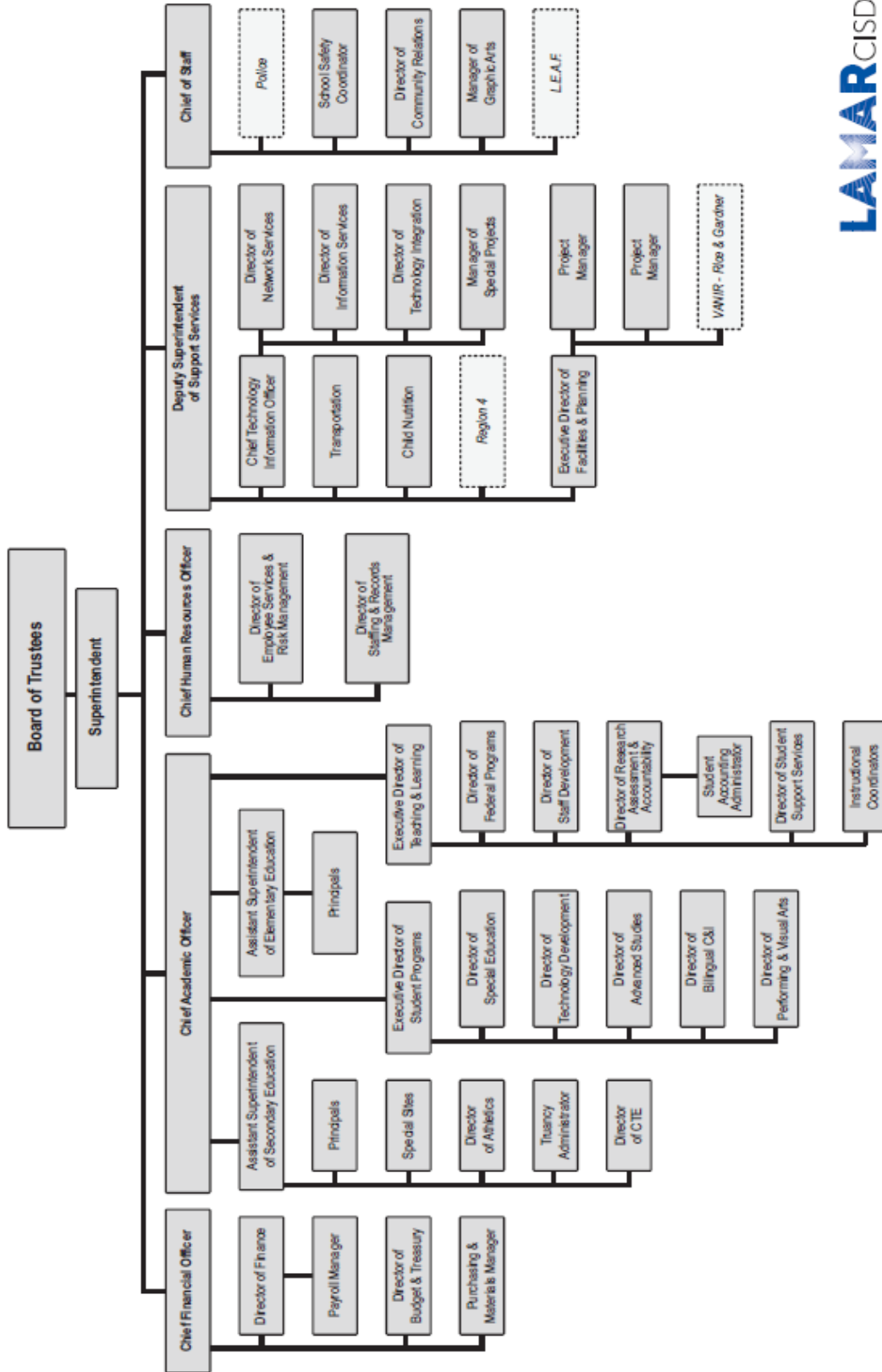
Post Oak Advisors
Houston, Texas - Financial Advisors

Bracewell & Giuliani
Houston, Texas - Bond Counsel

Rogers, Morris, & Grover LLP
Houston, Texas - General Counsel

Whitley Penn, LLP
Houston, Texas - Auditors

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Administrative Organization Chart





3911 Avenue I
Rosenberg, Texas 77471

January 17, 2019

To the Board of Trustees and Patrons of the
Lamar Consolidated Independent School District

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 in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Lamar Consolidated Independent School District (the "District," "Lamar CISD") for the fiscal year ended August 31, 2018.

The Comprehensive Annual Financial Report consists of three sections. The Introductory Section includes the transmittal letter, which highlights significant aspects of financial operations during the year and the District's organizational chart. The Financial Section includes the independent auditors' report, basic financial statements and related notes, and supplemental financial data. The Statistical Section includes unaudited data tables, which summarize the financial and statistical history of the District as well as demographic and other interesting and useful information.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Whitley Penn, LLP Certified Public Accountants, have issued an unmodified (or "clean") opinion on the District's financial statements for the year ended August 31, 2018. The independent auditors' report is located at the front of the financial section of this report. Whitley Penn has also issued an unmodified (or "clean") opinion on the District's Single Audit report, a report designed to meet the needs of federal grantor agencies.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Lamar CISD, is a district deeply rooted in a proud tradition. Created in 1947 by the consolidation of three independent and nine common school districts, Lamar CISD is named in honor of Mirabeau B. Lamar, the “Father of Education in Texas.” Lamar CISD remains a high-growth destination district, projected to gain between 18,000 and 26,000 students. Under the moderate-growth scenario, district demographers project a total enrollment of approximately 55,000 by 2027. The District offers superior learning opportunities, combining highly qualified teachers, progressive educational theory and practice, and a state-of-the-art technology plan with the unmistakable advantage of small schools and a hometown atmosphere.

A board of seven trustees governs the Lamar CISD. The Board members are elected from single-member districts, serve staggered four-year terms, and elect their own officers, including a President, Vice President and Secretary. The school district, located 35 miles southwest of downtown Houston, Texas in Fort Bend County, encompasses the communities of Richmond, Rosenberg, Kendleton, Crabb, Pleak, Beasley, Fulshear, Simonton, and a portion of Sugar Land, for a total of 385 square miles and an estimated population of approximately 169,540. The District is not included in any other governmental “reporting entity” since the Board is elected by the public and has decision making authority. There are no component units included in the reporting entity.

The District’s commitment to excellence and to its graduates is reflected in its mission statement:

To educate all students by ensuring access to a superior education through inspired leadership among parents, teachers, administrators, and staff, allowing students to achieve their full potential to participate in future social, economic, and educational opportunities in their community.

Lamar CISD offers a comprehensive instructional public education program from pre-kindergarten through grade 12 for over 33,500 students. The District operates five high schools (grades 9-12), four junior highs (grades 7-8), one junior high school (grades 6-8 which will expand to an additional middle school), four middle schools (grade 6 only) and twenty-five elementary schools (grades Pre-K -5), one Early Childhood Center and four special campuses. The special sites include the Fort Bend County Alternative School, the Alternative Learning Center, the Juvenile Detention Center, and the Community Center, all of which are designed for those students who find it difficult to learn in a conventional classroom setting. The District’s school buildings range in age from 70 years (Jackson Elementary and Lamar Consolidated High School opened in 1947), to the newest additions being completed in the summer of 2018, (Don Carter Elementary School).

Local Economy

The District is semi-rural in nature with increased emphasis on residential and commercial development. The District includes many new and proposed residential subdivisions, including several master-planned communities consisting of country club facilities, golf courses, and lakefront home sites.

The combined Cities of Richmond and Rosenberg (the "Cities") are the primary centers for commercial activity in the District. Richmond, with a population of approximately 12,484, is the county seat of Fort Bend County. Rosenberg, the larger of the Cities, has a population of approximately 38,638.

Due to the significant growth expected within the next ten years, the District is working closely with a demographic research team to effectively manage the influx of additional students into the system. The demographer has interviewed and continues to acquire updated information from every major rural landowner (20 acres or more – where development is expected), as well as developers, real estate experts, and city/county planners and engineers so that an understanding is gained of the local configuration of growth, as well as the district-wide projection of student growth. Data is gathered about housing projections by subdivision and the ratios of students per housing unit, which is used to estimate the impacts of expected future housing on the total student population. Concurrently, nationwide, state, and local economic trends are being studied to estimate the impacts, specifically of employment trends, on the population growth of

Lamar CISD. Data suggests that the local area will continue to gain employees for many years to come, but there will be significant shifts in the types of employment, with the largest increase being in the service sector, followed closely by the construction and transportation sectors. Agriculture-related employment is expected to decline in the area.

Long-term Planning Activities

Lamar CISD is located in Fort Bend County, one of the fastest growing areas in the nation. The District itself is growing rapidly, with the student population growing at an average rate of 4% to 5% per year over the next ten years. Effectively managing this growth means that the District must proactively plan, and be diligent in its analysis of emerging trends and in the economic development of the area. The fast growth and the resulting changes will have a profound impact on the size and make-up of student populations and their needs, as well as on the quantity and types of facilities.

To assist in this analysis, the District employed the services of a demographic research firm in 2003. Their reports, based on time-intensive research into student growth, employment trends, and the impact of local, state, and national economic environment, have developed district-wide student enrollment projections for the next ten years. Enrollment is projected to reach nearly 55,000 students by 2027.

Student enrollment and attendance play a significant role in both projecting District revenues due to the impact on state funding, and in anticipating future expenditures for teachers and support personnel, supplies and materials, and facilities renovation and construction. Projections made by the demographer will enable the District's business and operations departments to plan more effectively and provide more accurate multi-year projections and financial analyses.

Relevant Financial Policies

Factors affecting financial control

Management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, misuse or theft, and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide a reasonable assurance rather than absolute assurance that the financial statements will be free from material misstatement.

Budgetary Control

The annual budget serves as the foundation for the District's financial planning and control. Texas State law requires the Board president to call a Board meeting for the purpose of discussing and adopting the budget and the tax rate. A notice of this meeting must be published at least 10 days but not more than 30 days before the public meeting. The budget must be adopted prior to August 31.

The District maintains budgetary controls throughout all of its financial systems. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the official budget adopted by the Board. The Board adopts an official budget for the General Fund, Debt Service Fund and the Child Nutrition Fund. In accordance with procedures prescribed by the State Board of Education, budget amendments that affect the total amount in a fund or functional spending category must be approved by the Board prior to expenditure of funds. The functional level is specified by Board policy as the legal level of budgetary control. Budgetary control is maintained at the organizational level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors.

Awards

Schools FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas school districts was developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The primary goal of Schools FIRST is to achieve quality performance in the management of school district's financial resources. The Schools FIRST accountability rating system assigns one of four financial accountability ratings to Texas school districts, with the highest being "Superior Achievement," followed by "Above-Standard Achievement," "Meets Standard Achievement," and "Substandard Achievement." Lamar CISD received a rating of "Superior Achievement" based on the fifteen indicators established by the Texas Education Agency.

During 2017-18, the Association of School of Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Lamar Consolidated Independent School District for its Comprehensive Annual Financial Report for the fiscal year ended August 31, 2017.

The Certificate of Excellence in Financial Reporting Program was designed by ASBO International to enable school business officials to achieve a high standard of financial reporting. The award, the highest recognition for school district financial operations offered by ASBO, is only conferred to school systems that have met or exceeded the standards of the program.

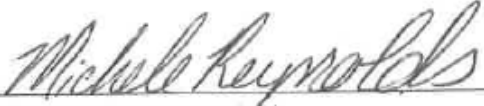
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the high standards of the certificate of excellence program, and we are submitting it to ASBO.

Acknowledgments

We appreciate the support of the Board of Trustees, the citizens of the District, and the business community, all who work cooperatively to ensure the best education for the students and the progressive development of the District. Also, we want to express our sincere gratitude to all personnel in the various departments in the District who provide information, data, or services in the compilation of this report. Finally, we would like to express an appreciation to all employees of the District for their interest and support in planning and conducting the financial affairs of the District in a responsible and conscientious manner. The cooperation of all these groups is indicative of the strong support and commitment to the attainment of excellence in the District's educational programs.



Jill Ludwig, CPA, RTSBA
Chief Financial Officer



Michele Reynolds, CPA
Director of Finance



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Lamar Consolidated Independent School District

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended August 31, 2017.

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.'.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink, reading 'John D. Musso'.

John D. Musso, CAE
Executive Director

CERTIFICATE OF BOARD

Lamar Consolidated Independent School District

Fort Bend

079-901

Name of School District

County

Co. - Dist. No.

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, 2018, at a meeting of the board of trustees of such school district on the 17th day of January 2019.



President of the Board



Secretary of the Board

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Lamar Consolidated Independent School District
Rosenberg, Texas 77471

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lamar Consolidated Independent School District, as of and for the year ended August 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

To the Board of Trustees
Lamar Consolidated Independent School District

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of August 31, 2018, 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.

Emphasis of Matter

As discussed in Note 1, Note 14 and Note 17 to the financial statements, the District adopted the provisions of Government Accounting Standards Board (“GASB”) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB), as of August 31, 2018. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 7-17 and budgetary comparison, pension and OPEB information on pages 74-81 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

To the Board of Trustees
Lamar Consolidated Independent School District

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2019 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* is considering the District's internal control over financial reporting and compliance.

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

Houston, Texas
January 17, 2019

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Lamar Consolidated Independent School District (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 fiscal year ended August 31, 2018.

Financial Highlights

- The liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at the close of the fiscal year by \$134.8 million (net deficit). This deficit is caused by the implementation of Governmental Accounting Standards Board Statements No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pension ("GASB No. 75") and reflects the District's proportionate share of the post-employment benefit liability in the financials. The change does not affect the financial stability of the District nor does it change how the District conducts its financial decision-making. Rather, the District is reflecting its portion of the liability that the State of Texas manages and operates on-behalf of all school districts in Texas. The District's total net position increased by \$23.9 million, excluding the prior period adjustment for GASB No. 75, which decreased the net position by \$160.5 million.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$504.2 million, an increase of \$235.6 million in comparison with the prior year. The increase in governmental fund balances was primarily due to issuance of construction bonds in the capital projects fund in the amount of \$289.3 million. The general fund balance decreased by \$5.4 million, primarily due to increased operating cost.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$60.9 million, or 22 percent of total general fund expenditures.
- The District's total bonded debt increased by \$290.8 million during the current fiscal year. This was primarily due to the sale of construction bonds during the year.

Overview of the Financial Statements

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

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, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the four 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 showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused sick leave).

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The government-wide financial statements of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include Instruction, Instructional Resources and Media Services, Curriculum and Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Co-curricular/Extracurricular Activities, General Administration, Facilities Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Principal on Long-term Debt, Interest on Long-term Debt, Bond Issuance Costs and Fees, Facilities Acquisition and Construction and Payments related to Shared Services Arrangements.

The government-wide financial statements can be found on pages 21 through 23 of this report.

Fund Financial Statements are a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. 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 District'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 District'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*.

The District maintains 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and the capital projects fund, 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 non-major governmental funds is provided in the form of combining statements elsewhere in the financial statements. The District adopts an annual appropriated budget for its general fund, debt service fund, and National School Breakfast and Lunch Program special revenue fund.

The basic governmental fund financial statements can be found on pages 24 through 31 of this report.

Proprietary Fund - The District maintains two internal service funds, one type of proprietary fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various funds and functions. The District uses internal service funds to account for its self-funded health insurance and workers' compensation insurance programs. Because their service predominantly benefits governmental functions, it has been included within *governmental activities* in the government-wide financial statements.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The internal service fund financial statements provide separate information for the Health Insurance Fund and the Workers' Compensation Fund.

The basic proprietary fund financial statements can be found on pages 32 through 34 of this report.

Fiduciary Funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the government-wide financial statement 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.

The basic fiduciary fund financial statement can be found on pages 35 through 36 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37 through 72 of this report.

Required Supplementary Information In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The required supplementary information relates to comparison of the original adopted budget, the final amended budget, and the actual amounts for the fiscal year. The Schedule of the District's Proportionate Share of the Net Pension Liability and the Schedule of District Contributions are also required supplementary information. This is required supplementary information for the general fund and any major special revenue funds. The District did not have any major special revenue funds; therefore, only the general fund is presented as required supplementary information. The required supplementary information can be found on pages 74 through 81 of this report.

Other Information The combining and individual fund statements and schedules and required TEA schedules are presented immediately following the required supplementary information and can be found on pages 88 through 105 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$134.8 million at the close of the most recent fiscal year.

The District's investment in capital assets (e.g., land, buildings and improvements, furniture and equipment, construction in progress), less any outstanding related debt used to acquire those assets decreased by \$4.5 million. 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.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

A summary of net position at August 31, 2018, (in 000's) follows:

	Governmental Activities	
	2018	2017
Current and other assets	\$ 540,261	\$ 299,882
Capital assets	680,707	628,061
Total Assets	1,220,968	927,943
Total Deferred Outflows of Resources	37,179	38,156
Current liabilities	34,079	26,867
Long term liabilities	1,304,191	927,655
Total Liabilities	1,338,270	954,522
Total Deferred Inflows of Resources	54,665	9,764
Net Position:		
Invested in capital assets net of related debt	6,170	10,693
Restricted	28,103	13,158
Unrestricted	(169,061)	(22,038)
Total Net Position	\$ (134,788)	\$ 1,813

Of total net position, \$28.1 million is restricted for state and federal programs, debt service, and local grants. At the end of the current fiscal year, the District is able to report positive balances in two categories of net position. The District's net position decreased by \$136.6 million during the current fiscal year, primarily due to implementation of GASB No. 75 (OPEB) and its Net Pension Liability both relating to the Teachers Retirement System of Texas (TRS). A discussion regarding a required prior period adjustment may be found in Note 17 of this report. Pursuant to GASB No. 75, the District is required to report an increase in OPEB liability of \$161.5 million. This resulted in the District's unrestricted net position at August 31, 2018 being a negative \$169.1 million.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

	Governmental Activities	
	2018	2017
Program Revenues		
Charges for services	\$ 9,122	\$ 8,306
Operating grants	(12,235)	35,823
General Revenues		
Property taxes	210,302	198,959
State aid	88,468	87,543
Interest earnings	4,838	2,101
Other	4,098	947
Total Revenues	304,593	333,679
Expenses		
Instruction	147,536	197,452
Instructional resources and media services	1,657	2,008
Curriculum and staff development	2,783	3,210
Instructional leadership	1,679	2,173
School leadership	11,026	16,040
Guidance, counseling, and evaluation services	6,278	9,170
Social work services	515	464
Health services	2,330	3,214
Student transportation	11,431	13,699
Food service	12,551	13,866
Extracurricular activities	10,292	11,512
General administration	5,244	6,259
Facilities, maintenance and operations	26,295	28,377
Security and monitoring services	2,738	2,788
Data processing services	5,551	8,231
Community services	529	637
Interest on long-term debt	30,934	27,279
Facilities acquisition and construction	7	-
Other intergovernmental charges	1,363	1,222
Total Expenses	280,739	347,601
Increase (Decrease) in Net Position	23,853	(13,924)
Beginning Net Position	1,813	15,737
Prior Period Adjustment - GASB 75	(160,454)	
Ending Net Position	\$ (134,788)	\$ 1,813

Implementation of GASB No. 75 was effective at the beginning of the 2018 fiscal year. Charges for revenues and expenses prior to the implementation have not been calculated and are not available for comparison.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Governmental Activities The District's net position decreased by \$136.6 million. Key elements of this are as follows:

Revenues are generated primarily from three sources. Grants and contributions totaling a negative \$12.2 million. This decrease is caused by the reduction in operating grants and contribution revenue by \$49.0 million mainly due to the GASB No. 75 entries. The OPEB entries were related to the overall reduction in the OPEB liability for the year, which resulted in negative on-behalf adjustments.

Governmental Revenues by Type	FY 2017	FY 2018		FY 2018 excluding Negative On-behalf Activities	Variance**
		including Negative On-behalf Activities*	Negative On-behalf Activities		
Program Revenues:					
Charges for services	\$ 8,306	\$ 9,122	\$ -	\$ 9,122	\$ 816
Operating grants and contributions	35,823	(12,235)	(48,965)	36,730	907
General Revenues:					
Property taxes	198,959	210,302	-	210,302	11,343
State and other grants	87,543	88,468	-	88,468	925
Other	3,048	8,936	-	8,936	5,888
Total Revenues	\$ 333,679	\$ 304,593	\$ (48,965)	\$ 353,558	\$ 19,879

*as presented in Exhibit B-1

** variance represents the difference between FY 2017 and FY 2018 revenues excluding Negative On-behalf Activities

Expenses for the District's governmental activities decreased year over year overall \$66.9 million for the fiscal year ended August 31, 2018. The decrease is caused mainly due to the GASB 75 OPEB entries.

Governmental Expenses by Type	FY 2017	FY 2018		FY 2018 excluding Negative On-behalf Activities	Variance**
		including Negative On-behalf Activities*	Negative On-behalf Activities		
Instruction and Instruction Related Services	\$ 202,670	\$ 151,976	(35,485)	\$ 187,461	\$ (15,209)
Instructional and School Leadership	18,213	12,705	(3,922)	16,627	(1,586)
Support Services Student (Pupil)	51,925	43,397	(5,171)	48,568	(3,357)
Administrative Support Services	6,259	5,244	(940)	6,184	(75)
Support Services Nonstudent Based	39,396	34,584	(3,349)	37,933	(1,463)
Ancillary Services	637	529	(98)	627	(10)
Interest and Fiscal Charges	27,279	30,934	-	30,934	3,655
Other Facility Costs	-	7	-	7	7
Intergovernmental Charges	1,222	1,363	-	1,363	141
Total Expenses	\$ 347,601	\$ 280,739	\$ (48,965)	\$ 329,704	\$ (17,897)

* as presented in Exhibit B-1

** variance represents the difference between FY 2017 and FY 2018 expenses excluding Negative On-behalf Activities

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

State aid totaled \$88.5 million (29%) and property taxes totaled \$210.3 million represent 69 percent of total revenues. The remaining is generated from charges for services, investment earnings, and miscellaneous revenues.

The primary functional expense of the District is instruction (functional categories 11, 12 and 13), (totaling \$152.0 million) and represents 54 percent of total expenses on a government-wide basis, while interest on long-term debt is \$30.9 million and represents 11 percent of total expenses. Plant maintenance and operations \$26.3 million represents 9 percent of total expenses. The District's net pension expense is \$12.3 million.

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

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 a District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$504.2 million an increase of \$235.6 million in comparison with the prior year. The increase is primarily due to issuance of new bonds for construction of new facilities and projects.

The general fund is the chief operating fund of the District. During the current fiscal year, the unassigned fund balance of the general fund decreased to \$60.9 million, while total fund balance culminated at \$72.9 million. The decline in unassigned balance can be attributed to two main factors. These include the current year's deficit from operations of \$5.4 million, and an increase in fund balance commitments, each of which to be discussed below. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 22 percent of total general fund expenditures, and total fund balance represents 26 percent of that same amount. The unassigned fund balance of \$60.9 million falls well within the District's fund balance policy, which suggests that the amount fall within the range of 12.5 to 25 percent of expenditures.

The fund balance of the District's general fund decreased by \$5.4 million during the current fiscal year primarily due to the impact of Hurricane Harvey and the carryforward of prior-year obligations and budgetary set-asides, as well as periodic amendments to the original budget to accommodate for rapid student growth, an organizational chart restructure, and health plan overages.

Making landfall in late August 2017, Hurricane Harvey has reserved a place in history as one of the most devastating storms to make landfall in the Texas Gulf Coast. Although the District did not sustain the level of damage that nearby areas did, there was a significant price tag associated with the storm. The damage to properties within District boundaries occurred mainly due to the over 50 inches of rain that fell and sustained winds reaching 130 mph. Upon landfall on Aug. 25, the Board of Trustees closed schools for nine days. Administration applied to the State for a waiver due to the significant impact this would have on state funding. Although this loss was averted, there was still a tremendous loss of instructional time and employee productivity as the hurricane came at the time where one fiscal year was ending and a new one was beginning. As is the norm of Lamar CISD, all employees received their normal pay for the nine-day closure, and those hourly employees that were called into work were paid overtime as required by board policy. The cost of this time amounted to an estimated \$433,000. In addition, the District operated shelters,

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

shuttled displaced families, and monitored buildings and properties for security purposes throughout the event. The cost of these services amounted to about \$131,000. Finally, because of the devastating impact of this storm upon our residents, taxpayers and families, the Board of Trustees called for the reappraisal of properties within District boundaries. Due to the property reappraisal process, about \$40.106 million in additional exemptions were granted (property values were lost) over roughly 1,500 accounts. As a result, the District sustained losses in tax revenue of roughly \$420,000 within the General Fund.

