

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
AUGUST 31, 2017



**LAMAR**CISD  
A PROUD TRADITION | A BRIGHT FUTURE

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
Rosenberg, Texas 77471



**LAMAR CONSOLIDATED  
INDEPENDENT  
SCHOOL DISTRICT**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the Year Ended August 31, 2017**

**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

Kathryn Kaminski, Vice President

Kay Danziger, 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

Kathleen Bowen, Chief Human Resources Officer

Leslie Haack, Executive Director, Secondary Education

Linda Lane, Interim Executive Director, Elementary Education

Valerie Vogt, Chief Academic Officer

David Jacobson, Chief Technology Information Officer

Mike Rockwood, Executive Director of Community Relations

Michele Reynolds, CPA, Director of Finance

**Consultants and Advisors**

Hilltop Securities, Inc.  
Houston, Texas - Financial Advisors

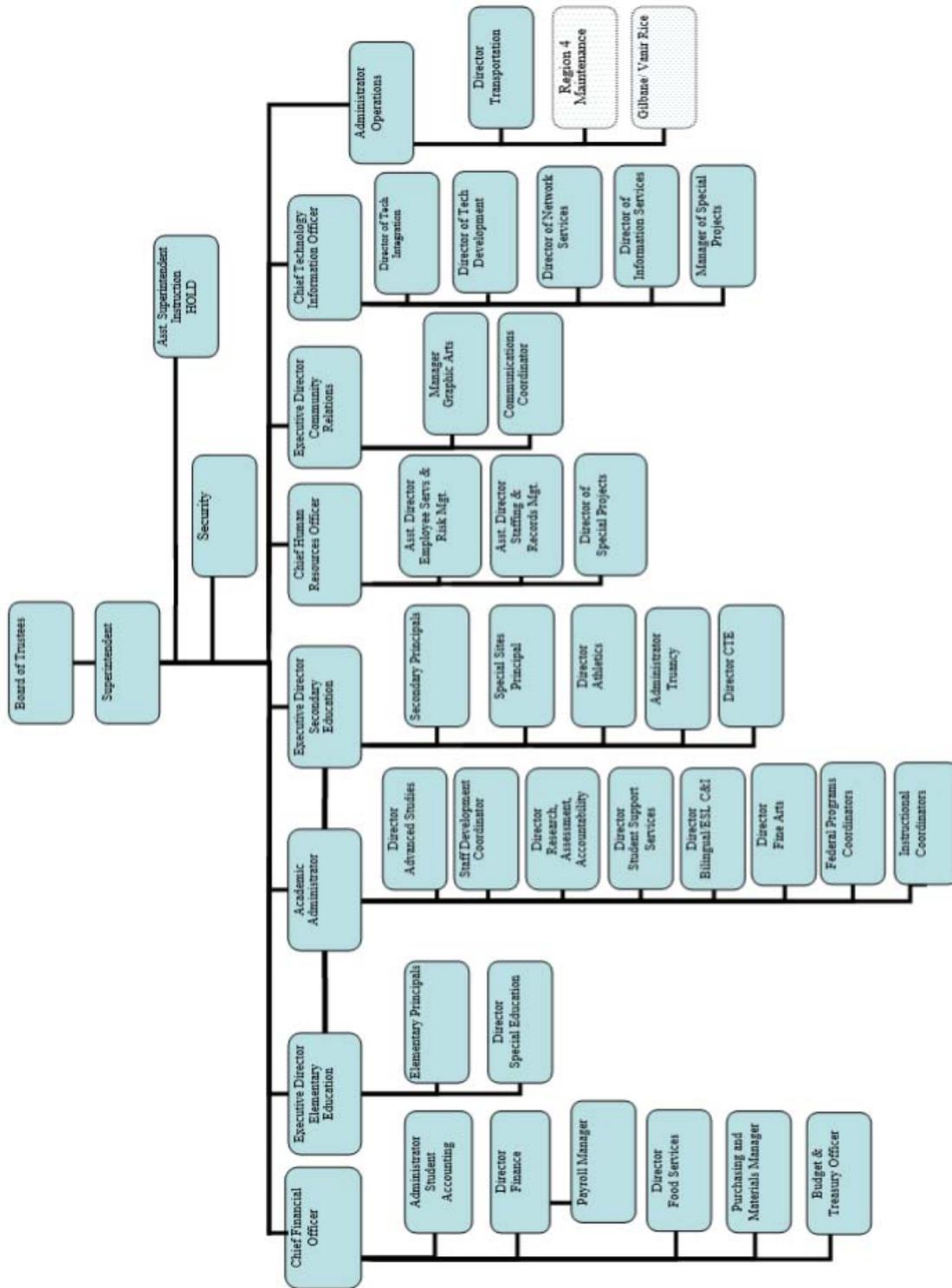
Bracewell & Giuliani  
Houston, Texas - Bond Counsel