The carryforward of prior-year obligations and budgetary set-asides totaling approximately \$3.042 million also contributed to the deficit, as did the addition of necessary personnel units to accommodate increased student enrollment. Additional personnel units totaling roughly \$2 million were added, including more than twenty teachers, paraprofessionals and other professionals were added in the elementary and secondary grades. Eleven units, mainly teachers and aides, were added to serve the District's growing Special Education population. Finally, staffing units were added to accomplish the reorganization plan called for by the operational audit commissioned by the Board of Trustees last year. In addition, a few major capital repair and improvement projects were funded during the year. First, a capital improvement was made in the area of Athletics. General Fund reserves include monies received as part of an exclusive vending contract entered into by the District several years ago. The funds are earmarked for projects that are of benefit Districtwide. A portion of this money (\$200,000) was used to replace the electronic message and scoreboard at Traylor Stadium. Next, to manage the rapid influx of students into the District, eight temporary buildings were moved to different locations within the District, and one additional building was constructed. All of these buildings required the construction of ramps, canopies and other equipment to place them into service for students. An amendment of \$355,000 was required for this project. Other capital projects included a major repair to the sanitary lines at Terry High School at a cost of roughly \$150,000. Finally, a transfer from the General Fund of approximately \$2.55 million was necessary to partially fund large claims and expenses of the District's self-funded health plan for 2017-18.

Fund balance commitments increased by \$2.7 million, also impacting unassigned fund balance. These funds will be transferred to the District's Debt Service Fund during the 2018-19 fiscal year to accomplish a tax rate reduction plan. For the 2018-19 year, due to Hurricane Harvey and the disaster declaration by the governor, Lamar CISD was able to utilize the provisions of the Texas Property Tax Code to generate additional funding for the District. For one year, the District increased its M&O tax rate by two cents to lessen the burden of recovering from the storm's impact. The rate increase generates not only tax revenue but Tier II equalization funding of almost \$6 million for the general fund. In order to maintain a level tax rate, the decision was made to reduce the I&S rate by an offsetting two cents. Since the District has maintained a healthy fund balance, an amount equal to the two cents (estimated at \$3.130 million) is earmarked for transfer to the I&S fund to make it whole for the 2018-19 fiscal year. Although the earmark decreases the current-year Unassigned Fund Balance, the impact will offset through tax revenues after the 2018-19 fiscal year.

The debt service fund has a total fund balance of \$25.0 million, which is restricted for the payment of debt service. The net increase in the debt service fund balance during the current year was a result premiums received from the issuance of bonds.

The capital projects fund has a total fund balance of \$401.0 million, all of which is restricted for authorized construction and technology projects/enhancements. The increase in fund balance during the current year of \$225.4 million is the result of issuance of bonds for construction of new facilities. A new elementary school opened in 2017, and another one opened in the fall of 2018. This trend will continue for the foreseeable future.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

General Fund Budgetary Highlights

Operating results for the 2017-18 fiscal year reflect a decrease of \$5.4 million to the total fund balance. Expenditures of \$275.2 million exceeded revenues of \$269.8 million. As discussed earlier, the decrease to total fund balance relates mainly to increased expenditures relating to the combined \$3.042 million being carried forward from 2016-17 for liquidation in 2017-2018, and unforeseeable health plan expenditures.

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

The revenue budget was amended to record donations received by the District from outside parties of \$3.15 million. Other revenues recorded by the District exceeded budget by approximately \$3.2 million due to the property tax collection rate exceeding that used for budgeting, increased investment earnings, and increased receipts from the School Health and Related Services (SHARS) program.

Significant amendments to the expenditure side of the budget were made during the year, totaling \$25.402 million:

Current year donations to the District (rounded)	\$3,150,041
Increases to state and local grant funds	\$125,000
Expenditures relating to Hurricane Harvey	\$774,138
Portable buildings (construction, moving, and equipping expenses)	\$355,000
Band trailers to maintain equity in fine arts program	\$340,000
Carryforward to 2017-2018 of 2016-2017 encumbrances and other carryforward items, such as prior year donations and funding for starting up new classrooms for growth	\$3,827,501
Year-end amendments for anticipated effect of accruals and other closing entries (for compliance purposes only)	\$16,630,000
Purchase of replacement scoreboard	\$200,000

Another large portion of the \$25.402 million (\$16.630 million or 65%) relates to an annual amendment made to ensure that no functional categories are exceeded when closing entries are posted.

Strict attention to efficiency, effective procurement practices, and concentrated efforts made by budget managers to assess their absolute needs and acquire goods and services wisely, produced savings that could be redirected toward many worthwhile initiatives. Students were enabled to participate and advance in various academic and athletic competitions, earning both recognition and scholarships. In addition, many projects were possible that significantly impacted the 2018-19 year. These projects include the purchase of classroom software, orchestra and other band instruments, equipment to support district security, and most importantly, a significant infusion of resources for curriculum and staff development. These resources are expected to produce tremendous student success. Finally, the General Fund absorbed the current year's rise in the cost of health insurance benefits for District employees due to increased health insurance contributions with an additional \$2.55 million transfer to the District's self-funded insurance fund plan. A strong commitment to expending funds in ways that directly impact instruction is obvious in that roughly 72 percent was spent in the categories of instruction and instructional leadership.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Capital Assets and Long-term Debt

Capital Assets

The District's investment in capital assets for its governmental type activities as of August 31, 2018, amounts to \$680.7 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment and construction in progress. The total increase in the District's investment in capital assets for the current fiscal year was \$52.6 million.

A summary of changes in capital assets is presented below (in 000's):

	Balance at August 31, 2017	Additions	Retirements and Transfers	Balance at August 31, 2018
Land	\$ 34,081	\$ 3,390	\$ -	\$ 37,471
Buildings and improvements	797,444	11,180	47,361	855,985
Furniture and equipment	55,942	3,479	(4,063)	55,358
Construction in progress	7,589	58,899	(47,380)	19,108
	<u>895,056</u>	<u>76,948</u>	<u>(4,082)</u>	<u>967,922</u>
Less accumulated depreciation for:				
Buildings and improvements	(230,248)	(20,341)	19	(250,570)
Furniture and Equipment	(36,747)	(3,961)	4,063	(36,645)
	<u>(266,995)</u>	<u>(24,302)</u>	<u>4,082</u>	<u>(287,215)</u>
Governmental Capital Assets	<u>\$ 628,061</u>	<u>\$ 52,646</u>	<u>\$ -</u>	<u>\$ 680,707</u>

Additional information on the District's capital assets can be found in Note 8 of the Notes to Financial Statements.

Long-term Debt

At the end of the current fiscal year, the District had \$1.158 billion in bonded debt outstanding, an increase of \$290.8 million from the previous year. The District's bonds are sold with an "AAA" rating and are guaranteed through the Texas Permanent School Fund Guarantee Program or by a municipal bond insurance policy. The underlying rating of the bonds from Standard and Poor's is "AA" and from Moody's Investors Service is "Aa2" for general obligation debt.

Changes to long-term debt (in 000's) for the year ended August 31, 2018, are as follows:

	Balance at August 31, 2017	Additions	Retirements	Balance at August 31, 2018
General obligation bonds	\$ 791,650	\$ 289,260	\$ (18,640)	\$ 1,062,270
Plus amounts for issuance premiums	75,760	24,633	(4,496)	95,897
Accrued compensated absences	1,310	226	(446)	1,090
	<u>\$ 868,720</u>	<u>\$ 314,119</u>	<u>\$ (23,582)</u>	<u>\$ 1,159,257</u>

Additional information on the District's long-term liabilities can be found in Note 9 of the Notes to Financial Statements.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Economic Factors and Next Year's Budgets and Tax Rates

The District is currently operating under its 2018-19 budget adopted and passed by the Board of Trustees in accordance with state guidelines. Tax rates for the 2018-19 fiscal year are \$1.06 for maintenance and operations and \$0.33 for debt service. It is the eighth consecutive year with no tax rate increase.

The District's intent is to utilize all resources responsibly and limit any increase to taxpayers.

The following schedule outlines a comparison of the 2017-18 final amended budget and 2018-19 original budget for both estimated revenues and expenditures (in 000's):

	2017-18 Budget	2018-19 Budget	Change
Revenues			
Local	\$ 163,851	\$ 171,803	\$ 7,952
State	99,718	107,035	7,317
Federal	3,065	4,925	1,860
Total Revenues	266,634	283,763	17,129
Expenditures			
Instruction	177,891	\$ 179,507	\$ 1,616
Instructional resources and media services	1,886	1,682	(204)
Curriculum and staff development	3,335	3,488	153
Instructional leadership	2,247	2,349	102
School leadership	16,846	15,638	(1,208)
Guidance, counseling, and evaluation services	8,645	8,784	139
Social work services	594	529	(65)
Health services	3,326	3,195	(131)
Student transportation	12,837	11,510	(1,327)
Food service	154	47	(107)
Extracurricular activities	8,606	8,350	(256)
General administration	6,635	6,804	169
Facilities, maintenance and operations	31,187	30,441	(746)
Security and monitoring services	2,973	3,399	426
Data processing services	5,666	5,308	(358)
Community services	504	355	(149)
Facilities acquisition and construction	3,777	-	(3,777)
Other intergovernmental charges	1,487	1,645	158
Total Expenditures	288,596	283,031	(5,565)
Reduction in Fund Balance	\$ (21,962)	\$ 732	\$ 22,694

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, Lamar Consolidated Independent School District, 3911 Avenue I, Rosenberg, Texas, 77471.

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BASIC FINANCIAL STATEMENTS

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LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Exhibit A-1

STATEMENT OF NET POSITION

August 31, 2018

<u>Data Control Codes</u>	<u>Governmental Activities</u>
Assets	
1110 Cash and temporary investments	\$ 526,695,740
1225 Property taxes receivables, net	5,453,691
1240 Due from other governments	5,048,889
1290 Other receivables, net	1,440,730
1300 Inventories	511,592
1410 Prepaid items	1,110,154
Capital assets not subject to depreciation:	
1510 Land	37,471,245
1580 Construction in progress	19,107,787
Capital assets net of depreciation:	
1520 Buildings and improvements, net	605,414,813
1530 Furniture and equipment, net	18,713,236
1000 Total Assets	<u>1,220,967,877</u>
Deferred Outflows of Resources	
1700 Deferred loss on refunding	2,631,226
1705 Deferred outflows - pension	32,948,483
1710 Deferred outflows - OPEB	1,599,457
Total Deferred Outflows of Resources	<u>37,179,166</u>
Liabilities	
2110 Accounts payable	15,805,178
2140 Interest payable	2,030,229
2160 Accrued wages payable	11,530,860
2180 Due to other governments	1,452,813
2200 Accrued expenses	2,871,562
2300 Unearned revenue	387,988
Noncurrent Liabilities:	
2501 Due within one year	23,626,262
2502 Due in more than one year	1,135,631,121
2540 Net pension liability	53,428,779
2545 Net OPEB liability	91,505,108
2000 Total Liabilities	<u>1,338,269,900</u>
Deferred Inflows of Resources	
2600 Deferred inflows - pension	16,388,269
2610 Deferred inflows - OPEB	38,276,760
Total Deferred Inflows of Resources	<u>54,665,029</u>
Net Position	
3200 Net investment in capital assets	6,169,749
Restricted for:	
3820 Food service	3,827,102
3840 Federal and state programs	15,281
3850 Debt service	24,260,815
3900 Unrestricted	(169,060,833)
3000 Total Net Position	<u>\$ (134,787,886)</u>

See Notes to the Financial Statements

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended August 31, 2018

Data Control Codes	Functions/Programs	Expenses	Program Revenue	
			Charges for Services	Operating Grants and Contributions
Governmental activities:				
11	Instruction	\$ 147,535,706	\$ 378,040	\$ (19,470,546)
12	Instructional resources and media services	1,657,102	-	(240,856)
13	Curriculum and staff development	2,783,283	-	172,491
21	Instructional leadership	1,678,588	-	13,529
23	School leadership	11,026,476	-	(2,968,309)
31	Guidance, counseling, and evaluation services	6,278,133	-	(24,594)
32	Social work services	515,464	-	(7,839)
33	Health services	2,329,669	-	4,421,583
34	Student transportation	11,430,817	-	(1,600,191)
35	Food service	12,551,028	4,498,461	9,234,927
36	Extracurricular activities	10,292,126	3,759,584	(354,817)
41	General administration	5,244,280	21,345	(494,097)
51	Facilities, maintenance and operations	26,294,691	464,151	(482,050)
52	Security and monitoring services	2,738,165	-	(170,258)
53	Data processing services	5,551,232	-	(399,182)
61	Community services	529,215	-	135,442
72	Interest on long-term debt	30,933,758	-	-
81	Facilities acquisition and construction	7,277	-	-
99	Other intergovernmental charges	1,362,923	-	-
TG	Total Governmental Activities	\$ 280,739,933	\$ 9,121,581	\$ (12,234,767)

**Data
Control
Codes**

General revenues:

Taxes:

- MT** Property taxes, levied for general purposes
- DT** Property taxes, levied for debt service
- SF** State-aid formula grants
- IE** Investment earnings
- MI** Miscellaneous
- TR** Total general revenues
- CN** Change in net position
- NB** **Net position - beginning**
- PA** Prior period adjustments
- NE** **Net position - ending**

See Notes to the Financial Statements

Exhibit B-1

**Net (Expense)
Revenue and Changes
in Net Position**

Primary Government

**Governmental
Activities**

\$	(166,628,212)
	(1,897,958)
	(2,610,792)
	(1,665,059)
	(13,994,785)
	(6,302,727)
	(523,303)
	2,091,914
	(13,031,008)
	1,182,360
	(6,887,359)
	(5,717,032)
	(26,312,590)
	(2,908,423)
	(5,950,414)
	(393,773)
	(30,933,758)
	(7,277)
	(1,362,923)
	<u>(283,853,119)</u>

	157,083,229
	53,218,310
	88,467,948
	4,838,162
	4,097,863
	<u>307,705,512</u>
	23,852,393
	1,813,376
	(160,453,655)
\$	<u><u>(134,787,886)</u></u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

August 31, 2018

Data Control Codes	General Fund	Debt Service Fund	Capital Projects Fund
Assets			
1110 Cash and temporary investments	\$ 83,704,528	\$ 25,010,202	\$ 411,106,053
Receivables:			
1220 Property taxes - delinquent	6,015,138	1,775,847	-
1230 Allowance for uncollectible taxes (credit)	(1,804,542)	(532,752)	-
1240 Receivables from other governments	1,324,876	70,247	-
1260 Due from other funds	2,519,651	-	-
1290 Other receivables	1,103,586	-	-
1300 Inventories, at cost	243,297	-	-
1410 Prepaid items	1,110,154	-	-
1000 Total Assets	\$ 94,216,688	\$ 26,323,544	\$ 411,106,053
Liabilities, Deferred Inflows, and Fund Balance			
Liabilities:			
2110 Accounts payable	\$ 4,099,880	\$ 32,500	\$ 10,083,592
2160 Accrued wages payable	10,982,676	-	2,883
2170 Due to other funds	41,990	-	199
2180 Payable to other governments	1,438,927	-	-
2200 Accrued expenditures	498,867	-	-
2300 Unearned revenues	56,457	-	-
2000 Total Liabilities	17,118,797	32,500	10,086,674
Deferred Inflows of Resources			
2600 Unavailable revenue - property taxes	4,210,596	1,243,093	-
Total Deferred Inflows of Resources	4,210,596	1,243,093	-
Fund Balance:			
Non-spendable:			
3410 Inventories	243,297	-	-
3430 Prepaid items	1,110,154	-	-
Restricted:			
3450 Grant funds	-	-	-
3470 Capital acquisition program	-	-	401,019,379
3480 Debt service	-	25,047,951	-
Committed:			
3540 Self insurance	2,236,375	-	-
3545 Other	4,700,000	-	-
Assigned:			
3590 Other	3,710,290	-	-
3600 Unassigned	60,887,179	-	-
3000 Total Fund Balance	72,887,295	25,047,951	401,019,379
4000 Total Liabilities Deferred Inflows of Resources, and Fund Balance	\$ 94,216,688	\$ 26,323,544	\$ 411,106,053

See Notes to the Financial Statements.

Exhibit C-1

Nonmajor Governmental Funds	Total Governmental Funds
\$ 5,152,764	\$ 524,973,547
-	7,790,985
-	(2,337,294)
3,653,766	5,048,889
1,032,862	3,552,513
139,208	1,242,794
268,295	511,592
-	1,110,154
<u>\$ 10,246,895</u>	<u>\$ 541,893,180</u>
\$ 612,717	\$ 14,828,689
545,301	11,530,860
3,510,324	3,552,513
13,886	1,452,813
-	498,867
331,531	387,988
<u>5,013,759</u>	<u>32,251,730</u>
<u>-</u>	<u>5,453,689</u>
<u>-</u>	<u>5,453,689</u>
-	243,297
-	1,110,154
3,842,383	3,842,383
-	401,019,379
-	25,047,951
-	2,236,375
1,390,753	6,090,753
-	3,710,290
-	60,887,179
<u>5,233,136</u>	<u>504,187,761</u>
<u>\$ 10,246,895</u>	<u>\$ 541,893,180</u>

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LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
August 31, 2018

Exhibit C-2

Data Control Codes		
	Total fund balance, governmental funds	\$ 504,187,761
	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.	
1	Capital assets at historical cost, net of accumulated depreciation, where applicable	680,707,081
2	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, these property taxes and related penalty and interest amounts (net of allowance for uncollectible accounts).	5,453,689
3	Deferred amount on refunding	2,631,226
4	Deferred outflows and inflows relating to pension activities	16,560,214
5	Deferred outflows and inflows relating to OPEB activities	(36,677,303)
	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:	
6	General obligation bonds	(1,062,270,000)
7	Premiums on issuance	(95,897,354)
8	Accrued compensated absences	(1,090,029)
9	Accrued interest payable	(2,030,229)
10	Net pension liability	(53,428,779)
11	Net OPEB liability	(91,505,108)
12	Addition of Internal Service fund net position	<u>(1,429,055)</u>
19	Total net position - governmental activities	<u><u>\$ (134,787,886)</u></u>

See Notes to the Financial Statements.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended August 31, 2018

Data Control Codes		General Fund	Debt Service Fund	Capital Projects Fund
Revenues				
5700	Local, intermediate, and out-of-state	\$ 164,166,967	\$ 53,232,513	\$ 2,783,098
5800	State program revenues	100,341,386	1,119,074	-
5900	Federal program revenues	5,331,684	-	-
5020	Total Revenues	<u>269,840,037</u>	<u>54,351,587</u>	<u>2,783,098</u>
Expenditures				
Current:				
0011	Instruction	174,167,673	-	4,444,332
0012	Instruction resources and media services	1,666,881	-	164,098
0013	Curriculum and instructional staff development	2,993,188	-	430
0021	Instructional leadership	2,045,840	-	2,071
0023	School leadership	16,438,174	-	99,612
0031	Guidance, counseling and evaluation services	8,107,750	-	5,586
0032	Social work services	516,288	-	-
0033	Health services	3,176,421	-	19,393
0034	Student transportation	11,734,023	-	592,074
0035	Food services	132,581	-	80,285
0036	Extracurricular activities	7,864,907	-	5,107
0041	General administration	6,209,377	-	125,579
0051	Facilities maintenance and operations	27,667,222	-	333,804
0052	Security and monitoring services	2,545,605	-	115,979
0053	Data processing services	5,275,270	-	505,906
0061	Community services	419,303	-	-
Debt service:				
0071	Principal on long-term debt	-	18,640,000	-
0072	Interest on long-term debt	-	31,889,035	-
0073	Bond issuance costs and fees	-	278,020	1,877,787
Capital outlay:				
0081	Capital outlay	2,889,043	-	70,906,924
Intergovernmental:				
0099	Other intergovernmental charges	1,362,923	-	-
6030	Total Expenditures	<u>275,212,469</u>	<u>50,807,055</u>	<u>79,278,967</u>
1100	Excess (deficiency) of revenues over expenditures	<u>(5,372,432)</u>	<u>3,544,532</u>	<u>(76,495,869)</u>
Other Financing Sources (Uses)				
7911	Capital-related debt issued (regular bonds)	-	-	289,260,000
7916	Premium or discount on issuance of bonds	-	12,016,059	12,617,787
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>12,016,059</u>	<u>301,877,787</u>
1200	Net change in fund balances	(5,372,432)	15,560,591	225,381,918
0100	Fund Balance - September 1 (Beginning)	<u>78,259,727</u>	<u>9,487,360</u>	<u>175,637,461</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 72,887,295</u>	<u>\$ 25,047,951</u>	<u>\$ 401,019,379</u>

See Notes to the Financial Statements.

Exhibit C-3

Nonmajor Governmental Funds	Total Governmental Funds
\$ 7,792,710	\$ 227,975,288
2,696,024	104,156,484
21,296,506	26,628,190
<u>31,785,240</u>	<u>358,759,962</u>
10,047,363	188,659,368
4,873	1,835,852
529,760	3,523,378
353,521	2,401,432
20,993	16,558,779
1,310,494	9,423,830
83,568	599,856
143,623	3,339,437
46,088	12,372,185
13,937,767	14,150,633
3,091,251	10,961,265
190,890	6,525,846
1,789,884	29,790,910
-	2,661,584
-	5,781,176
217,867	637,170
-	18,640,000
-	31,889,035
-	2,155,807
-	73,795,967
-	1,362,923
<u>31,767,942</u>	<u>437,066,433</u>
<u>17,298</u>	<u>(78,306,471)</u>
-	289,260,000
-	24,633,846
-	313,893,846
17,298	235,587,375
<u>5,215,838</u>	<u>268,600,386</u>
<u>\$ 5,233,136</u>	<u>\$ 504,187,761</u>

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LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Exhibit C-4

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

For the Year Ended August 31, 2018

<u>Data Control Codes</u>	
Net change in fund balances - total governmental funds (from C-3)	\$ 235,587,375
Amounts reported for governmental activities in the statement of activities (B-1) are different because:	
1 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 expense. This is the amount by which capital outlay of (\$76,947,692) exceeded depreciation of (\$24,302,091).	52,645,601
2 Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the cost of the asset sold.	
3 Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	356,162
4 Repayment of bond principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	18,640,000
5 Premium from the issuance of long-term debt is reported as an other financing source in the governmental funds. In the government-wide financial statement, proceeds are treated as an increase in long-term liabilities.	(24,633,846)
6 Proceeds from issuance of long-term debt is reported as an other financing source in the governmental funds. In the government-wide financial statements, proceeds are treated as an increase in long-term liabilities.	(289,260,000)
Some expenses report in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:	
7 Amortization of bond premium	(754,944)
8 Increase in interest payable not recognized in fund statements	(630,114)
9 Decrease in long-term portion of accrued compensated absences	220,370
10 Amortization of deferred loss on refunding	4,496,142
11 Pension and OPEB expense adjustment for the plans measurement year	29,330,788
12 Internal service funds are used by management to charge the costs of certain activities, such as insurance and printing, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental funds.	(2,145,141)
Change in net position of governmental activities	<u>\$ 23,852,393</u>

See Notes to the Financial Statements.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Exhibit D-1

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

August 31, 2018

<u>Data Control Codes</u>		<u>Governmental Activities - Internal Service Funds</u>
	Assets	
	Current Assets:	
1110	Cash and temporary investments	\$ 1,722,193
	Receivables:	
1290	Other receivables	197,936
1000	Total Assets	<u>1,920,129</u>
	Liabilities	
	Current Liabilities:	
2110	Accounts payable	976,489
2200	Accrued expenses	2,372,695
2000	Total Liabilities	<u>3,349,184</u>
	Net Position	
3900	Unrestricted net position	(1,429,055)
3000	Total Net Position	<u>\$ (1,429,055)</u>

See Notes to the Financial Statements

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended August 31, 2018

Exhibit D-2

Data Control Codes	Governmental Activities - Internal Service Funds
Operating Revenues	
5754 Charges for services	\$ 32,547,326
5020 Total Operating Revenues	<u>32,547,326</u>
Operating Expenses	
6200 Purchased and contracted services	3,130,761
6400 Claims expense and other operating expenses	31,589,401
6030 Total Operating Expenses	<u>34,720,162</u>
1200 Operating Income	(2,172,836)
Non-Operating Revenues (Expenses)	
7020 Investment earnings	27,695
Total Non-Operating Revenues (Expenses)	<u>27,695</u>
1200 Change in Net Position	(2,145,141)
Net Position	
0100 Net Position - September 1 (Beginning)	<u>716,086</u>
3300 Net Position - August 31 (Ending)	<u>\$ (1,429,055)</u>

See Notes to the Financial Statements

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT*Exhibit D-3***STATEMENT OF CASH FLOWS****PROPRIETARY FUNDS***For the Year Ended August 31, 2018*

	Internal Service Funds
Cash Flows from Operating Activities:	
Cash Receipts from Charges for Services	\$ 32,501,398
Cash Payments for Claims	(31,092,107)
Cash Payments for Services	(3,130,761)
Net Cash Used for Operating Activities	<u>(1,721,470)</u>
Cash Flows from Investing Activities:	
Interest on investments	27,695
Net Cash Provided by Investing Activities	<u>27,695</u>
Net Decrease in Cash and Cash Equivalents	(1,693,775)
Cash and Cash Equivalents at Beginning of Year	<u>3,415,968</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,722,193</u>
Reconciliation to Balance Sheet	
Cash and Cash Equivalents Per Cash Flow	\$ 1,722,193
Cash and Cash Equivalents per Balance Sheet	<u>\$ 1,722,193</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income (Loss)	\$ (2,172,836)
Change in Assets and Liabilities:	
Decrease (increase) in Receivables	(45,928)
Increase (decrease) in Accounts Payable	616,517
Increase (decrease) in Accrued Expenses	(119,223)
Net Cash User for Operating Activities	<u>\$ (1,721,470)</u>

See Notes to the Financial Statements

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Exhibit E-1

STATEMENT OF FIDUCIARY NET POSITION

August 31, 2018

Data Control Codes	810	865
<u> </u>	<u>Private Purpose Trust Fund</u>	<u>Student Activity Fund</u>
Assets		
1110 Cash and temporary investments	\$ 35,171	\$ 583,212
1000 Total Assets	<u>35,171</u>	<u>\$ 583,212</u>
Liabilities		
2190 Due to others	-	\$ 583,212
2000 Total Liabilities	<u>-</u>	<u>\$ 583,212</u>
Net Position		
3590 Assets held in trust - scholarships	<u>\$ 35,171</u>	

See Notes to the Financial Statements.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended August 31, 2018

Exhibit E-2

810

	Private Purpose Trust Fund
	<u> </u>
Additions	
Gifts and contributions	\$ 2,200
Total Additions	<u>2,200</u>
Deductions	
Other	<u>600</u>
Total deductions	<u>600</u>
Change in net position	1,600
Net position beginning of year	<u>\$ 33,571</u>
Net position end of year	<u><u>\$ 35,171</u></u>

See Notes to the Financial Statements.

Note 1 - Summary of Significant Accounting Policies

The Lamar Consolidated Independent School District (the “District”) is an independent public educational agency operating under applicable laws and regulations of the State of Texas. The District is autonomously governed by a seven member Board of Trustees elected by the District’s residents.

The District prepares its basic financial statements in conformity with Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement of Auditing Standards No. 69* of the American Institute of Certified Public Accountants. Additionally, the District complies with the requirements of the appropriate version of the Texas Education Agency (TEA) *Financial Accountability System Resource Guide* (FASRG) and the requirements of contracts and grants of agencies from which it receives funds.

A. Reporting Entity

The District is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, 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 generally accepted accounting principles. 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 generally accepted accounting principles 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 from 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 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.

Note 1 - Summary of Significant Accounting Policies (continued)

B. Government-Wide and Fund Financial Statements (continued)

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 governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and private purpose trust fund financial statements. The agency fund has no measurement focus, but utilizes the accrual basis of accounting for reporting its assets and liabilities. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues subject to accrual include state cost reimbursements and amounts due from the federal programs for indirect cost reimbursements.

Property tax levies collected after the fiscal year-end, which would be available to finance current operations, are immaterial and remain deferred. Revenues from federal grants are recognized in the Special Revenue Funds when related expenditures are incurred. Any excess of receipts or expenditures at fiscal year-end is recorded as unearned revenue or due from federal agencies, respectively.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

D. Implementation of New Standards (OPEB)

In the current fiscal year, the District implemented the following new standards. The applicable provisions of these new standards are summarized below. Implementation is reflected in the financial statements and the notes to the financial statements.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces the requirements of Statement 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government. The new RSI includes a schedule showing the causes of increases and decreases in the OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution requirements.

Note 1 - Summary of Significant Accounting Policies (continued)

D. Implementation of New Standards (OPEB) (continued)

GASB Statement No. 85, *Omnibus 2017*. This Statement establishes accounting and financial reporting requirements for blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits).

GASB Statement No. 86, *Certain Debt Extinguishment Issues*. This Statement establishes standards of accounting and financial reporting for in-substance defeasance transactions in which cash and other monetary assets acquired with only existing resources—that is, resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the purpose of extinguishing debt. This Statement also amends accounting and financial reporting requirements for prepaid insurance associated with debt that is extinguished, whether through a legal extinguishment or through an in substance defeasance, regardless of how the cash and other monetary assets were acquired. Finally, this Statement establishes an additional disclosure requirement related to debt that is defeased in substance, regardless of how the cash and other monetary assets were acquired.

The following standards have been issued, but have not been implemented as not yet effective.

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations.

GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes standards of accounting and financial reporting for fiduciary activities.

GASB Statement No. 87, *Leases*. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period.

E. Fund Accounting

Governmental Funds

The District reports the following major governmental funds:

1. 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, food service, debt service, and capital projects.
2. The debt service fund is used to account for the payment of interest and principal on all bonds of the District. The primary source of revenue for debt service is local property taxes.
3. The capital projects fund is used to account for the expenditures of resources accumulated from the sale of bonds and related interest earnings for the acquisition and construction of school facilities.

Note 1 - Summary of Significant Accounting Policies (continued)

E. Fund Accounting (continued)

Governmental Funds (continued)

Non-major governmental funds are comprised of the following fund types:

4. The special revenue funds are used to account for financial resources restricted to or designated for specific purposes by a grantor. Specifically, this type of fund is used to account for the District's Child Nutrition Services, including local and federal revenue sources; for state and federally financed programs (grants) where unused balances are returned to the grantor at the close of specified project periods; and other revenue specific programs. Project accounting is employed for the grants and other revenue specific programs to maintain integrity for the various sources of funds. Resources accounted for in these funds are awarded to the District for the purpose of accomplishing specific educational tasks as defined by grantors in contracts or other agreements.

Additionally, the District reports the following fund types:

Proprietary Fund Type

Internal Service Funds - The Health and Workers' Compensation Insurance Funds are used to account for the operations of the District's employee health insurance plan and workers' compensation plan, which are supported principally by employer and employee contributions. Expenses include plan benefit payments on behalf of employees and charges incurred in administering the plans. Estimated amounts due for claims incurred but not reported at year end are included as fund liabilities.

Fiduciary Fund Types

The *private-purpose trust fund* is used to account for donations for scholarship funds that are received by the District that are to be awarded to current and former students for post-secondary education purposes.

The *agency fund*, accounts for resources held in a custodial capacity by the District, and consists of funds that are the property of student groups.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

F. Temporary Investments

Temporary investments consisting of investments in U.S. government agency securities, deposits in five managed local government investment pools (Texpool, Lone Star, MBIA, TexStar, and Texas Term). The investments are carried at fair value based on quoted market prices at year-end, in accordance with U.S. generally accepted accounting principles. All of the District's temporary investments have a maturity of one year or less at the time of purchase.

The District categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79 *Certain Investment Pools and Pool Participants*.

Note 1 - Summary of Significant Accounting Policies (continued)

G. Cash and Cash Equivalents

The district's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments for the District are reported at fair value.

H. Short-term Interfund Receivables/Payables

During the course of operations, transactions occur between individual funds for specified purposes. These receivables and payables are classified as "due from other funds" or "due to other funds" on the combined balance sheet.

I. Inventories and Prepaid Items

The District records inventory and prepaid items as expenses when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements. Supplies are recorded as expenditures as purchased. If any supplies are on hand at the end of the year, their total cost is recorded as inventory and the fund balance is non-spendable for the same amount. Food service commodity inventory is recorded at fair market value on the date received. Commodity inventory items are recorded as expenditures when distributed to user locations. Inventories are valued at the lower-of cost method on average cost method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Material prepaid items are accounted for using the consumption method.

J. Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment is reported in the applicable governmental activities columns 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 useful 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 their acquisition value on the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

When assets are retired or otherwise disposed of, the related costs or other recorded amounts are removed.

Note 1 - Summary of Significant Accounting Policies (continued)

J. Capital Assets (continued)

Buildings, furniture and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

Category of Asset	Estimated Useful Lives
Buildings and improvements	40 years
Furniture, fixtures & equipment	5-10 years
Information systems (computer equipment)	5-10 years
Automobiles	7 years
Buses	10 years
Light General Purpose Trucks	7 years

K. Unearned Revenues

Unearned revenue at year-end represents funds received in advance for which expenditures have not been incurred for grants.

L. Deferred Outflows/Inflows of Resources

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

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

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

Note 1 - Summary of Significant Accounting Policies (continued)

L. Deferred Outflows/Inflows of Resources (continued)

- Deferred outflows of resources for other post-employment benefits (OPEB) other than pension – Reported in the government wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of 1) differences between projected and actual earnings on OPEB plan investments; 2) changes in actuarial assumptions; 3) differences between expected and actual actuarial experiences and 4) changes in the District’s proportional share of OPEB liabilities. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on OPEB investments will be amortized over a closed five year period. The remaining postemployment related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the OPEB plan.
- A deferred inflow of resources is an acquisition of a government's net positions (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:
- Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual bases of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows of resources for pension – reported in the government-wide financial statement of net position, these deferred inflows result primarily from 1) changes in actuarial assumptions; 2) differences between expected and actual actuarial experiences and 3) changes in the District’s proportional share of pension liabilities These pension related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.
- Deferred inflows of resources for OPEB – Reported in the government wide financial statement of net position, this deferred inflow results primarily from 1) changes in actuarial assumptions; and 2) differences between expected and actual actuarial experiences. These OPEB related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the OPEB plan.

M. Compensated Absences

The District maintains a policy allowing employees meeting established requirements to be compensated for unused sick leave at retirement. Amounts accrued by the District’s employees for unused sick leave are reflected in the district’s government wide financial statements. The sick leave is liquidated with expendable available resources from the general fund as they become due and payable. Annual vacation time is granted to certain professional and non-professional employees, however, any unused vacation time lapses at the end of each fiscal year. There are no other compensated absences allowed under the district’s personnel policies.

Note 1 - Summary of Significant Accounting Policies (continued)

N. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. For bonds issued after September 1, 2001, bond premiums and discounts, are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

O. Fund Equity

The District uses the following classifications of fund balance for governmental funds to describe the relative strength of the spending constraints.

Nonspendable fund balance – amounts that are not spendable form, such as inventory and prepaid items have been properly classified in the Governmental Funds Balance Sheet (Exhibit C-1).

Restricted fund balance – amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed fund balance – amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District establishes (and modifies or removes) fund balance commitments by passage of a resolution. A fund balance commitment is further indicated in the budget document as a commitment of the fund. The District has committed a portion of the General Fund's fund balance for food service operations, self-funded insurance and future land purchases. The District has also committed all of Fund 461 *Campus Activity Funds*' fund balance.

Assigned fund balance – amounts the District intends to use for a specific purpose. Assignment can be expressed by the District's Superintendent or the Chief Financial Officer.

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

When expenditure is incurred for purposed for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. The District has adopted a policy that resources will be spending in the following order: restricted, committed, assigned and unassigned fund balance.

The Board did not pass a minimum fund balance policy as of August 31, 2018.

Note 1 - Summary of Significant Accounting Policies (continued)

O. Fund Equity (continued)

The District uses the following classifications of fund balance for governmental funds to describe the relative strength of the spending constraints.

When the District incurs an expense for which it may use either restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned because they were not used. Net position on the Statement of Net Position includes the following:

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

Restricted net position - The component of net position calculated by reducing the carrying value of restricted assets by the amount of any related debt outstanding.

Unrestricted - The difference between the assets and liabilities that is not reported Investment in Capital Assets and Restricted Net Position.

P. Proprietary Fund Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. The principal operating revenues of the District's internal service funds are charges to the funds and employees self-funded insurance programs. Operating expenses for the internal service funds include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Q. Pension

The fiduciary net position for the 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 pension, 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

R. 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.

Note 1 - Summary of Significant Accounting Policies (continued)

S. Data Control Codes

In accordance with TEA's Financial Accountability System Resource Guide, the District has adopted and installed an accounting system that meets at least the minimum requirements prescribed by the State Board of education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure presented in the Accounting Code Section of TEA's Financial Resource Guide. Mandatory codes are recorded in the order provided in that section.

Note 2 - Deposits (Cash) and Temporary Investments

Use of Estimates

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

Deposits (Cash)

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the School Depository Act. The depository bank deposits, for safekeeping and trust with the District's agent bank, approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract.

Cash includes petty cash on hand in various functional areas for use in routine operations and demand and time deposit accounts held by various banks.

Temporary 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 practices. Audit procedures in this area, conducted as part of the audit, disclosed that in the area of investment practices, management reports, and establishment of appropriate policies, the District was in substantial compliance with the requirements of the Act. 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 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.

Note 2 - Deposits (Cash) and Temporary Investments (continued)

Temporary Investments (continued)

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

1. Obligations of the United States or its agencies and instrumentalities; direct obligations of the state of Texas or its agencies; other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States, or its agencies and instrumentalities;
2. Guaranteed investment contracts that have a defined terminated date and are secured by obligations described by Government code 2256.09(a) (1);
3. Certificates of deposit. Must be fully collateralized and guaranteed or insured by the FDIC;
4. Fully collateralized repurchase agreements pledged to and held in the District’s name, and deposited at the time the investment is made with the District or with a third party selected and approve by the District, with a defined termination date, and placed through a primary government securities dealer;
5. Commercial paper. Must have a stated maturity of 270 days or fewer and a rating of not less than A-1/P-1 by two nationally recognized credit rating agencies; or a fully secured irrevocable letter of credit from a US bank and one A-1/P-1 credit rating;
6. Money Market Funds. Must be approved by Board and invest its funds only in investments approved by the investment policy;
7. Public Funds Investment Pools. Must be approved by the Board and invest its funds only in investments approved by the Investment Policy.

A summary of the District’s cash and investments at August 31, 2018, are shown below.

	Cash and Deposits	Local Government Investment Pools	Total
Governmental Funds			
General Fund	\$ 2,334,507	\$ 81,370,021	\$ 83,704,528
Debt Service Fund	6,250	25,003,952	25,010,202
Capital Projects Fund	424,411	410,681,642	411,106,053
Non-Major Funds	1,725,975	3,426,789	5,152,764
Total Governmental Funds	<u>4,491,143</u>	<u>520,482,404</u>	<u>524,973,547</u>
Proprietary Funds			
Internal Service Funds	633,330	1,088,863	1,722,193
Total Government Wide Statements	<u>5,124,473</u>	<u>521,571,267</u>	<u>526,695,740</u>
Fiduciary Funds	580,600	37,783	618,383
Total Cash and Temporary Investments	<u>\$ 5,705,073</u>	<u>\$ 521,609,050</u>	<u>\$ 527,314,123</u>

Note 2 - Deposits (Cash) and Temporary Investments (continued)

Credit Risk

As of August 31, 2018, the District's investments were primarily in local government pooled funds, TexPool, TASB Lone Star, MBIA, TexStar and Texas Term. The pooled funds are investments that are not evidenced by securities that exist in physical or book entry form and accordingly, do not have custodial risk. The District's investments policy requires that investments, other than pooled funds, are insured, registered, or the District's agent holds the securities in the District's name; therefore, the District is not exposed to custodial credit 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.

Concentration of Credit Risk

The District shall diversify its investments by security type and institution. The asset mix of the District's portfolio is expressed in terms of maximum commitment so as to allow sufficient flexibility to take advantage of market considerations within the context of the policy. The district's policy requires that a third party bank trust department hold all securities owned by the District.

As of August 31, 2018 the District's has no other investments other than local government investment pools. The District generally holds all US government securities to maturity date. The District did not purchase any derivative investment products during the current year nor participate in any reverse repurchase agreements or security lending agreements during the fiscal year 2018.

The District's temporary investments at August 31, 2018, consisted of the following:

	<u>Fair Market Value</u>	<u>Weighted Average Maturity (Days)</u>	<u>Investment Rating</u>	<u>Percentage of Portfolio</u>
Temporary Investments:				
Local Government Investment Pools: *				
TexPool	\$ 170,085,667	28	AAAm	33%
TexStar	119,689,022	33	AAAm	23%
MBIA - Texas CLASS	47,746,211	39	AAAm	9%
Lone Star	92,725,734	20	AAAm	18%
Texas Term/Texas Daily	91,362,416	48	AAAf	18%
Total Temporary Investments	<u>\$ 521,609,050</u>	32		

* Per GASB 79, valued at amortized cost

State law and the District's investment policy limit investments in all categories to top ratings issued by national recognized statistical rating organizations. The table above shows the Districts cash and temporary investment balances along with the weighted average maturity by category for the District's investments at August 31, 2018.

Note 2 - Deposits (Cash) and Temporary Investments (continued)

Local Government Investment Pools

As of August 31, 2018, the District's investments included the Texas Local Government Investment Pool (TexPool), Texas Short Term Asset Reserve Program (TexSTAR), Texas Class, Lone Star Local Government Investment Pool (Lone Star), and Texas TERM/Texas Daily.

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

TexSTAR is an investment pool managed by J.P. Morgan Fleming Asset Management (USA), Inc. (JPMFAM) and First Southwest Asset Management, Inc. (FSAM). JPMFAM provides investment services and FSAM provides participant services and marketing. Custodial, transfer agency, fund accounting and depository services are provided by JPMorgan Chase Bank and/or its subsidiary J.P. Morgan Investor Services Co. TexSTAR will seek to maintain a credit rating no lower than AAA. AAAM, or the equivalent by at least one nationally recognized rating agency.

MBIA-Texas CLASS is organized under the Sixth Amended and Restated Trust Agreement in accordance with all the requirements contained in section 2256.016 of the ACT. Texas CLASS is administered by Public Trust Advisors, LLC and all funds are held by the custodial agent, Wells Fargo N.A. Texas

CLASS may invest in obligations of the U.S. or its agencies and instrumentalities; repurchase agreements; SEC-registered money market funds rated in the highest rating category by at least one NRSRO; and commercial paper rated A-1, P-1 or equivalent by two nationally recognized rating agencies.

Lone Star is a Texas public investment pool sponsored by the Texas Association of School Boards (TASB) for investment of funds by state and local government entities, primarily local school districts. The Board has entered into an agreement with First Public, LLC (First Public), a Texas limited liability company and a member of the National Association of Securities Dealers, Securities Investor Protection Corporation, and Municipal Securities Rulemaking Board, pursuant to which First Public serves as administrator of Lone Star operations. American Beacon Advisors, Fort Worth, Texas, and Standish Mellon Asset Management Company, LLC, Pittsburgh, Pennsylvania, provide investment management services to Lone Star regarding the investment and reinvestment of the pool's assets. The fund's credit quality is excellent as its portfolio is composed of U.S. government and U.S. agency securities. Investments in Lone Star provide for investment in securities with maturities and returns generally greater than money market instruments/ Lone Star is marked-to-market daily to maintain an accurate net asset value. The District's fair value in Lone Star is the same as the value of the pool shares.

TexasTERM is a public funds investment pool created by and for Texas local governments to provide investment options with safety, flexibility, and competitive yields. PFM Asset Management, LLC acts as the investment advisor of the pool. Texas DAILY is a money market portfolio with daily liquidity.

Note 2 - Deposits (Cash) and Temporary Investments (continued)

Interest Rate Risk

In accordance with its investment policy, the District manages its exposure to declines in the fair value due to interest rate changes by limiting the weighted average maturity of its investment portfolio to no more than 36 months from the date of purchase. However, securities with a maturity of greater than 12 months shall be approved by the Board of Trustees before purchase.

Pursuant to investment agreements approved by each participant with each pool, the business and affairs of the pools are required to be managed by each pool's Board of Trustees (the Board.) The Board consists of members, representing entities that have adopted the investment agreements. The duties of the boards include, but are not limited to, adopting investment policies, appointing investment officers, overseeing the selection of investment managers, custodian banks, investment consultants, and other service providers, monitoring compliance with the pools' investment policy, monitoring performance, and revising the investment policies to reflect changing conditions affecting the pools or the needs of the participants.

Interest Rate Risk (continued)

Pursuant to Section 2256.016(g) of the Investment Act, the Public Funds Investments Pools have established advisory boards composed of participants and other knowledgeable individuals. The purpose of the advisory boards shall be to gather and exchange information from participants and non-participants relating to the pools' operations. The value of District portions in TexPool, Lone Star, MBIA, TexStar and Texas Term are the same as the value of the Shares. These external pooled funds operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The external pooled funds use amortized cost rather than market value to report net position to compute share price. Accordingly, the fair value of the positions of the pooled funds is the same as the value of the external pool shares. The funds are structured similar to a money market mutual fund which allows shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. Such funds seek to maintain a constant net asset value of \$1.

Investment Risk

The risk exposure for governmental activities, major funds, internal service funds and fiduciary funds types of the District are not significantly greater than the deposit and investment risk of the overall primary government.

In accordance with GASB 79, Texpool, Lone Star, MBIA Texas Class, TexStar and Texas Term/Texas DAILY do not have any limitations and restrictions on withdrawals such as notice periods or maximum transactions amounts. None of the pools impose any liquidity fees or redemption gates.

Note 3 - Property Taxes

Property taxes are levied by October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to the property to secure the payment of all taxes, penalties, and interest ultimately imposed. The Central Appraisal District (CAD) of Fort Bend County, Texas establishes appraised values. Taxes are levied by the District's Board of Trustees based on the appraised values received from the CAD. The District contracts with Fort Bend County to perform billing and collection of tax levies.

Note 3 - Property Taxes (continued)

Property tax rates, established in accordance with state law, are levied on real and personal property within the District’s boundaries for use in financing general government and debt service expenditures. Tax rates levied to finance general government and debt service expenditures for the 2017-2018 fiscal year (tax year 2017) were \$1.04005 and \$0.35000, respectively. Based on an assessed property valuation of approximately \$15.0 billion, the resulting tax levy, after exemptions and adjustments for the district was approximately \$208.5 million.

Allowances for uncollectible taxes are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. Net property taxes receivable at August 31, 2018, consisted of the following:

	General Fund	Debt Service Fund	Total
Delinquent taxes - Current year levy	\$ 1,384,882	\$ 466,044	\$ 1,850,926
Delinquent taxes - Prior years' levy	2,378,445	701,919	3,080,364
	<u>3,763,327</u>	<u>1,167,963</u>	<u>4,931,290</u>
Penalties and interest receivable	2,251,811	607,884	2,859,695
	<u>6,015,138</u>	<u>1,775,847</u>	<u>7,790,985</u>
Less allowance for uncollectible taxes	(1,804,542)	(532,752)	(2,337,294)
Net Property Taxes Receivable	<u>\$ 4,210,596</u>	<u>\$ 1,243,095</u>	<u>\$ 5,453,691</u>

Note 4 - Receivables

Receivables as of year-end for the District’s individual major and non-major funds in the aggregate including the applicable of allowances for uncollectible accounts, are as follows:

	General	Debt Service Fund	Nonmajor Governmental Funds	Internal Service Funds	Total
Property taxes	\$ 6,015,138	\$ 1,775,847	\$ -	\$ -	\$ 7,790,985
Other	1,103,586	-	139,208	197,936	1,440,730
Gross Receivables	7,118,724	1,775,847	139,208	197,936	9,231,715
Less Allowance for doubtful accounts	(1,804,542)	(532,752)	-	-	(2,337,294)
	<u>\$ 5,314,182</u>	<u>\$ 1,243,095</u>	<u>\$ 139,208</u>	<u>\$ 197,936</u>	<u>\$ 6,894,421</u>

Note 5 - Interfund Receivables, Payables and Transfers

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll, warehouse ordering and other regularly occurring charges that are paid by the general fund and then charged back to the appropriate other fund. Additionally, some lending/borrowing may occur between two or more non-major governmental funds.