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

Whitley Penn, LLP  
Houston, Texas - Auditors

# LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

## *Administrative Organization Chart*



January 13, 2015



3911 Avenue I  
Rosenberg, Texas 77471

January 22, 2018

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, 2017.

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, 2017. 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 is projected to gain 40,000 new single-family and 10,000 multi-family housing occupancies over the next ten years, resulting in the addition of between 11,000 and 23,000 students. Under the moderate-growth scenario, district demographers project a total enrollment of approximately 50,000 by 2026. 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 32,000 students. The District operates four high schools (grades 9-12, one high school (grades 9-11 then, which will expand to grades 9-12 in 2018), four junior highs (grades 7-8), one junior high school (grades 6-8) then, which will expand to an additional middle school, four middle schools (grade 6 only) and twenty four 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 building 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 2017, (Kathleen Joerger Lindsey 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 12,092, is the county seat of Fort Bend County. Rosenberg, the larger of the Cities, has a population of approximately 36,937.

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 at approximately three percent per year, 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% 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 January 2003, which has since issued fourteen reports, one each in the spring of 2003 through 2017. The 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 50,000 students by 2026.

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 76<sup>th</sup> 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," "Standard Achievement," and "Substandard Achievement." Lamar CISD received a rating of "Superior Achievement" based on the fifteen indicators established by the Texas Education Agency.

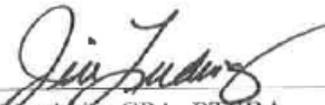
During 2016-17, the Association of School of Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Lamar Consolidated Independent School District for its Comprehensive Annual Financial Report for the fiscal year ended August 31, 2016.

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, 2016.**

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



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona', written over a horizontal line.

**Anthony N. Dragona, Ed.D., RSBA**  
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

**John D. Musso, CAE**  
Executive Director

## CERTIFICATE OF THE BOARD

Lamar Consolidated Independent School District

Name of School District

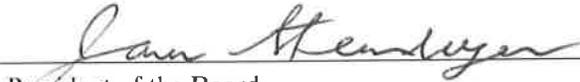
Fort Bend

County

079-901

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, 2017, at a meeting of the board of trustees of such school district on the 23rd day of January 2018.

  
\_\_\_\_\_  
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

### 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, 2017, 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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7-15 and budgetary comparison and pension system information on pages 66-70 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.

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.

To the Board of Trustees  
Lamar Consolidated Independent School District

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2018 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.

*Whitley Penn LLP*

Houston, Texas  
January 22, 2018

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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, 2017.

### Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1.8 million (*net position*). The District's net position decreased by \$13.9 million during the year ended August 31, 2017.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$268.6 million, an increase of \$37.7 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. The general fund balance decreased by \$1.7 million.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$70.1 million, or 28 percent of total general fund expenditures.
- The District's total bonded debt increased by \$72.1 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 19 through 21 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 19 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 22 through 29 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 30 through 32 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 33 through 34 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 35 through 65 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 67 through 72 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 73 through 93 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 \$1.8 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 increased by \$1.8 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, 2017, (in 000's) follows:

|  | <b>Governmental Activities</b> |                  |
|--|--------------------------------|------------------|
|  | <b>2017</b>                    | <b>2016</b>      |
| Current and other assets                       | \$ 299,882                     | \$ 277,304       |
| Capital assets                                 | 628,061                        | 599,492          |
| <b>Total Assets</b>                            | <b>927,943</b>                 | <b>876,796</b>   |
| <b>Total Deferred Outflows of Resources</b>    | <b>38,156</b>                  | <b>31,244</b>    |
| Current liabilities                            | 26,867                         | 38,831           |
| Long term liabilities                          | 927,655                        | 849,576          |
| <b>Total Liabilities</b>                       | <b>954,522</b>                 | <b>888,407</b>   |
| <b>Total Deferred Inflows of Resources</b>     | <b>9,764</b>                   | <b>3,896</b>     |
| Net Position:                                  |                                |                  |
| Invested in capital assets net of related debt | 10,693                         | 9,581            |
| Restricted                                     | 13,158                         | 11,143           |
| Unrestricted                                   | (22,038)                       | (4,987)          |
| <b>Total Net Position</b>                      | <b>\$ 1,813</b>                | <b>\$ 15,737</b> |

Of total net position, \$13.2 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 \$13.9 million during the current fiscal year. Local and state revenues remained strong due to continued tax collection experience in excess of the rate used for budgetary purposes. State revenues were lower than budgeted due to the impact of higher local tax collections on the funding formula as well as a slightly lower attendance rate. Federal revenues also increased due to additional receipts generated by the School Health and Related Services (SHARS) program. Overall revenue growth was offset by higher personnel, instructional, and facility/interest, costs to service the increasing number of students and educational requirements, along with the construction of facilities. This resulted in the District's unrestricted net position at August 31, 2017 being a negative \$22.1 million. Significantly impacting the District's net position is the increase in its net pension liability relating to the Teachers Retirement System of Texas (TRS), which increased to \$58.9 million at year end (from the prior year ending balance of \$52.5 million).

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

|   | <b>Governmental Activities</b> |                  |
|---|--------------------------------|------------------|
|   | <b>2017</b>                    | <b>2016</b>      |
| <b>Program Revenues</b>                       |                                |                  |
| Charges for services                          | \$ 8,306                       | \$ 8,074         |
| Operating grants                              | 35,823                         | 34,369           |
| <b>General Revenues</b>                       |                                |                  |
| Property taxes                                | 198,959                        | 179,413          |
| State aid                                     | 87,543                         | 99,429           |
| Interest earnings                             | 2,101                          | 969              |
| Other   | 947                            | 803              |
| <b>Total Revenues</b>                         | <u>333,678</u>                 | <u>323,057</u>   |
| <b>Expenses</b>                               |                                |                  |
| Instruction                                   | 197,452                        | 195,439          |
| Instructional resources and media services    | 2,008                          | 2,023            |
| Curriculum and staff development              | 3,210                          | 3,035            |
| Instructional leadership                      | 2,173                          | 2,234            |
| School leadership                             | 16,040                         | 14,676           |
| Guidance, counseling, and evaluation services | 9,170                          | 8,279            |
| Social work services                          | 464                            | 423              |
| Health services                               | 3,214                          | 2,900            |
| Student transportation                        | 13,699                         | 13,159           |
| Food service                                  | 13,866                         | 12,060           |
| Extracurricular activities                    | 11,512                         | 9,454            |
| General administration                        | 6,259                          | 5,781            |
| Facilities, maintenance and operations        | 28,377                         | 24,973           |
| Security and monitoring services              | 2,788                          | 2,774            |
| Data processing services                      | 8,231                          | 6,764            |
| Community services                            | 637                            | 692              |
| Interest on long-term debt                    | 27,279                         | 30,728           |
| Facilities acquisition and construction       |                                |                  |
| Other intergovernmental charges               | 1,222                          | 1,052            |
| <b>Total Expenses</b>                         | <u>347,601</u>                 | <u>336,446</u>   |
| Increase (Decrease) in Net Position           | (13,924)                       | (13,389)         |
| <b>Beginning Net Position</b>                 | <u>15,737</u>                  | <u>29,126</u>    |
| <b>Ending Net Position</b>                    | <u>\$ 1,813</u>                | <u>\$ 15,737</u> |

**Governmental Activities** The District's net position decreased by \$13.9 million. Key elements of this are as follows:

Revenues are generated primarily from three sources. Grants and contributions (totaling \$35.8 million) represent 11 percent of total revenues, state aid (totaling \$87.5 million) represents 26 percent of total revenues and property taxes (totaling \$199.0 million) represent 60 percent of total revenues. The remaining \$11.4 million is generated from charges for services, investment earnings, and miscellaneous revenues.