Amounts due to/from other funds at August 31, 2018, include the following:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental Funds		
General Fund	\$ 2,519,651	\$ 41,990
Capital Projects Fund	-	199
Nonmajor Funds	1,032,862	3,510,324
Total Governmental Funds	<u>\$ 3,552,513</u>	<u>\$ 3,552,513</u>

Note 6 - Due From / To Other Governments

Due from other governments reported in the District's General, Debt Service and Special Revenue Funds at August 31, 2018, consisted of the following:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
State expenditure-driven grant reimbursement	\$ -	\$ -	\$ 181,339	\$ 181,339
State Aid	-	22,100	-	22,100
Fort Bend County (Tax Collections)	1,324,876	48,147	-	1,373,023
Federal expenditure-driven grant reimbursement	-	-	3,472,427	3,472,427
	<u>\$ 1,324,876</u>	<u>\$ 70,247</u>	<u>\$ 3,653,766</u>	<u>\$ 5,048,889</u>

Due to other governments reported in the District's General and Special Revenue Funds at August 31, 2018, consisted of the following:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Texas Education Agency	<u>\$ 1,438,927</u>	<u>\$ 13,886</u>	<u>\$ 1,452,813</u>

Note 7 - Unavailable Revenues and Unearned Revenues

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

	<u>Unearned</u>	<u>Unavailable</u>
Other receipts/receivables - General Fund	\$ 56,457	\$ -
Grant funds received prior to meeting all eligibility requirements	331,531	-
Property taxes - General Fund	-	4,210,596
Property taxes - Debt Service Fund	-	1,243,093
	<u>\$ 387,988</u>	<u>\$ 5,453,689</u>

Note 8 - Capital Assets

A summary of changes in capital assets for the year ended August 31, 2018, follows:

	<u>Balance</u> <u>August 31, 2017</u>	<u>Additions</u>	<u>Retirements</u> <u>and Transfers</u>	<u>Balance</u> <u>August 31, 2018</u>
Capital assets, not being depreciated				
Land	\$ 34,081,070	\$ 3,390,175	\$ -	\$ 37,471,245
Construction in progress	7,588,444	58,899,374	(47,380,031)	19,107,787
Total Capital assets, not being depreciated	<u>41,669,514</u>	<u>62,289,549</u>	<u>(47,380,031)</u>	<u>56,579,032</u>
Capital assets, being depreciated				
Buildings and improvements	797,443,999	11,179,750	47,361,367	855,985,116
Furniture and equipment	55,942,156	3,478,393	(4,063,511)	55,357,038
Total Capital assets, being depreciated	<u>853,386,155</u>	<u>14,658,143</u>	<u>43,297,856</u>	<u>911,342,154</u>
Less accumulated depreciation for:				
Buildings and improvements	(230,247,796)	(20,341,171)	18,664	(250,570,303)
Furniture and Equipment	(36,746,393)	(3,960,920)	4,063,511	(36,643,802)
Total Accumulated depreciation	<u>(266,994,189)</u>	<u>(24,302,091)</u>	<u>4,082,175</u>	<u>(287,214,105)</u>
Governmental Capital Assets	<u>\$ 628,061,480</u>	<u>\$ 52,645,601</u>	<u>\$ -</u>	<u>\$ 680,707,081</u>

Exhibit B-1, Statement of Activities, reflects depreciation charges to the following functions or programs:

<u>Function</u>	<u>Depreciation</u> <u>Expense</u>
Instruction	\$ 19,585,855
Instructional resources and media services	105,477
Curriculum and staff development	1,772
School leadership	54,594
Guidance, counseling and evaluation services	5,978
Student transportation	1,819,231
Food Services	248,051
Extracurricular activities	1,189,387
General administration	38,865
Facilities maintenance and operations	314,324
Security and monitoring services	81,310
Data processing services	857,247
	<u>\$ 24,302,091</u>

Note 8 - Capital Assets (continued)

The District has active construction projects as of August 31, 2018. The District's commitments as of August 31, 2018, are as follows:

Project	Authorized Contract	Construction in Progress	Remaining Commitment
Support Services Facility	\$ 10,791,606	\$ 7,692,910	\$ 3,098,696
Culver Elementary School	22,730,110	5,910,411	16,819,699
Roberts Middle School	21,444,210	5,504,466	15,939,744
	<u>\$ 54,965,926</u>	<u>\$ 19,107,787</u>	<u>\$ 35,858,139</u>

Note 9 - Changes in Long-Term Debt and Debt Service Requirements

Long-term debt consists of general obligation bonds and accrued compensated absences payable. General obligation bonds are payable solely from future revenues of the Debt Service Fund which consists principally of property taxes collected by the District and investment income. A summary of changes in long-term debt for the year ended August 31, 2018, follows:

	Balance August 31, 2017	Additions	Retirements	Balance August 31, 2018	Due Within One Year
General obligation bonds	\$ 791,650,000	\$ 289,260,000	\$ (18,640,000)	\$ 1,062,270,000	\$ 23,040,000
Bond issuance premiums/discounts	75,759,650	24,633,846	(4,496,142)	95,897,354	-
Accrued compensated absences	1,310,399	225,957	(446,327)	1,090,029	586,262
	<u>\$ 868,720,049</u>	<u>\$ 314,119,803</u>	<u>\$ (23,582,469)</u>	<u>\$ 1,159,257,383</u>	<u>\$ 23,626,262</u>

On July 24, 2018, the District issued Unlimited Tax Schoolhouse Bonds, Series 2018 in the amount of \$289.26 million. Proceeds from the sale of the Bonds will be used to (i) acquire, construct and equip school buildings within the District, (ii) purchase the necessary sites for school buildings, (iii) purchase new school buses, and (iv) pay the costs of issuance associated with the issuance of the Bonds.

Note 9 - Changes in Long-Term Debt and Debt Service Requirements (continued)

Bonded long-term debt, at August 31, 2018, is comprised of the following individual issues:

Issue	Original issuance amount	Interest Rate (%)	Maturity Date Range	Debt Outstanding
LCISD Unlimited Tax Schoolhouse and Refunding Bonds Series 2012A	\$ 125,060,000	1.50% to 5.00%	2/15/2045	\$ 118,990,000
LCISD Unlimited Tax Refunding Series 2012B	46,125,000	2.00% to 5.00%	2/15/2024	37,005,000
LCISD Unlimited Tax Refunding Series 2013	25,640,000	2.00% to 5.00%	2/15/2025	19,215,000
LCISD Unlimited Tax Refunding Series 2013A	33,185,000	3.25%	2/15/2020	10,640,000
LCISD Variable Rate Unlimited Tax Schoolhouse Bonds Series 2014	90,000,000	2.00%	8/15/2047	90,000,000
LCISD Unlimited Tax Schoolhouse Bonds Series 2014B	43,865,000	4.00% to 5.00%	2/15/2033	43,865,000
LCISD Unlimited Tax Schoolhouse and Refunding Bonds Series 2015	213,170,000	4.00% to 5.00%	2/15/2048	210,330,000
LCISD Unlimited Tax Refunding Bonds Series 2016A	114,620,000	2.00% to 5.00%	2/15/2038	114,620,000
LCISD Unlimited Tax Refunding Bonds Series 2016B	35,345,000	3.5%	2/15/2036	35,345,000
LCISD Unlimited Tax Schoolhouse Bonds Series 2017	93,000,000	3.25% to 5.00%	2/15/2049	93,000,000
LCISD Unlimited Tax Schoolhouse Bonds Series 2018	289,260,000	4.00% to 5.00%	2/15/2050	289,260,000
				<u>\$ 1,062,270,000</u>

Annual requirements to amortize all bonded and contractual obligation long-term debt outstanding, as of August 31, 2018, follows:

Year Ending August 31,	Principal	Interest	Totals
2019	\$ 23,040,000	\$ 45,460,671	\$ 68,500,671
2020	25,055,000	43,693,629	68,748,629
2021	26,465,000	44,802,212	71,267,212
2022	27,760,000	43,479,739	71,239,739
2023	29,665,000	42,085,200	71,750,200
2024-2028	149,660,000	188,941,264	338,601,264
2029-2033	176,050,000	151,547,805	327,597,805
2034-2038	199,180,000	110,905,275	310,085,275
2039-2043	175,785,000	70,333,400	246,118,400
2044-2048	188,690,000	27,362,450	216,052,450
2049-2050	40,920,000	1,543,800	42,463,800
	<u>\$ 1,062,270,000</u>	<u>\$ 770,155,445</u>	<u>\$ 1,832,425,445</u>

The District is in compliance with all significant bond and contractual obligation limitations and restrictions.

Defeased Debt

In prior years, the District defeased certain general obligations and other bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. The District had no defeased debt as of August 31, 2018.

Note 10 - Fund Equity

According to District policy, as prescribed by GASB Statement No 54, the Board may establish commitments and the Superintendent and Chief Financial Officer may assign fund balances from time to time in order to meet specific District needs. A summary of committed and assigned fund balance as of August 31, 2018 for all governmental types follows:

	General Fund	Nonmajor Governmental Funds
Committed Fund Balance		
Committed - self insurance:		
Health Plan	\$ 2,236,375	\$ -
Total Committed - self insurance	<u>2,236,375</u>	<u>-</u>
Committed - other:		
Debt Service	3,200,000	-
Food service program	500,000	-
Future land purchase	1,000,000	-
Campus activity funds	-	1,390,753
Total Committed - other	<u>4,700,000</u>	<u>1,390,753</u>
Total Committed	<u>\$ 6,936,375</u>	<u>\$ 1,390,753</u>
Assigned Fund Balance		
Assigned - other:		
Encumbrances	\$ 1,312,470	\$ -
Other Budgetary Set-Asides	1,103,984	-
Fleet Replacement	500,000	-
Equipment Replacement	500,000	-
Vending	293,836	-
Total Assigned	<u>\$ 3,710,290</u>	<u>\$ -</u>

Note 11 - Local Revenues

A summary of local revenues as presented in the governmental fund financial statements for the year ended August 31, 2018, follows:

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Property taxes	\$ 156,182,534	\$ 52,567,919	\$ -	\$ -	\$ 208,750,453
Penalties and interest	900,695	294,229	-	-	1,194,924
Investment income	1,611,076	370,365	2,783,098	45,928	4,810,467
Services to other districts	21,345	-	-	-	21,345
Tuition and summer school	378,040	-	-	-	378,040
Co-curricular student activities	531,656	-	-	-	531,656
Food sales	-	-	-	4,498,461	4,498,461
Other	4,541,621	-	-	3,248,321	7,789,942
	<u>\$ 164,166,967</u>	<u>\$ 53,232,513</u>	<u>\$ 2,783,098</u>	<u>\$ 7,792,710</u>	<u>\$ 227,975,288</u>

Note 12 - General Fund Federal Program Revenues

For purposes of regulatory requirements of the Texas Education Agency, a summary of federal program revenues received in the General Fund for the year ended August 31, 2018, are as follows:

<u>Program or Source</u>	<u>CFDA Number</u>	<u>General Fund</u>
Medicaid Administrative Claims (MAC)	93.778	\$ 44,673
SHARS	N/A	4,794,567
ROTC	12.000	121,557
Public Assistance Grant - Hurricane Harvey	97.036	258,862
E-rate	N/A	112,025
Total		<u>\$ 5,331,684</u>

Note 13 - Defined Benefit Pension Plan

Plan Description

The District participates in a cost-sharing multi-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.

Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <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.

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 in (A) above.

Note 13 - Defined Benefit Pension Plan (continued)

Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2017. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015. The 84th Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2017 and 2018.

	Contribution Rates	
	2018	2017
Member	7.70%	7.70%
Non-Employer Contributing Entity	6.80%	6.80%
Employers	6.80%	6.80%

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

	Measurement Year (2017)		Fiscal Year
	Contributions	Pension	(2018)
	Made	Expense	TRS Contributions
Member (Employee)	\$ 14,130,806	\$ -	\$ 15,095,745
Non-employer contributing agency (State)	9,161,654	6,831,997	9,630,087
District	5,476,481	5,479,080	5,969,530

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.

Note 13 - Defined Benefit Pension Plan (continued)

Contributions (continued)

- 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.
- When a school district or charter school does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

Actuarial Assumptions

The total pension liability in the August 31, 2017 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2017
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	8.00%
Long-term expected Investment Rate of Return	8.00%
Inflation	2.50%
Salary Increases including inflation	3.5% to 9.5%
Payroll Growth Rate	2.50%
Benefit Changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 201 and adopted on September 24, 2015.

Note 13 - Defined Benefit Retirement Plan (continued)

Discount Rate

The discount rate used to measure the total pension liability was 8.0%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2017 are summarized below:

Asset Class	Target Allocation	Real Return Geometric Basis	Long Term Expected Portfolio Real Rate of Return*
Global Equity			
U.S	18%	4.6%	1.0%
Non-U.S. Developed	13%	5.1%	0.8%
Emerging Markets	9%	5.9%	0.7%
Directional Hedge Funds	4%	3.2%	0.1%
Private Equity	13%	7.0%	1.1%
Stable Value			
U.S. Treasuries	11%	0.7%	0.1%
Absolute Return	0%	1.8%	0.0%
Stable Value Hedge Funds	4%	3.0%	0.1%
Cash	1%	-0.2%	0.0%
Real Return			
Global Inflation Linked Bonds	3%	0.9%	0.0%
Real Assets	16%	5.1%	1.1%
Energy and Natural Resources	3%	6.6%	0.2%
Commodities	0%	1.2%	0.0%
Risk Parity			
Risk Parity	5%	6.7%	0.3%
Inflation expectation			2.2%
Alpha			1.0%
Total	100%		8.7%

* The Expected Contribution to Returns incorporates the volatility drag resulting from the conversion between Arithmetic and Geometric mean returns.

Note 13 - Defined Benefit Retirement Plan (continued)

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (8%) in measuring the Net Pension Liability.

	Discount Rate		
	1% Decrease (7%)	Current Rate (8%)	1% Increase (9%)
District's proportional share of the net pension liability	\$ 90,070,366	\$ 53,428,779	\$ 22,918,712

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

At August 31, 2018, the District reported a liability of \$53,428,779 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 proportion of the net pension liability	0.1671%
District's proportionate share of the collective net pension liability	\$ 53,428,779
State's proportionate share that is associated with the District	<u>89,569,394</u>
Total	<u>\$ 142,998,173</u>

The net pension liability was measured as of August 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2016 through August 31, 2017.

At August 31, 2017, the most recent measurement date, the employer's proportion of the collective net pension liability was 0.1671% which was an increase from its proportion of 0.1560% measured as of August 31, 2016.

Changes Since the Prior Actuarial Valuation

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

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

For the year ended August 31, 2018, the District recognized pension expense of \$15,732,244 and revenue of \$6,831,977 for support provided by the State.

Note 13 - Defined Benefit Retirement Plan (continued)

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

At August 31, 2018, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 781,687	\$ (2,881,344)
Changes of assumptions	2,433,766	(1,393,274)
Difference between projected and actual earnings on pension plan investments	-	(12,110,499)
Changes in proportion and differences between District contributions and proportionate share of contributions	23,763,500	(3,152)
Contributions paid to TRS subsequent to the measurement date	5,969,530	-
Total	<u>\$ 32,948,483</u>	<u>\$ (16,388,269)</u>

The \$5,969,530 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2019.

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

Year ended August 31	Pension Expense Amount
2019	\$ (1,799,439)
2020	(5,209,937)
2021	(1,537,380)
2022	(510,837)
2023	(1,152,604)
Thereafter	(380,487)
	<u>\$ (10,590,684)</u>

Note 14 - Defined Other Post-Employment Benefit Plan

Plan Description

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

OPEB Plan Fiduciary Net Position

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

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 retirees and their dependents not enrolled in Medicare may pay premiums to participate in one of two optional insurance plans with more comprehensive benefits (TRS-Care 2 and TRS-Care 3). Eligible retirees and dependents enrolled in Medicare may elect to participate in one of the two Medicare health plans for an additional fee. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes; including automatic 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 Medicare Parts A&B coverage, with 20 to 29 years of service for the basic plan and the two optional plans.

TRS-Care Plan Premium Rates (effective Sept. 1, 2016 - Dec. 31, 2017)

	TRS-Care 1	TRS-Care 2	TRS-Care 3
	Basic Plan	Optional Plan	Optional Plan
Retiree*	\$ -	\$ 70	\$ 100
Retiree and Spouse	20	175	225
Retiree* and Children	41	132	182
Retiree and Family	61	237	337
Surviving Children Only	28	62	82

*or surviving spouse

Note 14 - Defined Other Post-Employment Benefit Plan (continued)

Contributions

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based 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 1.0% 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 percent or not more than 0.75 percent of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

	Contribution Rates	
	2018	2017
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.00%
Employers	0.75%	0.55%
Federal/Private Funding remitted by Employers	1.25%	1.00%

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.

In addition, during the current fiscal year, \$212.0 million was transferred to TRS from the State to pay for Care during the 85th First Legislative Special Session House Bill 21, Section 10. The District reported on-behalf revenues and expenditures of \$446,097 relating to these transfers.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$15.6 million in fiscal year 2017 and \$182.6 million in fiscal year 2018.

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

	Measurement Year (2017)		Fiscal Year
	Contributions	OPEB	(2018)
	Made	Expense	TRS
Member (Employee)	\$ 1,192,849	\$ -	\$ 1,274,323
Non-employer contributing agency (State)	1,749,430	(48,965,278)	2,788,126
District	1,093,992	(30,676,032)	1,585,303

Note 14 - Defined Other Post-Employment Benefit Plan (continued)

Actuarial Assumptions

The total OPEB liability in the August 31, 2017 actuarial valuation was determined using the following actuarial assumptions: *Actuarial Assumptions can be found in the 2017 TRS CAFR, Note 10, page 82.*

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2017 TRS pension actuarial valuation:

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Expected Payroll Growth
Rates of Disability Incidence	

Additional Actuarial Methods and Assumptions

Valuation Date	August 31, 2017
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.50%
Discount Rate*	3.42% *
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Payroll Growth Rate	2.50%
Projected Salary Increases	3.50% to 9.50%
Healthcare Trend Rates	4.50% to 12.00%
Election Rates	Normal Retirement: 70% participation prior to age 65 and 75% participation
Ad hoc post-employment benefit changes	None

* Source: Fixed Income municipal bonds with 20 years to maturity that include only federal tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of August 31, 2017.

** Includes Inflation at 2.50%

*** Initial trend rates are 7.00% for non-Medicare retirees; 10.00% for Medicare retirees and 12.00% for prescription trend rate of 4.50% over a period of 10 years.

In this valuation the impact of the Cadillac Tax has been calculated as a portion of the trend assumption.

Note 14- Defined Other Post-Employment Benefit Plan (continued)

Actuarial Assumptions (continued)

Assumptions and methods used to determine the impact of the Cadillac Tax include:

- 2018 thresholds of \$850/\$2,292 were indexed annually by 2.50 percent.
- Premium data submitted was not adjusted for permissible exclusions to the Cadillac Tax.
- There were no special adjustments to the dollar limit other than those permissible for non-Medicare retirees over 55.

Other Information: There was a significant plan change adopted in fiscal year ending August 31, 2018. Effective January 1, 2019, only one health plan option will be offered and all retirees will be required to contribute monthly premiums for coverage. Assumption changes made for the August 31, 2018 valuation include a change to the assumption regarding the phase-out of the Medicare Part D subsidies and a change to the discount rate from 2.98% as of August 31, 2017 to 3.42% as of August 31, 2018.

Discount Rate

A single discount rate of 3.42% was used to measure the total OPEB liability. There was a change of .44 percent in the discount rate since the previous year. *The Discount Rate can be found in the 2017 TRS CAFR on page 83.* Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to *not be able to* make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

Discount Rate Sensitivity Analysis

Discount Rate - The following presents the District’s proportional share of the net OPEB liability of the plan using the discount rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one- percentage point lower (2.42%) or one-percentage point higher (4.42%) than the AA/Aa rate.

<u>Sensitivity of the Net OPEB Liability to the Single Discount Rate Assumptions</u>		
<u>1% Decrease in Discount Rate (2.42%)</u>	<u>Current Discount Rate (3.42%)</u>	<u>1% Increase in Discount Rate (4.42%)</u>
\$107,998,744	\$91,505,108	\$78,247,944

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

<u>Sensitivity of the Net OPEB Liability to the Healthcare Cost Trend Rate Assumptions</u>		
<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
\$ 76,187,145	\$91,505,108	\$ 111,604,208

Note 14 - Defined Other Post-Employment Benefit Plan (continued)

Discount Rate Sensitivity Analysis (continued)

At June 30, 2018, the District reported a liability of \$91,505,108 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective Net OPEB	\$ 91,505,108
State's proportionate share that is associated with	146,328,113
Total	<u><u>\$ 237,833,221</u></u>

The Net OPEB Liability was measured as of August 31, 2017 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2016 thru August 31, 2017.

At August 31, 2017 the employer's proportion of the collective Net OPEB Liability was .0021042% which was the same proportion measured as of August 31, 2016.

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:

There was a significant plan change adopted in fiscal year ending August 31, 2017:

- Effective January 1, 2018, only one health plan option will exist (instead of three), and all retirees will be required to contribute monthly premiums for coverage. The health plan changes triggered changes to several of the assumptions, including participation rates, retirement rates, and spousal participation rates. This change in plan benefits significantly lowered the OPEB liability and had an immediate effect on the OPEB expenses recognized by participating entities.
- The August 31, 2016 valuation had assumed that the savings related to the Medicare Part D reimbursements would phase out by 2022. This assumption was removed for the August 31, 2017 valuation. Although there is uncertainty regarding these federal subsidies, the new assumption better reflects the current substantive plan. This change was unrelated to the plan amendment, and its impact was included as an assumption change in the reconciliation of the total OPEB liability. This change significantly lowered the OPEB liability.
- The discount rate changed from 2.98 percent as of August 31, 2016 to 3.42 percent as of August 31, 2017. This change lowered the total OPEB liability.

Note 14 - Defined Other Post-Employment Benefit Plan (continued)

Negative OPEB Expense

The significant changes to the plan benefits and assumptions noted above decreased the net OPEB liability related to TRS-Care as a whole by \$33.3 billion. As a result, the District's proportional share of the net OPEB liability decreased by \$70.0 million. Because the decrease in the liability was the result of changes to plan benefits, a majority of the decrease has been recognized immediately in the District's financial statements. As a result, the District recognized a total proportional share of negative OPEB expense of \$79.6 million, a portion of this negative expense (\$49.0 million) represents the State's on-behalf share of this activity offset by what the Governmental Accounting Standards Board refers to as a negative on-behalf revenue.

The following table illustrates the magnitude of the negative on-behalf activity for the State's portion of the TRS-Care benefits by individual function for both operating grants and contributions revenues and expense:

	Current Year Prior to Negative On-behalf Activities			Current Year After Negative On-behalf Activities as presented in Exhibit B-1	
	Expenses	Operating Grants and Contributions	Negative On-behalf Activities	Expenses	Operating Grants and Contributions
Instruction	\$ 182,310,847	\$ 15,304,595	\$ (34,775,141)	\$ 147,535,706	\$ (19,470,546)
Instructional Resources and Media Services	1,945,997	48,039	(288,895)	1,657,102	(240,856)
Curriculum and Staff Development	3,204,384	593,592	(421,101)	2,783,283	172,491
Instructional Leadership	2,080,103	415,044	(401,515)	1,678,588	13,529
School Leadership	14,547,079	552,294	(3,520,603)	11,026,476	(2,968,309)
Guidance, Counseling, and Evaluation Services	7,849,918	1,547,191	(1,571,785)	6,278,133	(24,594)
Social Work Services	623,188	99,885	(107,724)	515,464	(7,839)
Health Services	2,990,700	5,082,614	(661,031)	2,329,669	4,421,583
Student Transportation	13,369,842	338,834	(1,939,025)	11,430,817	(1,600,191)
Food Service	12,575,511	9,259,410	(24,483)	12,551,028	9,234,927
Extracurricular Activities	11,158,811	511,868	(866,685)	10,292,126	(354,817)
General Administration	6,184,413	446,036	(940,133)	5,244,280	(494,097)
Plant, Maintenance and Operations	28,973,092	2,196,351	(2,678,401)	26,294,691	(482,050)
Security and Monitoring Services	2,938,923	30,500	(200,758)	2,738,165	(170,258)
Data Processing Services	6,021,299	70,885	(470,067)	5,551,232	(399,182)
Community Services	627,146	233,373	(97,931)	529,215	135,442
Others facilities costs	30,933,758	-	-	30,933,758	-
Facilities Repairs and Maintenance	7,277	-	-	7,277	-
Other Intergovernmental	1,362,923	-	-	1,362,923	-
Totals	<u>\$ 329,705,211</u>	<u>\$ 36,730,511</u>	<u>\$ (48,965,278)</u>	<u>\$ 280,739,933</u>	<u>\$ (12,234,767)</u>

Note 14 - Defined Other Post-Employment Benefit Plan (continued)

Deferred Outflows and Deferred Inflows of Resources Related to OPEB

At August 31, 2018, the District reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expeted and actual economic	\$ -	\$ (1,910,239)
Changes in actuarial assumptions	-	(36,366,521)
Difference between projected and actual investment	13,900	-
Changes in proportion and difference between the	423	-
Contributions paid to TRS subsequent to the measurement	1,585,134	-
Total	\$ 1,599,457	\$ (38,276,760)

The \$1,585,134 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended August 31, 2019. The net amounts of the employer’s balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended August 31:	OPEB Expense Amount
2019	\$ (5,048,773)
2020	(5,048,773)
2021	(5,048,773)
2022	(5,048,773)
2023	(5,052,248)
Thereafter	(13,015,097)
	\$ (38,262,437)

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries know as Medicare Part D. Under Medicare Part D, TRS-Care receives retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These payments are recorded as equal revenues and expenditures in the governmental funds financial statements of the District. For the years ended August 31, 2018, 2017, and 2016 the subsidy payments received by TRS-Care on behalf of the District are as follows:

Fiscal Year	Medicare Part D
2018	\$ 574,300
2017	540,870
2016	641,382

Note 15 - Commitments and Contingencies

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 disaster. 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 established a limited risk management program for Health Insurance and Workers’ Compensation by establishing an Internal Service Fund to account for its insured and self-insured risk of loss. The Internal Service Fund (Health Insurance) is principally supported by contributions from the district and the employees. The District makes contributions to cover the employees and the employees are required to make contributions to cover their dependents. The Internal Service Fund charges the General Fund premiums for the District’s contribution. The District has obtained excess loss insurance that limits the District’s claims paid to \$100,000 for individual and \$1,000,000 in aggregate claims on an annual basis. Estimates of claims payable and of claims incurred but not reported at August 31, 2018 are based on the District’s historical experience and 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, 2018. Because actual claims liabilities depend on such complex factors as inflation, changes in legal requirements and damages awards, the process used in computing claims liability is an estimate.

Analysis of claims liability, for the fiscal years 2016-2018, is as follows:

Fiscal Year	Beginning of Year Accrual	Current Year Estimates	Claims Payments	End of Year Accrual
2018	\$ 2,184,746	\$ 30,440,491	\$ 30,528,237	\$ 2,097,000
2017	2,034,636	28,486,122	28,336,012	2,184,746
2016	2,603,123	24,987,915	25,556,402	2,034,636

The District also provides workers’ compensation to its employees, through a self-insured plan which is accounted for in the Internal Service Fund. The Internal Service Fund charges the General Fund premiums for the District’s contribution. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred but not reported. The result of the process to estimate the claims liability is based upon the District’s historical experience. The District has obtained excess loss insurance that limits the District’s claims paid to \$100,000 for any individual participant. Analysis of claims liability for the fiscal years 2016-2018, is a follows:

Fiscal Year	Beginning of Year Accrual	Current Year Estimates	Claims Payments	End of Year Accrual
2018	\$ 307,172	\$ 532,393	\$ 563,870	\$ 275,695
2017	819,185	41,830	553,843	307,172
2016	329,304	587,610	532,482	384,432

Note 15 - Commitments and Contingencies (continued)

During fiscal year 2017-18 the District was a member of the Texas Association of School Boards Property Casualty Joint Account, a public entity risk pool. The district's participation in the risk pool is limited to paying premiums for unemployment insurance and professional legal liability insurance coverage. Settled claims have not exceeded insurance coverage in any of the previous three years. There has not been any significant reduction in insurance coverage from that of the previous year.

Federal Tax Compliance (Arbitrage) for Tax Exempt Debt

In accordance with provisions of Section 148 of the Internal Revenue Code of 1986, as amended, (the "Code") the District's "tax exempt" debt obligations must meet certain minimum criteria to be considered and continue to be considered "tax exempt." This "tax exempt" status means that interest income earned by purchasers of the District's long-term debt instruments is not subject to federal income taxes. Related Treasury Regulations promulgated under section 148 of the Code generally provide that the determination of whether these obligations are tax exempt is made as of the date such obligations are issued based on reasonable expectations regarding the use of the proceeds of the bonds issued. Any tax exempt debt issue that does not meet and continue to meet the minimum criteria of Section 148 of the Code and the related Treasury Regulations described above are considered "arbitrage bonds" and are not considered "tax exempt" as described above.

Rebate

Tax exempt bonds will become arbitrage bonds (as described above) if certain arbitrage profits are not paid to the federal government as rebate under section 148(f) of the Code. The District's obligations to calculate and make rebate payments (if any) will continue as long as there are gross proceeds allocable to outstanding tax exempt debt. The District has performed calculations required under section 148(f) of the Code and has determined that there is no liability as of August 31, 2018.

Unexpended Tax Exempt Debt Issuance Proceeds (Yield Restriction Requirements) - Section 148 of the Code also provides that in order for tax exempt debt not to be considered arbitrage debt (as described above), certain proceeds require yield restriction meaning that proceeds of such debt must be invested at a yield that is not materially higher than the yield on the debt issued. The yield restriction may be accomplished by making yield reduction payments pursuant to Treas. Reg. Section 1.148-5(c). The District is continuing to proceed with reasonable diligence to expend any remaining unexpended debt issuance proceeds on qualifying projects or to retire related debt issues still outstanding.

Note 16 - Deficit Fund Balance and Fund Equity

The Health Insurance fund, an internal service fund had a deficit fund balance of \$2,236,375 as of August 31, 2018. The District plans to cover the deficits during the next fiscal year.

Note 17 – Prior Period Adjustment

In the current fiscal year, the District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. As a result, the beginning net position of the District’s governmental activities has been restated on Exhibit B-1 Statement of Activities to reflect the net OPEB liability and deferred outflow of resources related to TRS-Care contributions made after the prior measurement date of the plan as follows:

	Governmental Activities
Beginning Net Position - As Originally Presented	\$ 1,813,376
Restatement due to:	
Net OPEB liability (measurement date as of August 31, 2016)	(161,547,647)
Deferred Outflows:	
TRS-Care Contributions made to TRS-Care during the fiscal year	<u>1,093,992</u>
	<u>(160,453,655)</u>
Beginning Net Position - As Restated	<u><u>\$ (158,640,279)</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL-GENERAL FUND
For the year ended August 31, 2018

Exhibit G-1

Data Control Codes		Budgeted Amounts		Actual Amounts, GAAP Basis	Variance with Final Budget - Positive (Negative)
		Original	Final		
		Revenues			
5700	Local revenues	\$ 160,551,114	\$ 163,851,159	\$ 164,166,967	\$ 315,808
5800	State program revenues	99,718,336	99,718,336	100,341,386	623,050
5900	Federal program revenues	2,925,000	3,065,000	5,331,684	2,266,684
5020	Total revenues	<u>263,194,450</u>	<u>266,634,495</u>	<u>269,840,037</u>	<u>3,205,542</u>
Expenditures					
Current:					
0011	Instruction	166,093,103	177,891,256	174,167,673	3,723,583
0012	Instruction resources and media services	1,647,268	1,885,666	1,666,881	218,785
0013	Curriculum and instructional staff development	3,347,254	3,335,199	2,993,188	342,011
0021	Instructional leadership	2,298,911	2,246,627	2,045,840	200,787
0023	School leadership	15,384,729	16,846,334	16,438,174	408,160
0031	Guidance, counseling and evaluation services	8,652,504	8,644,649	8,107,750	536,899
0032	Social work services	518,594	594,191	516,288	77,903
0033	Health services	3,207,579	3,326,168	3,176,421	149,747
0034	Student transportation	10,056,477	12,836,500	11,734,023	1,102,477
0035	Food services	53,127	154,451	132,581	21,870
0036	Extracurricular activities	7,117,034	8,605,975	7,864,907	741,068
0041	General administration	6,088,362	6,634,793	6,209,377	425,416
0051	Facilities maintenance and operations	29,041,528	31,186,808	27,667,222	3,519,586
0052	Security and monitoring services	2,552,472	2,972,949	2,545,605	427,344
0053	Data processing services	5,272,322	5,666,221	5,275,270	390,951
0061	Community services	376,201	503,912	419,303	84,609
0081	Capital outlay	-	3,777,458	2,889,043	888,415
0099	Other intergovernmental charges	1,487,012	1,487,012	1,362,923	124,089
6030	Total Expenditures	<u>263,194,477</u>	<u>288,596,169</u>	<u>275,212,469</u>	<u>13,383,700</u>
1100	Excess (deficiency) of revenues over expenditures	(27)	(21,961,674)	(5,372,432)	16,589,242
1200	Net change in fund balances	(27)	(21,961,674)	(5,372,432)	16,589,242
100	Fund balances - beginning	<u>78,259,727</u>	<u>78,259,727</u>	<u>78,259,727</u>	-
3000	Fund balances - ending	<u>\$ 78,259,700</u>	<u>\$ 56,298,053</u>	<u>\$ 72,887,295</u>	<u>\$ 16,589,242</u>

Budgets

The District adopts annual appropriations type budgets for the General Fund, the Food Service Special Revenue Fund, and the Debt Service Fund using the same method of accounting as for financial reporting, as required by law. The remaining Special Revenue Funds (primarily federal grant programs) utilize a managerial type budget approved at the fund level by the Board of Trustees upon acceptance of the grants. These grants are subject to State imposed project length budgets and monitoring through submission of reimbursement reports.

The Capital Projects Fund budget is prepared on a project basis based on the proceeds available from bond issuance and planned expenditures outlined in applicable bond ordinances. Capital Projects Fund equity, which represents unexpended appropriations, is reappropriated in the subsequent fiscal year's budget until available funds for acquisition and construction of facilities have been utilized. Each major construction contract is approved based on the existing availability of bond proceeds. The remaining Fund types (Proprietary and Fiduciary) are not integrated into the District's formal budgetary structure.

Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests that would require an increase in total budgeted appropriations must be approved by the Trustees through formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end. Supplemental appropriations were made to the General Fund during the fiscal year ended August 31, 2018.

The administrative level at which responsibility for control of budgeted appropriations begins is at the organizational level within each function of operations. The finance department reviews closely the expenditure requests submitted by the various organizational heads (principal and department heads) throughout the year to ensure proper spending compliance. No public funds of the District shall be expended in any manner other than as provided for in the budget adopted by the Board of Trustees.

The official school budget was prepared for adoption for budgeted governmental fund types on August 20, 2017. The Board of Trustees formally adopted the budget at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the Texas Education Agency (TEA) through inclusion in the annual financial and compliance report.

Encumbrances

Encumbrance accounting is utilized in all government fund types. Purchase orders or contracts document encumbrances for goods or purchased services. Under Texas law, appropriations lapse at year-end and encumbrances outstanding at that time are appropriately provided for in the subsequent year's budget.

End-of-year outstanding encumbrances that were provided for in the subsequent year's budget were \$1,312,470 for the General Fund.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Schedules of Required Supplementary Information
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
Teacher Retirement System of Texas
For the Last Four Measurement Year ended August 31 (1)

Exhibit G-3

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.1671%	0.1560%	0.1485%	0.0909%
District's proportionate share of the net pension liability	\$ 53,428,779	\$ 58,934,512	\$ 52,504,827	\$ 24,283,479
State's proportionate share of the net pension liability associated with the District	<u>89,569,394</u>	<u>101,117,493</u>	<u>91,363,163</u>	<u>76,798,291</u>
Total	<u>\$ 142,998,173</u>	<u>\$ 160,052,005</u>	<u>\$ 143,867,990</u>	<u>\$ 101,081,770</u>
District's covered payroll (for Measurement Year)	\$ 183,516,760	\$ 167,181,389	\$ 150,260,996	\$ 139,758,071
District's proportionate share of the net pension liability as a percentage of it's covered payroll	29.1%	35.3%	34.9%	17.4%
Plan fiduciary net position as a percentage of the total pension liability *	82.17%	78.00%	78.43%	82.25%
Plan's net pension liability as a percentage of covered payroll *	75.93%	92.75%	91.94%	72.89%

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

Net pension liability is calculated using an new methodology and will be presented prospectively in accordance with GASB 68.

* Per Teacher Retirement System of Texas' comprehensive annual financial report.

(1) Ten year of data should be presented in this schedule, but data was unavailable prior to 2014.
Net pension liability and related ratios will be presented as data becomes available.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
Teachers Retirement System of Texas
Last Ten Fiscal Years

Exhibit G-4

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions	\$ 5,970,362	\$ 5,475,650	\$ 4,955,206	\$ 4,398,157	\$ 2,305,130
Contributions in relation to the contractual required contributions	<u>5,970,362</u>	<u>5,475,650</u>	<u>4,955,206</u>	<u>4,398,157</u>	<u>2,305,130</u>
contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 196,042,777	\$ 183,516,760	\$ 167,181,389	\$ 150,260,996	\$ 139,758,071
Contributions as a percentage of covered payroll	3.05%	2.98%	2.96%	2.93%	1.65%
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Contractually required contributions	\$ 1,988,833	\$ 1,791,235	\$ 2,131,506	\$ 1,913,857	\$ 1,822,296
Contributions in relation to the contractual required contributions	<u>1,988,833</u>	<u>1,791,235</u>	<u>2,131,506</u>	<u>1,913,857</u>	<u>1,822,296</u>
contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 132,112,084	\$ 130,928,506	\$ 134,534,219	\$ 127,560,891	\$ 119,537,534
Contributions as a percentage of covered payroll	1.51%	1.37%	1.58%	1.50%	1.52%

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
For the Fiscal Year Ended August 31, 2018

Exhibit G-5

Notes to Required Supplementary Information – Pension

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

Changes of Assumptions

There were no changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period.

Changes of Benefit Terms

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

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET OPEB LIABILITY

Exhibit G-6

Teacher Retirement System of Texas
For the Last Measurement Years Ended August 31 (1)

	<u>2017</u>
District's proportion of the net OPEB liability	0.2104%
District's proportionate share of the net OPEB liability	\$ 91,505,108
State's proportionate share of the net OPEB liability associated with the District	<u>146,328,113</u>
Total	<u><u>\$237,833,221</u></u>
District's covered payroll (for Measurement Year)	\$183,516,760
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	49.86%
Plan fiduciary net position as a percentage of the total OPEB liability*	0.91%
Plan's net OPEB liability as a percentage of covered payroll*	132.55%

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

* Per Teacher Retirement System of Texas' comprehensive annual financial report.

(1) Ten year of data should be presented in this schedule, but data was unavailable prior to 2017
Net OPEB liability and related ratios will be presented as data becomes available.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
Teacher Retirement System of Texas - OPEB
Last Five Fiscal Years

Exhibit G-7

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 1,585,303	\$ 1,093,823	\$ 1,005,171	\$ 898,720
Contributions in relation to the contractual required contributions	<u>1,585,303</u>	<u>1,093,823</u>	<u>1,005,171</u>	<u>898,720</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 District's covered payroll	 \$196,042,777	 \$183,516,760	 \$ 167,181,389	 \$150,261,996
 Contributions as a percentage of covered payroll	 0.81%	 0.60%	 0.60%	 0.60%
	 <u>2014</u>			
Contractually required contributions	\$ 832,798			
Contributions in relation to the contractual required contributions	<u>832,798</u>			
Contribution deficiency (excess)	<u>\$ -</u>			
 District's covered payroll	 \$139,758,071			
 Contributions as a percentage of covered payroll	 0.60%			

(1) Ten year of data should be presented in this schedule, but data was unavailable prior to 2015
Net pension liability and related ratios will be presented as data becomes available.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB
TEACHER RETIREMENT SYSTEM OF TEXAS
For the Fiscal Year Ended August 31, 2018

Exhibit G-8

Notes to Required Supplementary Information – OPEB

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

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:

There was a significant plan change adopted in fiscal year ending August 31, 2017:

- Effective January 1, 2018, only one health plan option will exist (instead of three), and all retirees will be required to contribute monthly premiums for coverage. The health plan changes triggered changes to several of the assumptions, including participation rates, retirement rates, and spousal participation rates. This change in plan benefits significantly lowered the OPEB liability and had an immediate effect on the OPEB expenses recognized by participating entities.
- The August 31, 2016 valuation had assumed that the savings related to the Medicare Part D reimbursements would phase out by 2022. This assumption was removed for the August 31, 2017 valuation. Although there is uncertainty regarding these federal subsidies, the new assumption better reflects the current substantive plan. This change was unrelated to the plan amendment, and its impact was included as an assumption change in the reconciliation of the total OPEB liability. This change significantly lowered the OPEB liability.

The discount rate changed from 2.98 percent as of August 31, 2016 to 3.42 percent as of August 31, 2017. This change lowered the total OPEB liability.

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INDIVIDUAL, COMBINING FUND STATEMENTS AND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. This excludes expendable trusts and major capital projects. These funds utilize the modified accrual basis of accounting. Fund numbers as prescribed by the Texas Education Agency's Financial Accountability System Resource Guide (FASRG) along with Fund names and description have been detailed below.

The following funds are used to account for the indicated *federal programs*:

211 Title I, Part A - Improving Basic Programs - This fund classification is to be used to account, on a project basis, for funds allocated to local educational agencies to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children. This program is authorized under P.L. 107-110. (84.010A) (U.S. Department of Education)

215 Title I, Part D, Subpart 2 - Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or at Risk - This fund classification is to be used to account, on a project basis, for funds to carry out high quality education programs to prepare neglected or delinquent youth for secondary school completion, training, employment, or further education. This grant is funded by P.L. 107-110. (84.010A) (U.S. Department of Education)

224 IDEA - Part B, Formula - This fund classification is to be used to account, on a project basis, for funds granted to operate educational programs for children with disabilities. This fund classification includes capacity building and improvement (sliver) sub-grants. (84.027A) (U.S. Department of Education)

225 IDEA - Part B, Preschool - This fund classification is to be used to account, on a project basis, for funds granted for preschool children with disabilities. This grant is funded by PL 105-17. (84.173A) (U.S. Department of Education)

226 IDEA - Part B, High Cost Funds - This fund classification is to be used to account for funds to assist in addressing the needs of high-need students with disabilities. (84.027A) (U.S. Department of Education)

240 National School Breakfast and Lunch Program - This fund classification is to be used for programs using federal reimbursement revenues originating from the United States Department of Agriculture (USDA). (10.553, breakfast; 10.555, lunch)

244 Vocational Education - Basic Grant - This fund classification is to be used to account, on a project basis, for funds granted to develop new and/or improve career and technology education programs. The purpose of this grant is to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population. (84.048A) (U.S. Department of Education)

255 Title II, Part A Teacher Principal Training and Recruiting - This fund classification is to be used to account on a project basis, for funds granted to improve student achievement by elevating teacher and principal quality through recruitment, hiring, and retention strategies to improve teacher and principal quality and increase the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools This program is authorized under P.L. 107-110 (84.367A) (U.S. Department of Education)

Nonmajor Governmental Funds (Continued)

Special Revenue Funds (Continued)

263, Title III, Part A, LEP - Funds are used to provide additional services to students of limited English proficiency by assisting the children to learn English and meet challenging State academic content and student academic achievement standards. This program is authorized under P.L 107-110 (84.365A) (U.S. Department of Education)

281 Summer School LEP - Required summer school program for limited English proficiency students (84.369A) (U.S. Department of Education)

288 Restart Hurricane Recovery - This grant was designed to support the provision of immediate services or assistance to local educational agencies and non-public schools in areas where a major disaster or emergency was declared. (84.938A) (U.S. Department of Education)

289 Title IV, Part A Subpart 1 - the Student Support and Academic Enrichment Grant Program. The overarching goal is to provide all students access to a well-rounded education, improve academic outcomes by maintaining safe and healthy students and improve the use of technology to advance student academic achievement. (84.424A) (U.S. Department of Education)

The following funds are used to account for the indicated *state programs*:

385 State Supplemental Visually Impaired (SSVI) - This fund classification is to be used to account for State Supplemental Visually Impaired funds. This fund is to be used by single school districts, on a project basis, to account for any of these funds received from the ESC or district fiscal agent of a shared services arrangement.

397 Advanced Placement Incentives - This fund classification is to be used to account, on a project basis, for funds awarded to school districts under the Texas Advanced Placement Award Incentive Program, Chapter 28, Subchapter C, TEC.

410 Instructional Materials Allotment (IMA) - Legislation from the 82nd Texas Legislature created an Instructional Materials Allotment (IMA) for the purchase of instructional materials, technological equipment and technology-related services. Districts are entitled to an annual allotment from the state instructional materials fund for each student enrolled in the district on a date during the preceding school year specified by the commissioner. An allotment under this section shall be transferred from the state instructional materials fund to the credit of the district's instructional materials account as provided by Section 31.0212.

411 Technology Allotment - This fund classification is to be used to account, on a project basis, for funds awarded to school districts to purchase technological software or equipment that contributes to student learning, or to pay for training for educational personnel involved in the use of these materials. (TEC Chapter 31, Subchapter B)

428 Achievement Literacy - This fund classification is to be used to prepare underachieving students to enter institutions of higher education, encourage students to pursue advanced academic opportunities, provide opportunities for students to take academically rigorous courses, align secondary and postsecondary curriculum and expectations, and support other promising high school completion and success initiatives in Grades 6-12 approved by the commissioner of education.

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Nonmajor Governmental Funds (Continued)

Special Revenue Funds (Continued)

429 Pre-Kindergarten - This fund classification is to be used to account for a summer literacy and mathematics achievement academies for teachers who provide reading instruction to students in kindergarten and grade 1 and mathematic instruction to students in grade 2 or 3 to eligibly participants.

461 Campus Activity Funds (see Fund 865 for Student Activity Funds) - This fund classification is to be used to account for transactions related to a principal's activity fund if the monies generated are not subject to recall by the school district's board of trustees into the General Fund. Gross revenues from sales are recorded in revenue object code 5755. The cost of goods sold is recorded in Function 36, using the appropriate expenditure object code.

499 Locally Funded Special Revenue Funds - Locally funded special revenue funds not listed above are to be accounted for in this fund

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

August 31, 2018

Data Control Codes	211	215	224
Codes	Title I, Part A	Title I, Part D	IDEA B Formula
Assets			
1110	\$ 5,137	\$ -	\$ -
Receivables:			
1240	507,979	14,095	643,465
1260	605,145	-	4,750
1290	-	-	-
1310	-	-	-
1000	Total Assets	Total Assets	Total Assets
	<u>\$ 1,118,261</u>	<u>\$ 14,095</u>	<u>\$ 648,215</u>
Liabilities and Fund Balance			
Liabilities:			
Current Liabilities:			
2110	\$ 20,586	\$ -	\$ 32,585
2160	130,590	5,605	226,259
2170	967,085	8,490	389,142
2180	-	-	229
2300	-	-	-
2000	Total Liabilities	Total Liabilities	Total Liabilities
	<u>1,118,261</u>	<u>14,095</u>	<u>648,215</u>
Fund Balance:			
Restricted:			
3450	-	-	-
Committed:			
3545	-	-	-
3000	Total Fund Balances	Total Fund Balances	Total Fund Balances
	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balance	Total Liabilities and Fund Balance	Total Liabilities and Fund Balance
	<u>\$ 1,118,261</u>	<u>\$ 14,095</u>	<u>\$ 648,215</u>

225	226	240	244	255	263	281
IDEA B Preschool Grant	IDEA B High Cost Funds	Child Nutrition	Vocational Ed -Basic	Title II, Part A	Title III, Part A - LEP	Summer School LEP
\$ -	\$ 8,301	\$ 3,628,691	\$ -	\$ -	\$ -	\$ 22,556
13,058	-	257,527	25,294	79,833	109,836	-
-	5,356	-	65	76	-	-
-	-	139,192	-	-	-	-
-	-	268,295	-	-	-	-
<u>\$ 13,058</u>	<u>\$ 13,657</u>	<u>\$ 4,293,705</u>	<u>\$ 25,359</u>	<u>\$ 79,909</u>	<u>\$ 109,836</u>	<u>\$ 22,556</u>
\$ -	\$ -	\$ 301,788	\$ -	\$ 16,137	\$ 542	\$ -
5,188	-	153,823	2,795	6,786	11,749	-
7,870	-	10,992	22,564	56,986	97,545	22,556
-	13,657	-	-	-	-	-
-	-	-	-	-	-	-
<u>13,058</u>	<u>13,657</u>	<u>466,603</u>	<u>25,359</u>	<u>79,909</u>	<u>109,836</u>	<u>22,556</u>
-	-	3,827,102	-	-	-	-
-	-	-	-	-	-	-
-	-	3,827,102	-	-	-	-
<u>\$ 13,058</u>	<u>\$ 13,657</u>	<u>\$ 4,293,705</u>	<u>\$ 25,359</u>	<u>\$ 79,909</u>	<u>\$ 109,836</u>	<u>\$ 22,556</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

August 31, 2018

Data Control Codes	288 Restart Hurricane Recovery	289 Title IV Part A Subpart 1	385 State Visually Impaired	397 Advanced Placement Incentive	410 Instructional Materials Allotment	
Assets						
1110	Cash and temporary investments	\$ -	\$ -	\$ 10,000	\$ 16,747	\$ 3,715
	Receivables:					
1240	Receivables from other governments	1,789,884	31,456	-	-	174,971
1260	Due from other funds	-	-	-	-	374,084
1290	Other receivables	-	-	-	-	-
1310	Inventories, at cost	-	-	-	-	-
1000	Total Assets	<u>\$ 1,789,884</u>	<u>\$ 31,456</u>	<u>\$ 10,000</u>	<u>\$ 16,747</u>	<u>\$ 552,770</u>
Liabilities and Fund Balance						
Liabilities:						
Current Liabilities:						
2110	Accounts payable	\$ -	\$ 8,425	\$ -	\$ -	\$ 232,154
2160	Accrued wages payable	-	571	-	-	-
2170	Due to other funds	1,789,884	22,460	10,000	2,344	-
2180	Due to other governments	-	-	-	-	-
2300	Unearned revenues	-	-	-	14,403	314,648
2000	Total Liabilities	<u>1,789,884</u>	<u>31,456</u>	<u>10,000</u>	<u>16,747</u>	<u>546,802</u>
Fund Balance:						
Restricted:						
3450	Grant funds	-	-	-	-	5,968
Committed:						
3545	Other	-	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,968</u>
4000	Total Liabilities and Fund Balance	<u>\$ 1,789,884</u>	<u>\$ 31,456</u>	<u>\$ 10,000</u>	<u>\$ 16,747</u>	<u>\$ 552,770</u>

411	428	429	461	499	Total
Technology Allotment	Achievement Literacy	Pre-Kindergarten Program	Campus Activity	Locally Funded Special Revenue Funds	Nonmajor Governmental Funds
\$ 6,563	\$ 2,546	\$ -	\$ 1,390,753	\$ 57,755	\$ 5,152,764
-	-	6,368	-	-	3,653,766
-	44	38,462	-	4,880	1,032,862
-	-	-	-	16	139,208
-	-	-	-	-	268,295
<u>\$ 6,563</u>	<u>\$ 2,590</u>	<u>\$ 44,830</u>	<u>\$ 1,390,753</u>	<u>\$ 62,651</u>	<u>\$ 10,246,895</u>
\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 612,717
-	1,400	535	-	-	545,301
-	1,190	44,295	-	56,921	3,510,324
-	-	-	-	-	13,886
-	-	-	-	2,480	331,531
<u>-</u>	<u>2,590</u>	<u>44,830</u>	<u>-</u>	<u>59,901</u>	<u>5,013,759</u>
6,563	-	-	-	2,750	3,842,383
-	-	-	1,390,753	-	1,390,753
<u>6,563</u>	<u>-</u>	<u>-</u>	<u>1,390,753</u>	<u>2,750</u>	<u>5,233,136</u>
<u>\$ 6,563</u>	<u>\$ 2,590</u>	<u>\$ 44,830</u>	<u>\$ 1,390,753</u>	<u>\$ 62,651</u>	<u>\$ 10,246,895</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2018

Data Control Codes	211	215	224
	Title I, Part A	Title I, Part D	IDEA B Formula
Revenues			
5700 Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800 State program revenues	-	-	-
5900 Federal program revenues	3,705,928	100,733	4,872,812
5020 Total Revenues	<u>3,705,928</u>	<u>100,733</u>	<u>4,872,812</u>
Expenditures			
Current:			
0011 Instruction	3,183,205	100,733	3,364,862
0012 Instruction resources and media services	-	-	-
0013 Curriculum and instructional staff development	79,073	-	6,382
0021 Instructional leadership	96,501	-	208,933
0023 School leadership	3,572	-	-
0031 Guidance, counseling and evaluation services	37,421	-	1,240,158
0032 Social work services	69,263	-	-
0033 Health services	-	-	52,477
0034 Student transportation	-	-	-
0035 Food service	-	-	-
0036 Extracurricular activities	-	-	-
0041 General administration	19,026	-	-
0051 Facilities maintenance and operations	-	-	-
0061 Community services	217,867	-	-
6030 Total Expenditures	<u>3,705,928</u>	<u>100,733</u>	<u>4,872,812</u>
1100 Excess (deficiency) of revenues over expenditures	-	-	-
0100 Fund Balance - September 1 (beginning)	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - August 31 (ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

225	226	240	244	255	263	281
IDEA B Preschool Grant	IDEA B High Cost Funds	Child Nutrition	Vocational Ed - Basic	Title II, Part A	Title III, Part A - LEP	Summer School LEP
\$ -	\$ -	\$ 4,564,782	\$ -	\$ -	\$ -	\$ -
-	-	74,691	-	-	-	-
98,339	181,914	9,180,165	199,720	585,340	488,130	22,556
<u>98,339</u>	<u>181,914</u>	<u>13,819,638</u>	<u>199,720</u>	<u>585,340</u>	<u>488,130</u>	<u>22,556</u>
98,339	44,680	-	149,286	37,013	462,786	22,556
-	-	-	-	-	-	-
-	-	-	4,718	361,504	20,511	-
-	-	-	45,716	-	2,371	-
-	-	-	-	14,959	2,462	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	91,146	-	-	-	-	-
-	46,088	-	-	-	-	-
-	-	13,937,767	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	171,864	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>98,339</u>	<u>181,914</u>	<u>13,937,767</u>	<u>199,720</u>	<u>585,340</u>	<u>488,130</u>	<u>22,556</u>
-	-	(118,129)	-	-	-	-
-	-	3,945,231	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,827,102</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended August 31, 2018

	288	289	385	397	410
Data Control Codes	Restart Hurricane Recovery	Title IV Part A Subpart 1	State Visually Impaired	Advanced Placement Incentive	Instructional Materials Allotment
Revenues					
5700 Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -	\$ -
5800 State program revenues	-	-	10,000	32,906	2,522,040
5900 Federal program revenues	1,789,884	70,985	-	-	-
5020 Total Revenues	<u>1,789,884</u>	<u>70,985</u>	<u>10,000</u>	<u>32,906</u>	<u>2,522,040</u>
Expenditures					
Current:					
0011 Instruction	-	6,183	10,000	-	2,522,040
0012 Instruction resources and media services	-	-	-	-	-
0013 Curriculum and instructional staff development	-	18,832	-	32,906	-
0021 Instructional leadership	-	-	-	-	-
0023 School leadership	-	-	-	-	-
0031 Guidance, counseling and evaluation services	-	31,665	-	-	-
0032 Social work services	-	14,305	-	-	-
0033 Health services	-	-	-	-	-
0034 Student transportation	-	-	-	-	-
0035 Food service	-	-	-	-	-
0036 Extracurricular activities	-	-	-	-	-
0041 General administration	-	-	-	-	-
0051 Plant maintenance and operations	1,789,884	-	-	-	-
0061 Community services	-	-	-	-	-
6030 Total Expenditures	<u>1,789,884</u>	<u>70,985</u>	<u>10,000</u>	<u>32,906</u>	<u>2,522,040</u>
1100 Excess (deficiency) of revenues over expenditures	-	-	-	-	-
0100 Fund Balance - September 1 (beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,968</u>
3000 Fund Balance - August 31 (ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,968</u>

411	428	429	461	499	Total
Technology Allotment	Achievement Literacy	Pre-Kindergarten Program	Campus Activity	Locally Funded Special Revenue Funds	Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 3,227,928	\$ -	\$ 7,792,710
-	2,450	53,937	-	-	2,696,024
-	-	-	-	-	21,296,506
<u>-</u>	<u>2,450</u>	<u>53,937</u>	<u>3,227,928</u>	<u>-</u>	<u>31,785,240</u>
-	2,450	43,230	-	-	10,047,363
-	-	4,873	-	-	4,873
-	-	5,834	-	-	529,760
-	-	-	-	-	353,521
-	-	-	-	-	20,993
-	-	-	-	1,250	1,310,494
-	-	-	-	-	83,568
-	-	-	-	-	143,623
-	-	-	-	-	46,088
-	-	-	-	-	13,937,767
-	-	-	3,091,251	-	3,091,251
-	-	-	-	-	190,890
-	-	-	-	-	1,789,884
-	-	-	-	-	217,867
<u>-</u>	<u>2,450</u>	<u>53,937</u>	<u>3,091,251</u>	<u>1,250</u>	<u>31,767,942</u>
-	-	-	136,677	(1,250)	17,298
<u>6,563</u>	<u>-</u>	<u>-</u>	<u>1,254,076</u>	<u>4,000</u>	<u>5,215,838</u>
<u>\$ 6,563</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,390,753</u>	<u>\$ 2,750</u>	<u>\$ 5,233,136</u>

Internal Service Funds

Internal Service Funds are used to account for the operations of the District's self-funded insurance programs.

Health Insurance Fund - This fund is used to account for the operations of the District's employee health insurance plan which is supported by both employee and employer contributions. Expenses include claims, excess loss insurance and related administrative costs. Estimated amounts due for claims incurred but not reported at year-end are included as fund liabilities.

Workers' Compensation Fund - This fund is used to account for the operations of the District's self-insurance workers compensation plan, which is supported by employer contributions. Expenses include plan benefit payments to employees, excess loss insurance premiums and related charges incurred in administering the plans. Estimated amounts due for claims incurred but not reported at year-end are included as fund liabilities.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended August 31, 2018

Exhibit H-3

Data Control Codes		753	770	Total
		Health Insurance	Workers' Compensation	
Assets				
Current assets:				
1110	Cash and temporary investments	\$ 619,329	\$ 1,102,864	\$ 1,722,193
Receivables:				
1290	Other receivables	197,936	-	197,936
1000	Total Current Assets	<u>817,265</u>	<u>1,102,864</u>	<u>1,920,129</u>
Liabilities				
Current Liabilities:				
2110	Accounts payable	956,640	19,849	976,489
2200	Accrued expenses	<u>2,097,000</u>	<u>275,695</u>	<u>2,372,695</u>
2000	Total Current liabilities	<u>3,053,640</u>	<u>295,544</u>	<u>3,349,184</u>
Net Position				
3900	Unrestricted net position	<u>(2,236,375)</u>	<u>807,320</u>	<u>(1,429,055)</u>
3000	Total Net Position	<u><u>\$ (2,236,375)</u></u>	<u><u>\$ 807,320</u></u>	<u><u>\$ (1,429,055)</u></u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended August 31, 2018

Exhibit H-4

Data Control Codes		753	770	Total
		Health Insurance	Workers' Compensation	
	Operating Revenues			
5754	Charges for services	\$ 32,025,193	\$ 522,133	\$ 32,547,326
5020	Total Operating Revenues	<u>32,025,193</u>	<u>522,133</u>	<u>32,547,326</u>
	Operating Expenses			
6200	Purchased and contracted services	3,087,761	43,000	3,130,761
6400	Claims expense and other operating expenses	31,086,723	502,678	31,589,401
6030	Total Operating Expenses	<u>34,174,484</u>	<u>545,678</u>	<u>34,720,162</u>
1200	Operating Income	<u>(2,149,291)</u>	<u>(23,545)</u>	<u>(2,172,836)</u>
	Non-Operating Revenues (Expenses)			
7020	Investment earnings	11,972	15,723	27,695
	Total Non-Operating Revenues	<u>11,972</u>	<u>15,723</u>	<u>27,695</u>
1200	Change in Net Position	(2,137,319)	(7,822)	(2,145,141)
0100	Net Position - September 1 (Beginning)	<u>(99,056)</u>	<u>815,142</u>	<u>716,086</u>
3300	Net Position - August 31 (Ending)	<u>\$ (2,236,375)</u>	<u>\$ 807,320</u>	<u>\$ (1,429,055)</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Exhibit H-5

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

Year Ended August 31, 2018

	753	770	
	Health Insurance	Workers' Compensation	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash receipts from customers	\$ 31,979,265	\$ 522,133	\$ 32,501,398
Cash payments for claims	(30,528,237)	(563,870)	(31,092,107)
Cash payments for services	(3,087,761)	(43,000)	(3,130,761)
Net Cash Provided by (Used for) Operating Activities	<u>(1,636,733)</u>	<u>(84,737)</u>	<u>(1,721,470)</u>
Cash Flows from Investing Activities:			
Interest on investments	11,972	15,723	27,695
Net Cash Provided by Investing Activities	<u>11,972</u>	<u>15,723</u>	<u>27,695</u>
Net Decrease in Cash and Cash Equivalents	(1,624,761)	(69,014)	(1,693,775)
Cash and Cash Equivalents at Beginning of Year	<u>2,244,090</u>	<u>1,171,878</u>	<u>3,415,968</u>
Cash and Cash Equivalents at End of Year	<u>\$ 619,329</u>	<u>\$ 1,102,864</u>	<u>\$ 1,722,193</u>
Reconciliation to Balance Sheet			
Cash and Cash Equivalents Per Cash Flow	<u>\$ 619,329</u>	<u>\$ 1,102,864</u>	<u>\$ 1,722,193</u>
Cash and Cash Equivalents per Balance Sheet	<u>\$ 619,329</u>	<u>\$ 1,102,864</u>	<u>\$ 1,722,193</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income (Loss)	\$ (2,149,291)	\$ (23,545)	\$ (2,172,836)
Change in Assets and Liabilities:			
Decrease (increase) in Receivables	(45,928)	-	(45,928)
Increase (decrease) in Accounts Payable	646,232	(29,715)	616,517
Increase (decrease) in Accrued Expenses	(87,746)	(31,477)	(119,223)
Net Cash Provided by (Used for) Operating Activities	<u>\$ (1,636,733)</u>	<u>\$ (84,737)</u>	<u>\$ (1,721,470)</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUND
For the Year Ended August 31, 2018

Exhibit H-6

	<u>Balance</u> <u>August 31, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>August 31, 2018</u>
Student Activities				
Assets				
Cash and cash equivalents	\$ 559,725	\$ 76,871	\$ 53,384	\$ 583,212
Total Assets	<u>\$ 559,725</u>	<u>\$ 76,871</u>	<u>\$ 53,384</u>	<u>\$ 583,212</u>
Liabilities				
Due to student groups	\$ 559,725	\$ 76,871	\$ 53,384	\$ 583,212
Total Liabilities	<u>\$ 559,725</u>	<u>\$ 76,871</u>	<u>\$ 53,384</u>	<u>\$ 583,212</u>

REQUIRED TEA SCHEDULES

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF DELINQUENT TAXES RECEIVABLE

For the year ended August 31, 2018

Fiscal Year	Tax Year	1		2		3	
		Tax Rates				Net Assessed/Appraised Value For School Tax Purposes	
		Maintenance	Debt Service				
2009 and prior	Various	Various	Various	Various	Various		
2010	2009	1.020050	0.277600	\$	9,822,284,283		
2011	2010	1.020050	0.344500		9,474,627,586		
2012	2011	1.020050	0.370000		9,902,099,421		
2013	2012	1.040050	0.350000		10,200,906,370		
2014	2013	1.040050	0.350000		10,753,325,847		
2015	2014	1.040050	0.350000		11,639,761,705		
2016	2015	1.040050	0.350000		12,912,509,622		
2017	2016	1.040050	0.350000		14,198,635,157		
2018	2017	1.040050	0.350000		14,999,242,329		
1000 Totals							

10	20	30	30a	40	50
Beginning Balance 9/1/17	Current Year's Total Levy	Maintenance Total Collections	Debt Service Total Collections	Entire Year's Adjustments	Ending Balance 8/31/18
\$ 775,775	\$ -	\$ 22,696	\$ 3,169	\$ (112,430)	\$ 637,480
159,154	-	9,899	2,688	5,154	151,721
181,303	-	16,778	5,667	17,308	176,166
224,191	-	54,105	19,626	45,717	196,177
265,479	-	201,503	67,810	231,780	227,946
277,679	-	151,157	50,868	193,077	268,731
339,578	-	161,412	54,319	191,096	314,943
566,874	-	144,272	48,551	63,603	437,654
1,814,663	-	782,743	263,411	(98,963)	669,546
-	208,496,968	154,614,734	52,031,308	-	1,850,926
<u>\$ 4,604,696</u>	<u>\$ 208,496,968</u>	<u>\$ 156,159,299</u>	<u>\$ 52,547,417</u>	<u>\$ 536,342</u>	<u>\$ 4,931,290</u>
					Penalty and interest receivable on taxes <u>2,859,695</u>
					Total taxes receivable per Governmental Fund Balance Sheet <u>\$ 7,790,985</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Exhibit J-4

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCES ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL -

CHILD NUTRITION FUND

For the year ended August 31, 2018

Data Control Codes	Child Nutrition				
	Budget			Variance Favorable (Unfavorable)	
	Original	Final	Actual		
Revenues					
5700	Local, Intermediate, and Out-of-State	\$ 4,973,500	\$ 4,990,821	\$ 4,564,782	\$ (426,039)
5800	State Program Revenues	-	-	74,691	74,691
5900	Federal Program Revenues	9,126,767	9,126,767	9,180,165	53,398
5030	Total Revenues	<u>14,100,267</u>	<u>14,117,588</u>	<u>13,819,638</u>	<u>(297,950)</u>
Expenditures					
Current:					
0035	Food Services	14,098,767	14,763,062	13,937,767	825,295
0051	Support Services - Non Student Based	1,500	1,500	-	1,500
6030	Total Expenditures	<u>14,100,267</u>	<u>14,764,562</u>	<u>13,937,767</u>	<u>826,795</u>
1100	Excess (Deficiency) Revenues Over Expenditures	<u>-</u>	<u>(646,974)</u>	<u>(118,129)</u>	<u>528,845</u>
0100	Fund Balance - September 1 (Beginning)	<u>3,945,231</u>	<u>3,945,231</u>	<u>3,945,231</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 3,945,231</u>	<u>\$ 3,298,257</u>	<u>\$ 3,827,102</u>	<u>\$ 528,845</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Exhibit J-5

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCES ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL -

DEBT SERVICE FUND

For the year ended August 31, 2018

Data Control Codes	Debt Service Fund				
	Budget			Variance Favorable (Unfavorable)	
	Original	Final	Actual		
Revenues					
5700	Local, Intermediate, and Out-of-State	\$ 54,575,668	\$ 54,575,668	\$ 53,232,513	\$ (1,343,155)
5800	State Program Revenues	1,115,141	1,115,141	1,119,074	3,933
5030	Total Revenues	<u>55,690,809</u>	<u>55,690,809</u>	<u>54,351,587</u>	<u>(1,339,222)</u>
Expenditures					
Debt Service:					
0071	Principal	18,640,000	18,640,000	18,640,000	-
0072	Interest and Fiscal Agent Fees	37,236,385	37,236,385	32,167,055	5,069,330
6030	Total Expenditures	<u>55,876,385</u>	<u>55,876,385</u>	<u>50,807,055</u>	<u>5,069,330</u>
Excess (Deficiency) Revenues Over					
1100	Expenditures	(185,576)	(185,576)	3,544,532	3,730,108
Other Financing Sources (Uses)					
7916	Premium or discount on issuance of bonds	-	12,016,059	12,016,059	-
Total Other Financing Sources (Uses)					
		<u>-</u>	<u>12,016,059</u>	<u>12,016,059</u>	<u>-</u>
1200	Increase (Decrease) in Fund Balance	(185,576)	11,830,483	15,560,591	3,730,108
0100	Fund Balance - September 1 (Beginning)	<u>9,487,360</u>	<u>9,487,360</u>	<u>9,487,360</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 9,301,784</u>	<u>\$ 21,317,843</u>	<u>\$ 25,047,951</u>	<u>\$ 3,730,108</u>

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UNAUDITED STATISTICAL SECTION

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Statistical Section
(Unaudited)

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

The District's Statistical Tables usually cover ten fiscal years and often present data from outside the accounting records. The tables are unaudited due to the nature of the information contained therein.

	<u>Page</u>
Financial Trends	110
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	119
The schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	124
The schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information	130
The schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	134
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

	<u>2018 (2)</u>	<u>2017</u>	<u>2016</u>	<u>2015 (1)</u>
Governmental Activities:				
Net investment in Capital Assets	\$ 6,169,749	\$ 10,692,589	\$ 9,581,235	\$ 6,143,914
Restricted	28,103,198	13,158,450	11,143,211	7,055,146
Unrestricted	<u>(169,060,833)</u>	<u>(22,037,663)</u>	<u>(4,987,771)</u>	<u>15,927,600</u>
Total Primary Government Net Position	<u><u>\$(134,787,886)</u></u>	<u><u>\$ 1,813,376</u></u>	<u><u>\$ 15,736,675</u></u>	<u><u>\$ 29,126,660</u></u>

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

Table 1

2014	2013	2012	2011	2010	2009
\$ 4,829,940	\$ 6,707,772	\$ 4,389,772	\$ 17,617,881	\$ 23,020,436	\$ 29,836,402
9,930,762	8,227,039	12,409,567	7,336,674	7,879,995	9,867,622
36,550,983	38,166,089	43,649,083	36,320,461	36,713,287	42,485,492
<u>\$ 51,311,685</u>	<u>\$ 53,100,900</u>	<u>\$ 60,448,422</u>	<u>\$ 61,275,016</u>	<u>\$ 67,613,718</u>	<u>\$ 82,189,516</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

Expenses	2018	2017	2016	2015
Governmental Activities:				
Instruction	\$ 147,535,706	\$ 197,452,374	\$ 195,439,210	\$ 163,038,822
Instructional Resources and Media Services	1,657,102	2,007,660	2,022,594	1,461,225
Curriculum and Instructional Staff Development	2,783,283	3,209,796	3,035,238	2,633,777
Instructional Leadership	1,678,588	2,173,225	2,234,040	2,086,550
School Leadership	11,026,476	16,039,733	14,676,447	13,215,053
Guidance, Counseling, and Evaluation Services	6,278,133	9,170,469	8,279,286	7,890,355
Social Work Services	515,464	464,332	422,587	474,207
Health Services	2,329,669	3,214,372	2,900,052	2,604,809
Student Transportation	11,430,817	13,698,604	13,158,592	11,605,375
Food Services	12,551,028	13,866,221	12,060,326	11,662,632
Cocurricular/Extracurricular Activities	10,292,126	11,511,901	9,454,336	7,128,025
General Administration	5,244,280	6,258,560	5,781,477	5,348,972
Facilities Maintenance and Operations	26,294,691	28,377,268	24,973,027	17,768,950
Security and Monitoring Services	2,738,165	2,787,817	2,774,118	3,211,480
Data Processing Services	5,551,232	8,231,126	6,764,298	5,266,640
Community Services	529,215	636,677	691,745	513,479
Interest on Long-term Debt	30,933,758	27,278,808	30,727,687	25,635,948
Bond Issuance Costs and Fees	-	-	-	-
Facilities Acquisition and Construction	7,277	-	-	-
Payments related to shared services	-	-	-	5,275,571
Other governmental charges	1,362,923	1,221,826	1,052,498	1,021,510
Total Primary Government Expenses	280,739,933	347,600,769	336,447,558	287,843,380
Program Revenues				
Governmental Activities:				
Charges for Services				
Instruction	378,040	337,896	303,166	269,375
Food Services	4,498,461	4,156,742	4,200,530	4,111,176
Cocurricular/Extracurricular Activities	3,759,584	3,266,693	3,027,199	2,187,117
General Administration	21,345	21,000	21,021	21,000
Other Activities	464,151	523,562	521,994	626,965
Operating Grants and Contributions	(12,234,767)	35,822,604	34,369,391	33,770,230
Total Primary Government Program Revenues	(3,113,186)	44,128,497	42,443,301	40,985,863
Net (Expense)/Revenue				
Total Primary Government Net Expense	\$ (283,853,119)	\$ (303,472,272)	\$ (294,004,257)	\$ (246,857,517)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes, Levied for General Purposes	157,083,229	148,671,123	135,796,769	122,083,810
Property Taxes, Levied for Debt Service	53,218,310	50,287,636	43,616,387	43,454,887
Investment Earnings	4,838,162	2,100,537	969,354	173,953
State aid-formula grants	88,467,948	86,199,324	99,429,145	84,822,379
Miscellaneous	4,097,863	947,174	802,617	1,656,746
Total Primary Government General Revenues	307,705,512	288,205,794	280,614,272	252,191,775
Change in Net Position -				
Total Primary Government	\$ 23,852,393	\$ (15,266,478)	\$ (13,389,985)	\$ 5,334,258

Table 2

2014	2013	2012	2011	2010	2009
\$ 152,294,135	\$ 135,457,070	\$ 137,412,392	\$ 143,399,736	\$ 138,814,580	\$ 117,629,122
1,293,773	1,548,243	1,589,247	1,778,660	2,260,797	1,705,757
2,347,968	2,370,661	2,691,474	3,513,324	2,986,587	2,438,049
1,928,382	1,585,797	1,477,788	1,497,782	1,468,943	1,243,957
12,815,197	11,356,034	11,140,021	11,284,981	10,712,103	9,601,252
7,020,788	6,436,753	7,118,948	7,285,467	6,630,630	6,047,003
454,461	490,236	553,308	605,624	636,174	587,620
2,312,349	2,106,916	2,267,023	2,384,463	2,251,824	2,037,529
10,543,401	8,691,102	8,689,655	8,403,403	8,280,004	7,007,337
11,628,499	11,364,664	11,167,440	11,276,146	10,390,763	9,459,411
5,910,720	5,582,888	6,509,029	5,905,748	5,539,620	3,865,972
4,625,438	4,654,918	4,635,177	4,791,894	4,589,113	4,478,291
16,854,511	16,110,594	16,445,089	16,173,182	15,705,047	15,411,671
2,447,794	1,814,387	1,714,679	2,195,529	1,675,066	1,236,745
4,576,411	3,715,819	4,052,812	3,656,258	4,534,273	4,715,710
555,302	888,988	588,217	495,936	495,647	420,949
21,938,675	23,509,145	21,623,364	20,514,850	21,004,013	21,751,655
-	-	-	461,628	322,624	233,442
-	-	-	708,769	481,333	12,065,078
4,871,706	5,746,412	5,943,137	5,471,222	7,187,489	6,321,587
912,399	776,743	796,673	706,191	586,410	629,680
<u>265,331,909</u>	<u>244,207,370</u>	<u>246,415,473</u>	<u>252,510,793</u>	<u>246,553,040</u>	<u>228,887,817</u>
277,334	781,416	355,149	339,990	315,703	268,599
4,230,520	3,883,804	3,922,214	3,835,910	3,681,658	3,559,081
1,084,632	1,011,708	818,214	852,669	727,678	714,180
659,787	182,443	221,640	167,973	216,658	196,404
27,976,410	26,762,924	32,765,274	38,469,801	35,518,473	25,741,995
<u>34,228,683</u>	<u>32,622,295</u>	<u>38,082,491</u>	<u>43,666,343</u>	<u>40,460,170</u>	<u>30,480,259</u>
<u>\$ (231,103,226)</u>	<u>\$ (211,585,075)</u>	<u>\$ (208,332,982)</u>	<u>\$ (208,844,450)</u>	<u>\$ (206,092,870)</u>	<u>\$ (198,407,558)</u>
112,988,074	107,510,901	102,467,391	102,022,399	103,643,638	99,539,182
38,215,983	35,104,437	36,648,106	34,004,672	28,226,392	27,112,682
98,848	237,966	216,129	197,904	347,496	2,813,236
77,428,500	64,340,784	67,432,670	65,269,210	57,908,589	55,994,845
582,606	894,301	742,092	1,011,563	1,390,957	1,172,521
<u>229,314,011</u>	<u>208,088,389</u>	<u>207,506,388</u>	<u>202,505,748</u>	<u>191,517,072</u>	<u>186,632,466</u>
<u>\$ (1,789,215)</u>	<u>\$ (3,496,686)</u>	<u>\$ (826,594)</u>	<u>\$ (6,338,702)</u>	<u>\$ (14,575,798)</u>	<u>\$ (11,775,092)</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year Ended 08/31:	2018	2017	2016	2015
General Fund				
Reserved				
Unreserved				
Total General Fund				
Non-spendable - inventories	\$ 243,297	\$ 293,410	\$ 337,391	\$ 383,755
Non-spendable - prepaid items	1,110,154	1,284,532	942,514	954,754
Committed:				
Self insurance	2,236,375	99,056	2,500,000	2,500,000
Other	4,700,000	2,000,000	2,000,000	2,000,000
Assigned:				
Other	3,710,290	4,522,420	4,151,562	3,610,239
Unassigned:				
Unassigned	60,887,179	70,060,309	70,035,563	68,162,441
Total General Fund	<u>\$ 72,887,295</u>	<u>\$ 78,259,727</u>	<u>\$ 79,967,030</u>	<u>\$ 77,611,189</u>
All Other Governmental Funds				
Reserved				
Unreserved, reported in:				
Capital Projects Funds				
Other purposes				
Special Revenue Funds				
Total All Other Governmental Funds				
Non-spendable - inventories	\$ -	\$ -	\$ -	\$ 205,472
Restricted:				
Grant funds	3,842,383	3,961,762	3,860,739	3,467,375
Capital acquisition program	401,019,379	175,637,461	137,997,964	213,812,223
Debt service	25,047,951	9,487,360	7,845,297	12,400,725
Committed:				
Other	1,390,753	1,254,076	1,200,141	676,766
Unassigned:				
Unassigned	-	-	(4,880)	(4,880)
	<u>\$ 431,300,466</u>	<u>\$ 190,340,659</u>	<u>\$ 150,899,261</u>	<u>\$ 230,557,681</u>

**** Implementation of GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions"**

Table 3

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
			**		
				\$ 1,598,238	\$ 2,322,875
				52,657,983	50,357,172
				<u>\$ 54,256,221</u>	<u>\$ 52,680,047</u>
\$ 474,271	\$ 609,591	\$ 461,084	\$ 362,520		
831,083	683,110	22,134	13,461		
2,500,000	2,500,000	2,500,000	2,500,000		
2,000,000	3,225,000	1,500,000	1,500,000		
3,003,148	2,615,720	3,170,120	2,757,591		
61,570,799	52,570,487	51,974,586	49,641,234		
<u>\$ 70,379,301</u>	<u>\$ 62,203,908</u>	<u>\$ 59,627,924</u>	<u>\$ 56,774,806</u>		
				\$ 6,374,154	\$ 8,694,711
				40,456,300	91,448,607
				-	543,940
				1,381,888	1,384,921
				<u>\$ 48,212,342</u>	<u>\$ 102,072,179</u>
\$ 191,338	\$ 299,406	\$ 464,452	\$ 485,292		
3,447,967	2,555,302	2,023,484	2,153,239		
166,051,511	72,290,201	109,921,948	20,123,979		
7,193,504	5,607,667	10,041,256	4,731,289		
251,394	217,983	192,803	193,428		
(4,880)	-	-	-		
<u>\$ 177,130,834</u>	<u>\$ 80,970,559</u>	<u>\$ 122,643,943</u>	<u>\$ 27,687,227</u>		

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2018	2017	2016	2015
Revenues				
Local, Intermediate, and Out-of-State	\$ 227,975,288	\$ 210,015,798	\$ 191,379,631	\$ 171,213,581
State Programs	104,156,484	100,174,652	106,560,341	98,892,700
Federal Programs	26,628,190	21,847,276	22,602,649	20,195,138
Total Revenues	<u>358,759,962</u>	<u>332,037,726</u>	<u>320,542,621</u>	<u>290,301,419</u>
Expenditures				
Current:				
Instruction	188,659,368	173,150,076	175,444,472	149,164,753
Instructional Resources and Media Services	1,835,852	1,918,393	1,952,113	1,393,296
Curriculum and Instructional Staff	3,523,378	3,146,024	3,004,864	2,635,273
Instructional Leadership	2,401,432	2,074,612	2,209,166	2,101,929
School Leadership	16,558,779	15,554,643	14,585,492	13,293,155
Guidance, Counseling, and Evaluation	9,423,830	8,744,417	8,246,170	7,943,725
Social Work Services	599,856	523,019	424,845	470,473
Health Services	3,339,437	3,100,372	2,946,684	2,605,034
Student Transportation	12,372,185	16,629,508	12,262,286	10,068,176
Food Services	14,150,633	13,261,160	12,198,125	11,702,899
Cocurricular/Extracurricular Activities	10,961,265	10,474,669	8,557,012	6,324,506
General Administration	6,525,846	5,938,784	5,711,699	5,260,963
Facilities Maintenance and Operations	29,790,910	28,075,279	25,601,874	17,569,301
Security and Monitoring Services	2,661,584	2,371,363	2,699,584	2,863,696
Data Processing Services	5,781,176	7,846,089	6,679,726	5,327,462
Community Services	637,170	632,677	660,068	509,849
Debt Service:				
Principal on Long-term Debt	18,640,000	21,345,000	19,030,000	16,440,000
Interest on Long-term Debt	31,889,035	30,364,874	30,870,547	26,767,616
Bond Issuance Cost and Fees	2,155,807	631,015	2,483,888	1,656,415
Capital Outlay:				
Facilities Acquisition and Construction	73,795,967	45,773,023	62,095,946	94,818,940
Intergovernmental:				
Payments related to shared services	-	-	-	5,275,571
Other intergovernmental charges	1,362,923	1,221,826	1,052,498	1,021,510
Total Expenditures	<u>437,066,433</u>	<u>392,776,823</u>	<u>398,717,059</u>	<u>385,214,542</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(78,306,471)</u>	<u>(60,739,097)</u>	<u>(78,174,438)</u>	<u>(94,913,123)</u>
Other Financing Sources (Uses)				
Refunding bonds issued	24,633,846	-	149,965,000	-
Issuance of Capital Related Debt (Regular Bonds)	289,260,000	93,000,000	-	213,170,000
Premium/Discount from Issuance of Bonds	-	4,662,710	15,964,136	25,770,443
Sale of Real and Personal Property	-	810,482	-	-
Other Resources	-	-	-	990,926
Transfers In	-	18,910	-	-
Transfers Out	-	(18,910)	-	-
Payment to Refunded Bond Escrow Agent	-	-	(165,057,277)	(84,359,511)
Total Other Financing Sources (Uses)	<u>313,893,846</u>	<u>98,473,192</u>	<u>871,859</u>	<u>155,571,858</u>
Net Change in Fund Balances	<u>\$ 235,587,375</u>	<u>\$ 37,734,095</u>	<u>\$ (77,302,579)</u>	<u>\$ 60,658,735</u>
Debt Service as a Percentage of Noncapital Expenditures	14.03%	15.21%	14.94%	14.94%

Table 4

2014	2013	2012	2011	2010	2009
\$ 157,891,865	\$ 150,720,745	\$ 145,536,593	\$ 142,491,805	\$ 137,530,324	\$ 135,374,532
87,452,015	73,011,521	75,817,840	74,770,687	66,888,037	66,614,424
17,952,895	18,092,187	24,380,104	28,968,324	26,539,025	15,122,416
<u>263,296,775</u>	<u>241,824,453</u>	<u>245,734,537</u>	<u>246,230,816</u>	<u>230,957,386</u>	<u>217,111,372</u>
138,311,973	122,343,597	123,766,893	129,832,851	127,798,461	117,109,971
1,253,647	1,466,090	1,491,526	1,683,696	2,210,176	1,692,739
2,341,564	2,379,027	2,692,128	3,485,408	2,972,941	3,022,738
1,956,493	1,560,667	1,485,784	1,484,958	1,475,843	1,243,440
12,736,222	11,334,875	11,197,728	11,106,793	10,820,983	9,509,554
6,996,215	6,539,394	7,160,478	7,168,603	6,630,101	6,044,185
454,454	484,182	499,586	599,364	636,413	587,649
2,340,183	2,103,647	2,279,009	2,332,843	2,251,626	2,034,171
8,870,848	12,802,492	7,618,144	7,013,253	11,540,114	6,252,095
11,895,307	11,466,995	11,050,252	11,093,931	10,320,872	9,405,481
5,089,030	4,973,695	5,718,556	5,237,063	4,911,537	3,821,324
4,530,111	4,583,299	4,602,045	4,747,472	4,550,014	4,521,553
16,618,950	16,236,182	16,493,309	15,913,316	15,833,600	15,597,473
2,253,472	1,693,693	1,464,295	1,537,641	1,386,736	1,249,903
5,812,815	4,522,038	4,582,538	4,250,183	4,764,991	6,569,714
556,324	890,694	594,560	491,132	488,142	419,607
17,375,000	16,640,000	43,285,007	13,987,760	11,083,678	9,574,989
22,868,940	25,207,179	22,562,113	21,943,499	22,840,345	23,275,390
1,435,978	15,252	666,800	174,443	732,580	176,055
32,203,724	27,155,700	16,229,857	14,349,041	32,966,529	116,688,121
4,871,706	5,746,412	5,943,137	5,471,222	7,187,489	6,321,587
912,399	776,743	796,673	706,191	586,410	629,680
<u>301,685,355</u>	<u>280,921,853</u>	<u>292,180,418</u>	<u>264,610,663</u>	<u>283,989,581</u>	<u>345,747,419</u>
<u>(38,388,580)</u>	<u>(39,097,400)</u>	<u>(46,445,881)</u>	<u>(18,379,847)</u>	<u>(53,032,195)</u>	<u>(128,636,047)</u>
58,825,000	-	74,960,000	-	-	-
133,865,000	-	96,225,000	-	149,965,000	149,965,000
15,992,146	-	27,354,368	-	-	-
-	-	298,472	-	-	-
-	-	-	373,317	748,532	-
1,824,979	1,235,000	857,278	1,500,000	3,272,756	5,432,499
(1,824,979)	(1,235,000)	(857,278)	(1,500,000)	(3,272,756)	(5,432,499)
(65,957,898)	-	(54,582,125)	-	-	-
<u>142,724,248</u>	<u>-</u>	<u>144,255,715</u>	<u>373,317</u>	<u>150,713,532</u>	<u>149,965,000</u>
<u>\$ 104,335,668</u>	<u>\$ (39,097,400)</u>	<u>\$ 97,809,834</u>	<u>\$ (18,006,530)</u>	<u>\$ 97,681,337</u>	<u>\$ 21,328,953</u>
15.03%	17.01%	24.01%	14.40%	13.89%	14.54%

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LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Table 5

Fiscal Year Ended 8/31:	Actual Value			Total Assessed Value	Total Direct Rate (1)
	Real Property Value	Personal Property Value	Less: Exemptions		
2018	\$ 12,280,204,632	\$ 7,555,752,314	\$ 4,836,714,617	\$ 14,999,242,329	\$ 1.390050
2017	11,905,840,189	6,359,985,741	4,067,190,773	14,198,635,157	1.390050
2016	10,860,036,377	5,628,695,502	3,576,222,259	12,912,509,620	1.390050
2015	9,341,633,876	5,415,425,764	3,117,297,935	11,639,761,705	1.390050
2014	8,601,947,834	5,212,699,339	3,061,321,326	10,753,325,847	1.390050
2013	8,155,482,147	5,148,175,169	3,102,750,946	10,200,906,370	1.390050
2012	7,835,174,569	5,074,974,979	3,008,050,127	9,902,099,421	1.390050
2011	7,406,466,296	5,108,676,845	3,040,515,555	9,474,627,586	1.364550
2010	7,544,250,780	5,243,137,523	2,965,104,020	9,822,284,283	1.297650
2009	7,524,890,524	4,756,412,713	2,532,473,925	9,748,829,345	1.297650

Source: Fort Bend County Appraisal District

(1) Tax Rates are per \$100 of assessed value.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

(PER \$100 OF ASSESSED VALUE)

LAST TEN FISCAL YEARS

Taxing Authority	2018	2017	2016	2015
Overlapping Rates:				
Beasley, City of	\$ 0.3653	\$ 0.4671	\$ 0.4671	\$ 0.4991
Fort Bend County	0.4530	0.4580	0.4580	0.4650
Fort Bend County LID #6	0.5000	0.5000	0.5000	0.5000
Fort Bend County LID #20	0.5500	0.5500	0.5500	0.5500
Fort Bend County LID #10	0.6900	0.6430	0.6430	0.6430
Fort Bend County LID #11	0.2050	0.2000	0.2000	0.2050
Fort Bend County LID #12	0.0900	0.0900	0.0900	0.1000
Fort Bend County MUD #5	1.4800	1.4800	1.4800	1.5000
Fort Bend County MUD #19	1.2500	1.2700	1.2700	1.4000
Fort Bend County MUD #50	0.9100	0.9100	0.9100	0.9100
Fort Bend County MUD #66	1.1900	1.2100	1.2100	1.2500
Fort Bend County MUD #81	0.3300	0.3293	0.3293	0.3200
Fort Bend County MUD #94	0.4700	0.5000	0.5000	0.5800
Fort Bend County MUD #116	1.0500	1.0700	1.0700	1.0800
Fort Bend County MUD #121	1.1450	1.1200	1.1200	1.1200
Fort Bend County MUD #122	0.9750	0.9750	0.9750	0.9900
Fort Bend County MUD #123	1.0900	1.0990	1.0990	1.1000
Fort Bend County MUD #133	1.4100	1.4100	1.4300	1.4300
Fort Bend County MUD #140	1.2500	1.2500	1.2500	1.2500
Fort Bend County MUD #142	0.7500	0.7700	0.7700	0.8500
Fort Bend County MUD #144	0.8000	0.8000	0.8000	0.8000
Fort Bend County MUD #145	1.2150	1.2150	1.2150	1.2300
Fort Bend County MUD #146	0.8500	0.8700	0.8700	0.9400
Fort Bend County MUD #148	0.7600	0.8300	0.8300	0.8800
Fort Bend County MUD #151	0.9700	1.0000	1.0000	1.1100
Fort Bend County MUD #152	1.2800	1.2800	1.2800	1.3700
Fort Bend County MUD #155	1.0200	1.0400	1.0400	1.1400
Fort Bend County MUD #158	1.0900	1.1200	1.1200	1.2500
Fort Bend County MUD #159	0.7200	0.7200	0.7200	0.7200
Fort Bend County MUD #162	1.0900	1.0900	1.0900	1.0900
Fort Bend County MUD #167	0.8500	0.8500	0.8500	0.8500
Fort Bend County MUD #169	1.3422	1.3420	**N/A	**N/A
Fort Bend County MUD #170	1.3422	1.3422	**N/A	**N/A
Fort Bend County MUD #176	0.5500	0.5500	0.5500	0.5500
Fort Bend County MUD #182	1.5000	1.5000	1.5000	1.5000
Fort Bend County MUD #184	1.5000	1.5000	1.5000	1.5000
Fort Bend County MUD #187	0.9100	0.9100	0.9300	0.9700
Fort Bend County MUD #192	1.5000	1.5000	**N/A	**N/A
Fort Bend County MUD #194	1.2500	1.2500	1.2500	1.2500
Fort Bend County MUD #215	1.0000	1.0000	**N/A	**N/A
Fort Bend County WCID #3	0.4600	0.4400	0.4400	0.4400
Fort Bend County WCID #8	1.0500	1.0700	1.0700	1.0700
Fort Bend-Waller MUD# 3	0.9300	0.9300	0.9300	**N/A
Fulshear MUD #1	1.1700	1.1700	1.1700	1.1900
Fulshear MUD #3A	1.5000	1.5000	1.5000	**N/A
Pecan Grove MUD	0.6150	0.6250	0.6250	0.6400
Plantation MUD	0.6150	0.6450	0.6450	0.6850
Richmond, City of	0.7100	0.7350	0.7350	0.7550
Rosenberg, City of	0.4620	0.4700	0.4700	0.4700
Willow Creek Farms MUD	1.0100	1.0100	1.0950	1.1500
District Direct Rates:				
Maintenance & Operations	\$ 1.04005	\$ 1.04005	\$ 1.04005	\$ 1.04005
Debt Service	0.3500	0.3500	0.3500	0.3500
Total District Direct Rates	\$ 1.39005	\$ 1.39005	\$ 1.39005	\$ 1.39005

Source: Fort Bend County Appraisal District

** N/A Political entity not in existence at the time or taxes not yet levied

Table 6

2014	2013	2012	2011	2010	2009
\$ 0.4991	\$ 0.4991	\$ 0.4931	\$ 0.4483	\$ 0.4483	\$ 0.4483
0.4728	0.4808	0.4810	0.4802	0.4790	0.4838
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
0.5500	0.4500	0.4500	0.4500	0.4500	0.4500
0.6430	0.6200	0.4750	0.4750	0.4750	0.4750
0.2250	0.2600	0.2800	0.2800	0.2700	0.2700
0.1150	0.1250	0.1300	0.1400	0.1500	0.1900
1.5000	1.5000	0.6500	0.6500	0.5300	0.6500
1.4000	0.1899	1.3800	1.3800	1.2400	1.2000
0.9100	0.7400	0.9000	0.9000	0.9000	0.9000
1.3900	1.5000	1.5000	1.3500	1.3500	1.3500
0.3300	0.3500	0.3700	0.3700	0.3800	0.4250
0.6600	0.7700	0.7700	0.7700	0.7100	0.7100
1.1400	1.2100	1.2200	1.2200	1.2200	1.1300
1.1700	1.2000	1.2000	1.2000	1.2000	1.2000
1.0150	1.0400	1.0000	1.0000	1.0000	1.0000
1.1550	1.1550	1.1500	1.1400	1.0800	1.0000
1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
1.3400	1.3400	1.2500	1.2500	1.2500	1.2500
0.9500	1.2700	1.3200	1.3200	1.3200	1.3200
0.8000	0.8000	0.8000	0.8000	0.8000	0.8000
1.2500	1.2500	1.2500	1.2500	1.2500	1.2500
1.0100	1.1000	1.1500	1.1500	1.1500	1.2000
0.9000	0.9000	0.9000	0.9000	0.9000	0.9000
1.2200	1.2600	1.2600	1.2700	1.3000	1.3000
1.4500	1.4500	1.4500	1.4500	1.4500	1.4500
1.2900	1.3900	1.3900	1.3900	1.3900	1.3900
1.3900	1.4500	1.4500	1.4500	1.4500	1.4500
0.7800	0.8400	0.8400	0.8400	0.8400	0.8400
1.1200	1.1200	1.0000	0.8000	0.7400	0.7000
0.8900	0.8900	0.8900	0.8900	0.8500	0.8500
**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
0.5500	0.6500	0.6500	0.6500	0.6500	0.6500
1.5000	1.5000	**N/A	**N/A	**N/A	**N/A
**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
1.2500	1.2500	1.2500	1.2500	1.2500	**N/A
**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
0.4500	0.4500	0.4500	0.4500	0.4800	0.5000
1.0500	1.0500	0.9500	0.9500	0.9500	0.9500
**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
1.1900	1.1900	1.1900	1.1900	1.1900	1.1900
**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
0.6500	0.5600	0.5500	0.5500	0.4680	0.4700
0.7400	0.7400	0.7400	0.6600	0.6600	0.6300
0.7700	0.7865	0.7865	0.7865	0.7865	0.7900
0.4900	0.5100	0.5000	0.5000	0.5000	0.5202
1.2500	1.2500	1.2500	1.2500	1.2500	1.2500
\$ 1.04005	\$ 1.04005	\$ 1.02005	\$ 1.02005	\$ 1.02005	\$ 1.02005
0.3500	0.3500	0.3700	0.3445	0.27760	0.27760
<u>\$ 1.39005</u>	<u>\$ 1.39005</u>	<u>\$ 1.39005</u>	<u>\$ 1.36455</u>	<u>\$ 1.29765</u>	<u>\$ 1.29765</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Table 7

Taxpayer	2018			2009		
	Assessed Value (1)	Rank	Percentage of Total Assessed Value (2)	Assessed Value (1)	Rank	Percentage of Total Assessed Value (3)
NRG Texas LP	\$ 443,088,950	1	2.95%	\$ 1,849,295,830	1	18.97%
Centerpoint Energy Electric	104,387,930	2	0.70%	73,537,690	3	0.75%
Frito-Lay Inc	94,205,090	3	0.63%	42,062,070	6	0.43%
Brazos Town Center Partnership	81,382,776	4	0.54%	67,578,890	4	0.69%
Jack A Fusco Energy Center LLC	66,650,410	5	0.47%	-		
Aldi (Texas) LLC	63,875,350	6	0.43%	-		
Brazos Town Center South Partnership	50,465,989	7	0.34%	-		
BRE RC Riverpark SC TX LP	46,614,226	8	0.31%	-		
Shops At Bella Terra Owner LP	46,535,781	9	0.31%	-		
Enterprise Crude Pipeline LP	38,420,820	10	0.27%	-		
Brazos Valley Energy LLC	-			102,966,560	2	1.06%
Rotary Drilling Tools, USA LP	-			32,468,580	8	0.33%
A-S Hwy 59 Reading Rd LP	-			30,510,940	9	0.31%
Inland Western Sugar Land Riverpark I LP	-			32,971,240	7	0.34%
Inland American Rosenberg Brazos	-			24,930,000	10	0.26%
Jetta Operating Company	-			48,894,530	5	0.50%
Totals	<u>\$ 1,035,627,322</u>		<u>6.95%</u>	<u>\$ 2,305,216,330</u>		<u>23.65%</u>

(1) Assessed (taxable) value equals appraised value after exemptions.

(2) Total assessed value equals: \$ 14,999,242,329

(3) Total assessed value equals: \$ 9,748,829,312

Source: Fort Bend County (Texas) Appraisal District

Note: Centerpoint Energy was previously Reliant Energy

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Table 8

Fiscal Year Ended 8/31:	Net Tax Levy for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Net Tax Levy		Amount	Percent of Total Tax Collections To Net Tax Levy
2018	\$ 208,496,968	\$ 206,646,042	99.11%	\$ -	\$ 206,646,042	99.11%
2017	197,368,128	195,553,465	99.08%	1,145,117	196,698,582	99.66%
2016	179,341,017	178,028,558	99.27%	874,805	178,903,363	99.76%
2015	161,902,165	160,220,428	98.96%	2,844,536	161,587,222	99.81%
2014	148,993,975	148,220,912	99.48%	504,332	148,725,244	99.82%
2013	141,214,903	140,561,034	99.54%	425,923	140,986,957	99.84%
2012	136,687,478	136,117,707	99.58%	373,594	136,491,301	99.86%
2011	133,026,915	132,662,874	99.73%	187,875	132,850,749	99.87%
2010	128,065,810	128,154,416	100.07%	(240,327)	127,914,089	99.88%
2009	122,924,238	123,171,452	100.20%	(396,034)	122,775,418	99.88%

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

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

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Table 9

Fiscal Year Ended 8/31:	Governmental Activities		Total Primary Government	Ratio of Debt to Assessed Value (1)	Debt Per Student (2)
	General Obligation Bonds	Capital Leases			
2018	\$ 1,062,270,000	\$ -	\$ 1,062,270,000	7.08%	\$ 33,045
2017	791,650,000	-	791,650,000	5.58%	25,679
2016	719,995,000	-	719,995,000	5.58%	24,249
2015	748,580,000	-	748,580,000	6.43%	26,422
2014	629,325,000	-	629,325,000	5.85%	23,240
2013	515,590,000	-	515,590,000	5.05%	19,728
2012	532,230,000	-	532,230,000	5.37%	21,055
2011	453,390,001	16,520	453,406,521	4.79%	18,403
2010	467,362,031	32,250	467,394,281	4.76%	19,586
2009	477,400,709	-	477,400,709	4.90%	20,795

(1) See Table 5 for assessed value data.

(2) See Table 16 for student enrollment data.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Table 10

Fiscal Year Ended 8/31:	Gross Bonded Debt (1)	Less Reserve for Retirement of Bonded Debt	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value (2)	Net Bonded Debt per Student (3)
2018	\$ 1,062,270,000	\$ 25,047,951	\$ 1,037,222,049	6.92%	\$ 32,266
2017	791,650,000	9,487,360	782,162,640	5.51%	25,371
2016	719,995,000	7,845,297	712,149,703	5.52%	23,985
2015	748,580,000	12,400,725	736,179,275	6.32%	25,984
2014	629,325,000	7,193,504	622,131,496	5.79%	22,975
2013	515,590,000	5,607,667	509,982,333	5.00%	19,513
2012	532,230,000	10,041,256	522,188,744	5.27%	20,658
2011	453,390,001	4,731,288	448,658,713	4.74%	18,211
2010	467,362,031	4,858,855	462,503,176	4.71%	19,381
2009	477,400,709	7,957,482	469,443,227	4.82%	20,448

(1) Includes general obligation bonds.

(2) See Table 5 for assessed value data.

(3) See Table 16 for student enrollment data.

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LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 August 31, 2018

Table 11

Taxing Authority	Gross Debt Outstanding	Percent Overlapping (1)	Amount Applicable to School District
Overlapping:			
Beasley, City of	\$ -	100.00%	\$ -
Fort Bend County	593,940,527	22.07%	131,082,674
Fort Bend County LID #6	15,220,000	100.00%	15,220,000
Fort Bend County LID #20	4,890,000	100.00%	4,890,000
Fort Bend County LID #10	13,405,000	100.00%	13,405,000
Fort Bend County LID #11	18,555,000	100.00%	18,555,000
Fort Bend County LID #12	11,955,000	48.85%	5,840,018
Fort Bend County MUD #5	14,885,000	100.00%	14,885,000
Fort Bend County MUD #19	1,080,000	100.00%	1,080,000
Fort Bend County MUD #50	56,305,000	96.59%	54,385,000
Fort Bend County MUD #66	1,755,000	100.00%	1,755,000
Fort Bend County MUD #81	16,390,000	100.00%	16,390,000
Fort Bend County MUD #94	4,565,000	100.00%	4,565,000
Fort Bend County MUD #116	27,170,000	100.00%	27,170,000
Fort Bend County MUD #121	32,760,000	100.00%	32,760,000
Fort Bend County MUD #122	16,385,000	100.00%	16,385,000
Fort Bend County MUD #123	30,580,000	100.00%	30,580,000
Fort Bend County MUD #133	58,465,000	100.00%	58,465,000
Fort Bend County MUD #140	17,705,000	100.00%	17,705,000
Fort Bend County MUD #142	74,100,000	61.94%	45,897,540
Fort Bend County MUD #144	21,055,000	100.00%	21,055,000
Fort Bend County MUD #145	6,665,000	100.00%	6,665,000
Fort Bend County MUD #146	44,585,000	71.38%	31,824,773
Fort Bend County MUD #147	5,080,000	100.00%	5,080,000
Fort Bend County MUD #148	6,275,000	100.00%	6,275,000
Fort Bend County MUD #151	73,185,000	26.93%	19,708,721
Fort Bend County MUD #152	14,235,000	100.00%	14,235,000
Fort Bend County MUD #155	32,775,000	100.00%	32,775,000
Fort Bend County MUD #158	13,450,000	100.00%	13,450,000
Fort Bend County MUD #159	4,710,000	100.00%	4,710,000
Fort Bend County MUD #162	13,620,000	100.00%	13,620,000
Fort Bend County MUD #167	28,695,000	100.00%	28,695,000
Fort Bend County MUD #169	679,510	100.00%	679,510
Fort Bend County MUD #170	20,655,350	100.00%	20,655,350
Fort Bend County MUD #176	3,770,000	100.00%	3,770,000
Fort Bend County MUD #182	21,325,000	98.95%	21,101,088
Fort Bend County MUD #184	2,760,000	100.00%	2,760,000
Fort Bend County MUD #187	35,225,000	100.00%	35,225,000
Fort Bend County MUD #192	1,500,000	100.00%	1,500,000
Fort Bend County MUD #194	32,250,000	88.81%	28,641,225
Fort Bend County MUD #215	7,025,000	100.00%	7,025,000
Fort Bend County WCID #3	2,890,000	100.00%	2,890,000
Fort Bend County WCID #8	1,745,000	100.00%	1,745,000
Fort Bend-Waller MUD# 3	4,185,000	96.25%	4,028,063
Fulshear MUD #1	18,095,000	100.00%	18,095,000
Fulshear MUD# 3A	6,460,000	95.26%	6,153,796
Pecan Grove MUD	53,400,000	34.71%	18,535,140
Plantation MUD	4,890,000	100.00%	4,890,000
Richmond, City of	37,640,000	99.70%	37,527,080
Rosenberg, City of	75,296,000	99.56%	74,964,698
Willow Creek Farms MUD	29,680,000	1.76%	522,368
Subtotal, Overlapping Debt	999,817,044		999,817,044
Direct:			
Lamar Consolidated Independent School District	1,062,270,000	100.00%	1,062,270,000
Total Direct and Overlapping Debt			\$ 2,062,087,044

Source: "Texas Municipal Reports" published by the Municipal Advisory Council of Texas and the District's Financial Advisor

(1) The percentage of overlapping debt is estimated using taxable assessed property values. Percentages were estimated by determining the portion of the overlapping taxing authority's taxable assessed value that is within the District's boundaries and dividing it by the overlapping taxing authority's total taxable assessed value.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 1,499,924,233	\$ 1,419,863,516	\$ 1,291,250,962	\$ 1,163,976,171
Total Net Debt Applicable to Limit	<u>1,052,782,640</u>	<u>782,162,640</u>	<u>712,149,703</u>	<u>736,179,275</u>
Legal Debt Margin	<u>\$ 447,141,593</u>	<u>\$ 637,700,876</u>	<u>\$ 579,101,259</u>	<u>\$ 427,796,896</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	70.19%	55.09%	55.15%	63.25%

Legal Debt Margin Calculation for Fiscal Year 2016:

Assessed Value	\$ 14,999,242,329
Debt Limit Percentage of Assessed Value	<u>10%</u>
Debt Limitation	1,499,924,233
Debt Applicable to Debt Limitation:	
Total Bonded Debt	\$ 1,062,270,000
Less Reserve for Retirement of Bonded Debt	<u>9,487,360</u>
Total Amount of Debt Applicable to Debt Limitation	<u>1,052,782,640</u>
Legal Debt Margin	<u>\$ 447,141,593</u>

The District voted its maintenance tax under former Article 2784e-1, which provided that the net indebtedness of the District shall not exceed 10% of all assessed real and personal property in the District.

Table 12

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 1,075,332,585	\$ 1,020,090,637	\$ 990,209,942	\$ 946,947,111	\$ 982,228,428	\$ 974,882,935
<u>622,131,496</u>	<u>509,982,333</u>	<u>522,188,744</u>	<u>448,658,713</u>	<u>462,503,176</u>	<u>469,443,227</u>
<u>\$ 453,201,089</u>	<u>\$ 510,108,304</u>	<u>\$ 468,021,198</u>	<u>\$ 498,288,398</u>	<u>\$ 519,725,252</u>	<u>\$ 505,439,708</u>
57.85%	49.99%	52.74%	47.38%	47.09%	48.15%

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Table 13

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year Ended 08/31:	Residential Units (1)	Total Assessed Value of Residential Units (1)	Average Assessed Value Per Residential Unit	Per Capita Income (3)	Enrollment (2)	Unemployment Rate (4)
2018	49,969	\$ 12,119,548,026	\$ 242,541	*	32,146	4.0%
2017	47,343	11,307,180,861	238,835	*	30,829	4.9%
2016	44,798	10,145,779,652	226,478	*	29,692	5.7%
2015	42,306	8,389,375,542	198,302	*	28,332	4.4%
2014	40,192	7,408,265,159	184,322	*	27,079	5.1%
2013	38,768	6,849,140,153	176,670	*	26,135	5.6%
2012	38,732	6,852,323,813	176,916	*	25,278	6.3%
2011	34,605	6,397,226,008	184,864	*	24,637	8.1%
2010	33,675	6,127,989,765	181,974	*	23,864	8.5%
2009	32,410	5,631,153,692	173,747	*	22,958	8.1%

* Information not yet available

(1) Source: Fort Bend County (Texas) Appraisal District

(2) Source: District Records

(3) Source: TRACER of Texas Workforce Commission; Income Information is for Fort Bend County

(4) Source: TRACER of Texas Workforce Commission; Unemployment rate is for Fort Bend County

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Table 14

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	2018			2009		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Lamar CISD	4,700	1	N/A	3,331	1	N/A
Fort Bend County	2,626	2	N/A	2,100	2	N/A
Richmond State School	1,241	3	N/A	1,300	3	N/A
Oak Bend Medical Center	1,200	4	N/A	625	4	N/A
Memorial Hermann-Sugar Land	950	5	N/A			
Frito-Lay, Inc.	941	6	N/A	502	5	N/A
Texana Center	867	7	N/A	475	6	N/A
City of Rosenberg	261	8	N/A	237	9	N/A
City of Richmond	157	9	N/A	138	10	N/A
Hudson Products				293	7	N/A
AT&T				238	8	N/A
Benedittini Cabinetry						N/A

Source: Fort Bend Economic Developm

N/A Estimate of Total Employment for the District was unavailable

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY POSITION
LAST TEN FISCAL YEARS

Position	2018	2017	2016	2015
Administrator	26.00	25.00	24.00	22.00
Associate/Assistant Principal	60.00	57.00	54.00	51.00
Food Service	279.00	273.00	259.00	239.00
Counselor	61.00	59.00	56.00	55.00
Librarian/Library Assistant/Historian	38.00	37.00	34.00	33.00
Maintenance/Operation	358.00	345.00	320.00	311.00
Nurse	36.00	35.00	32.00	32.00
Other Professional*	171.00	143.00	141.00	136.00
Other Support Staff	187.00	179.00	155.00	160.00
Principal	40.00	39.00	37.00	35.00
Secretary/Clerical	225.00	215.00	183.00	187.00
Security Guard	16.00	16.00	14.00	13.00
Special Education	314.00	307.00	284.00	272.00
Teacher	2,116.00	2,014.00	1,842.00	1,682.00
Technical	23.00	22.00	23.00	24.00
Transportation	276.00	238.00	222.00	223.00
Total Employees	4,226.00	4,004.00	3,680.00	3,475.00

* Includes Diagnosticians, Psychologist, Program Coordinators, Case Managers, Speech Pathologists, Social Workers, Accountants and other professional staff not otherwise listed above.

Source: District Records

Table 15

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
22.00	22.00	23.00	16.19	16.19	16.19
49.00	49.00	47.00	44.00	44.00	43.00
230.00	244.00	231.00	204.00	204.00	204.00
57.00	57.00	57.00	57.98	57.98	52.56
33.00	33.00	31.00	29.93	29.93	27.93
317.00	302.00	289.00	302.00	301.00	301.00
32.00	32.00	31.00	33.93	33.93	32.65
122.00	152.00	140.00	112.00	110.00	108.50
155.00	160.00	223.00	300.00	301.00	300.34
35.00	36.00	33.00	32.00	32.00	32.00
183.00	171.00	167.00	153.00	153.00	151.25
13.00	13.00	11.00	16.00	16.00	15.00
260.00	244.00	250.00	183.30	182.23	182.23
1,663.00	1,655.00	1,544.00	1,467.00	1,456.00	1,448.00
23.00	23.00	21.00	18.00	18.00	18.00
<u>228.00</u>	<u>225.00</u>	<u>210.00</u>	<u>204.00</u>	<u>204.00</u>	<u>202.00</u>
<u>3,422.00</u>	<u>3,418.00</u>	<u>3,308.00</u>	<u>3,173.33</u>	<u>3,159.26</u>	<u>3,134.65</u>

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended 8/31:</u>	<u>Enrollment</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per Student</u>	<u>Percentage Change</u>
2018	32,146	\$ 309,589,706	\$ 9,631	3.22%
2017	30,829	287,656,009	9,331	-1.64%
2016	29,692	281,679,723	9,487	9.96%
2015	28,332	244,432,695	8,627	3.29%
2014	27,079	226,175,427	8,352	6.94%
2013	26,135	204,115,438	7,810	-4.94%
2012	25,278	207,679,593	8,216	-5.15%
2011	24,637	213,398,249	8,662	-1.39%
2010	23,864	209,618,804	8,784	4.57%
2009	22,958	192,848,260	8,400	3.89%

Source: Nonfinancial information from District departments.

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

Table 16

Government Wide Expenses	Cost Per Student	Percentage Change	Teaching Staff	Student to Teacher Ratio	Percentage of Economically Disadvantage Students
\$ 280,739,933	\$ 8,733	-22.54%	2,116	15.19	0.0%
347,600,769	11,275	-0.50%	2,014	15.31	42.2%
336,447,558	11,331	11.53%	1,842	16.12	43.3%
287,843,380	10,160	3.69%	1,682	16.84	40.2%
265,331,909	9,798	4.86%	1,663	16.28	47.6%
244,207,370	9,344	-3.13%	1,655	15.79	52.3%
243,835,753	9,646	-5.88%	1,499	16.86	47.3%
252,510,793	10,249	-0.80%	1,532	16.08	48.6%
246,553,040	10,332	3.63%	1,457	16.38	47.7%
228,887,817	9,970	4.14%	1,448	15.85	45.2%

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LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT*Table 17***TEACHER BASE SALARIES****LAST TEN FISCAL YEARS**

Fiscal Year Ended 08/31:	Minimum Salary (1)	Maximum Salary (1)	County Average Salary (2)	Statewide Average Salary (2)
2018	\$ 53,750	\$ 75,000	\$ 58,687	\$ 53,334
2017	52,300	75,000	56,620	52,525
2016	51,500	75,000	56,327	51,892
2015	50,000	75,000	55,571	50,715
2014	47,500	65,450	53,605	49,692
2013	46,000	64,450	52,583	48,821
2012	46,000	65,240	51,712	48,375
2011	46,000	65,240	52,262	48,639
2010	45,500	64,740	51,574	48,263
2009	44,500	63,740	50,561	47,158

(1) Source: District records

(2) Source: Texas Education Agency website

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Building:	2018	2017	2016	2015	2014
High Schools					
Lamar Consolidated (1949)					
Square Footage	292,702	292,702	292,702	292,702	292,702
Capacity	2,000	2,000	2,000	2,000	2,000
Enrollment	1,699	1,680	1,513	1,513	1,527
B.F. Terry (1980)					
Square Footage	287,929	287,929	287,929	287,929	287,929
Capacity	2,050	2,050	2,050	2,050	2,050
Enrollment	2,084	2,072	1,787	1,787	1,688
Foster (2001)					
Square Footage	361,330	361,330	361,330	361,330	361,330
Capacity	2,000	2,000	2,000	2,000	2,000
Enrollment	2,054	2,041	2,130	2,130	1,953
George Ranch (2010)					
Square Footage	356,625	356,625	356,625	356,625	356,625
Capacity	1,400	1,400	2,000	2,000	2,000
Enrollment	2,641	2,640	2,215	2,215	2,060
Churchill Fulshear Jr. (2016)					
Square Footage	381,522	381,522	381,522	-	-
Capacity	1,400	1,400	1,400	-	-
Enrollment	733	730	385	-	-
Junior High Schools					
Lamar Junior High (1957)					
Square Footage	176,590	176,590	176,590	176,590	176,590
Capacity	1,273	1,273	1,273	1,273	1,273
Enrollment	848	834	860	860	796
George Junior High (1973)					
Square Footage	179,300	179,300	179,300	179,300	179,300
Capacity	1,225	1,225	1,225	1,225	1,225
Enrollment	1,066	1,072	1,036	1,036	1,032
Briscoe Junior High (2001)					
Square Footage	193,298	193,298	193,298	193,298	193,298
Capacity	1,200	1,200	1,200	1,200	1,200
Enrollment	891	891	1,191	1,191	1,103
Reading Junior High (2010)					
Square Footage	182,877	182,877	182,877	182,877	182,877
Capacity	1,200	1,200	1,200	1,200	1,200
Enrollment	1,299	1,296	1,163	1,163	1,123
Dean Leaman Junior High (2016) (6-8)					
Square Footage	203,235	203,235	203,235	-	-
Capacity	1,200	1,200	1,200	-	-
Enrollment	950	952	746	-	-
Middle Schools					
Navarro Middle (1987)					
Square Footage	85,678	85,678	85,678	85,678	85,678
Capacity	660	660	660	660	660
Enrollment	513	522	504	504	528
Polly Ryon Middle (2013)					
Square Footage	85,538	85,538	85,538	85,538	85,538
Capacity	680	680	680	680	680
Enrollment	679	681	560	560	530
Wertheimer Middle (2008)					
Square Footage	86,045	86,045	86,045	86,045	86,045
Capacity	680	680	680	680	680
Enrollment	428	428	613	613	517
Wessendorf Middle (1997)					
Square Footage	86,045	86,045	86,045	86,045	86,045
Capacity	680	680	680	680	680
Enrollment	404	404	456	456	458

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2013	2012	2011	2010	2009
292,702	292,702	292,702	292,702	292,702
2,000	2,000	2,000	2,000	2,000
1,526	1,441	1,653	1,799	1,943
287,929	281,629	281,629	281,629	281,629
2,050	2,050	2,050	2,050	2,050
1,644	1,609	1,594	1,630	1,717
361,330	361,330	361,330	361,330	361,330
2,000	2,000	2,000	2,000	2,000
1,936	1,916	1,931	1,948	2,155
356,625	356,625	356,625	356,625	-
1,400	1,400	1,400	1,400	-
2,064	1,834	1,316	791	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
176,590	176,590	176,590	176,590	176,590
1,273	1,273	1,273	1,273	1,273
801	761	777	788	1,101
179,300	179,300	179,300	179,300	179,300
1,225	1,225	1,225	1,225	1,225
1,021	987	898	898	1,006
193,298	193,298	193,298	193,298	193,298
1,200	1,200	1,200	1,200	1,200
1,113	1,015	926	939	1,540
182,877	182,877	182,877	182,877	-
1,200	1,200	1,200	1,200	-
1,138	1,601	1,504	1,472	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
85,678	85,678	85,678	85,678	85,678
660	660	660	660	660
530	463	501	433	505
85,538	-	-	-	-
680	-	-	-	-
523	-	-	-	-
86,045	86,045	86,045	86,045	86,045
680	680	680	680	680
528	535	499	440	564
86,045	86,045	86,045	86,045	86,045
680	680	680	680	680
461	455	427	439	662

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

Building:	2018	2017	2016	2015	2014
Elementary Schools					
Arredondo (2015)					
Square Footage	90,741	90,741	90,741	90,741	-
Capacity	750	750	750	750	-
Enrollment	818	821	643	643	-
Austin (1990)					
Square Footage	64,860	64,860	64,860	64,860	64,860
Capacity	720	720	720	720	720
Enrollment	607	604	572	572	575
Adolphus (2013)					
Square Footage	91,900	91,900	91,900	91,900	91,900
Capacity	750	750	750	750	750
Enrollment	790	803	574	574	477
Beasley (1985)					
Square Footage	42,800	42,800	42,800	42,800	42,800
Capacity	370	370	370	370	370
Enrollment	396	397	420	420	418
Bentley (2017)					
Square Footage	91,693	91,693	-	-	-
Capacity	750	750	-	-	-
Enrollment	654	657	-	-	-
Bowie (1961)					
Square Footage	73,564	73,564	73,564	73,564	73,564
Capacity	640	640	640	640	640
Enrollment	608	619	642	642	663
Campbell (2000)					
Square Footage	92,210	92,210	92,210	92,210	92,210
Capacity	720	720	720	720	720
Enrollment	606	611	701	701	731
Carter (2018)					
Square Footage	94,254	-	-	-	-
Capacity	750	-	-	-	-
Enrollment	672	-	-	-	-
Dickinson (1993)					
Square Footage	86,050	86,050	86,050	86,050	86,050
Capacity	750	750	750	750	750
Enrollment	544	551	560	560	564
Frost (2000)					
Square Footage	92,210	92,210	92,210	92,210	92,210
Capacity	720	720	720	720	720
Enrollment	563	564	404	404	395
Hubenak (2009)					
Square Footage	89,920	89,920	89,920	89,920	89,920
Capacity	750	750	750	750	750
Enrollment	844	844	1,087	1,087	911
Huggins (1979)					
Square Footage	58,200	58,200	58,200	58,200	58,200
Capacity	650	650	650	650	650
Enrollment	679	686	637	637	557
Hutchison (2005)					
Square Footage	95,000	95,000	95,000	95,000	95,000
Capacity	750	750	750	750	750
Enrollment	665	662	793	793	778
Jackson (1947)					
Square Footage	66,330	66,330	66,330	66,330	66,330
Capacity	520	520	520	520	520
Enrollment	373	374	394	394	394

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2013	2012	2011	2010	2009
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
64,860	64,860	64,860	64,860	64,860
720	720	720	720	720
576	553	609	601	564
91,900	-	-	-	-
750	-	-	-	-
486	-	-	-	-
42,800	42,800	42,800	42,800	42,800
370	370	370	370	370
430	407	454	413	353
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
73,564	73,564	73,564	73,564	73,564
640	640	640	640	640
679	695	758	754	712
92,210	92,210	92,210	92,210	92,210
720	720	720	720	720
732	763	767	763	757
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
86,050	86,050	86,050	86,050	86,050
750	750	750	750	750
563	573	620	630	645
92,210	92,210	92,210	92,210	92,210
720	720	720	720	720
407	722	706	709	652
89,920	89,920	89,920	89,920	89,920
750	750	750	750	750
919	808	689	429	353
58,200	58,200	58,200	58,200	58,200
650	650	650	650	650
563	490	458	458	431
95,000	95,000	95,000	95,000	95,000
750	750	750	750	750
787	776	762	779	792
66,330	65,860	65,860	65,860	65,860
520	520	520	520	520
391	394	379	402	389

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

Building:	2018	2017	2016	2015	2014
Elementary Schools					
Lindsey (2017)					
Square Footage	91,693	91,693	-	-	-
Capacity	750	750	-	-	-
Enrollment	460	478	-	-	-
Long (1949)					
Square Footage	80,176	80,176	80,176	80,176	80,176
Capacity	740	740	740	740	740
Enrollment	592	589	603	603	587
McNeil (2008)					
Square Footage	91,321	91,321	91,321	91,321	91,321
Capacity	750	750	750	750	750
Enrollment	871	865	838	838	772
Meyer (1985)					
Square Footage	69,500	69,500	69,500	69,500	69,500
Capacity	750	750	750	750	750
Enrollment	790	775	682	682	636
Pink (1997)					
Square Footage	92,210	92,210	92,210	92,210	92,210
Capacity	720	720	720	720	720
Enrollment	575	584	607	607	648
Ray (1979)					
Square Footage	67,160	67,160	67,160	67,160	67,160
Capacity	750	750	750	750	750
Enrollment	634	638	595	595	596
Seguin (1957)					
Square Footage	50,000	50,000	50,000	50,000	50,000
Capacity	460	460	460	460	460
Enrollment	311	310	389	389	403
Smith (1966)					
Square Footage	80,965	80,965	80,965	80,965	80,965
Capacity	600	600	600	600	600
Enrollment	420	412	528	528	543
Thomas (2009)					
Square Footage	89,920	89,920	89,920	89,920	89,920
Capacity	750	750	750	750	750
Enrollment	870	867	1,007	1,007	943
Travis (1949)					
Square Footage	77,666	77,666	77,666	77,666	77,666
Capacity	680	680	680	680	680
Enrollment	537	547	665	665	669
Velasquez (2006)					
Square Footage	95,000	95,000	95,000	95,000	95,000
Capacity	740	740	740	740	740
Enrollment	652	656	686	686	655
Williams (1985)					
Square Footage	84,925	84,925	84,925	84,925	84,925
Capacity	740	740	740	740	740
Enrollment	913	904	801	801	744

Source: District Records

Table 18
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2013	2012	2011	2010	2009
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
80,176	80,176	80,176	80,176	80,176
740	740	740	740	740
591	589	571	566	494
91,321	91,321	91,321	91,321	91,321
750	750	750	750	750
773	823	767	905	810
69,500	69,500	69,500	69,500	69,500
750	750	750	750	750
627	601	577	571	537
92,210	92,210	92,210	92,210	92,210
720	720	720	720	720
627	635	643	615	657
67,160	67,160	67,160	67,160	67,160
750	750	750	750	750
585	603	686	692	751
50,000	50,000	50,000	50,000	50,000
460	460	460	460	460
398	421	207	255	274
80,965	80,965	80,965	80,965	80,965
600	600	600	600	600
543	550	561	608	659
89,920	89,920	89,920	89,920	89,920
750	750	750	750	750
949	816	774	703	597
77,666	77,666	77,666	77,666	77,666
680	680	680	680	680
678	665	764	783	755
95,000	95,000	95,000	95,000	95,000
740	740	740	740	740
645	687	646	626	652
84,925	84,925	84,925	84,925	84,925
740	740	740	740	740
757	719	649	659	644

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