## **LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

The primary functional expense of the District is instruction (functional categories 11, 12 and 13), (totaling \$202.7 million) and represents 58 percent of total expenses on a government-wide basis, while interest on long-term debt is \$27.3 million and represents 8 percent of total expenses. Plant maintenance and operations \$28.4 million represents 8 percent of total expenses. In addition the District's net pension expense increased by \$1.2 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 \$268.6 million an increase of \$37.7 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. At the end of the current fiscal year, unassigned fund balance of the general fund held steady at \$70.1 million, while total fund balance culminated at \$78.3 million. 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 28 percent of total general fund expenditures, while total fund balance represents 31 percent of that same amount.

The fund balance of the District's General Fund decreased by \$1.7 million during the current fiscal year primarily due to the carryforward of prior-year obligations and various budgetary set-asides totaling \$3.3 million, as well as periodic amendments to the original budget to accommodate rapid student growth. As expected, student enrollment continues to grow at 3-4% per year. The District manages this current and future growth through the use of strategically-placed temporary facilities and appropriately-timed bond elections. This year, amendments of approximately \$1.1 million were made to accommodate anticipated expenses to relocate and equip temporary buildings.

The debt service fund has a total fund balance of \$9.5 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 \$175.6 million, all of which is restricted for authorized construction and technology projects/enhancements. The increase in fund balance during the current year of \$37.6 million is the result of issuance of bonds for construction of new facilities. A new elementary school opened in the winter of 2016 and a new elementary school opened in the fall of 2017.

#### **General Fund Budgetary Highlights**

Operating results for the 2016-17 fiscal year reflect a decrease of \$1.7 million to the total fund balance. Expenditures of \$253.0 million exceeded revenues of \$251.3 million. As discussed earlier, the decrease to total fund balance relates mainly to increased expenditures relating to the combined nearly \$4.5 million being carried forward from 2015-16 for liquidation in 2016-2017 and for the management of District growth through the deployment of temporary classrooms/buildings.

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

**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 \$316,267 and to adjust for \$229,072 in additional revenues to be recognized for increases in local and state grant funds and proceeds from insurance recovery. Actual revenues recorded by the District exceeded budget by approximately \$3.6 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.

Several amendments to the expenditure side of the budget were made during the year, totaling \$15,953 million:

|  |              |
|--|--------------|
| Current year donations to the District (rounded)   | \$316,267    |
| Increases to state and local grant funds   | \$221,758    |
| Utility fees and insurance proceeds  | \$187,314    |
| Portable buildings (construction, moving, and equipping expenses)  | \$1,146,907  |
| Carryforward to 2016-2017 of 2015-16 encumbrances and other carryforward items, such as prior year donations and funding for starting up new classrooms for growth | \$3,317,058  |
| Year-end amendments for anticipated effect of accruals and other closing entries (for compliance purposes only)  | \$10,525,000 |
| Contracting for districtwide operational/functional audit  | \$238,873    |

Another large portion of the \$15,953 million (10.525 million or 66%) relates to an annual amendment made to ensure that no functional categories are exceeded when closing entries are posted. In addition, the budget was increased for utility fees relating to a new facility and for the repair of the district equipment for which insurance proceeds were received. Finally, in an attempt to ensure that the District is prepared for future growth, the Board of Trustees commissioned an operational audit of all functional areas of the District, both instructional and operational. An amendment of \$238,873 was posted to accommodate the cost of this review, the results of which will be incorporated into a multi-year strategic plan.

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 2016-17 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 was able to absorb the current year's rise in the cost of health insurance benefits for District employees due to increased health insurance contributions in addition to last year's \$3.5 million transfer to the District's self-funded insurance fund to advance-fund the plan. The advance-funding had a direct impact on balancing the original 2016-17 General Fund budget as well as contributing to the plan's near-breakeven position at year end. A strong commitment to expending funds in ways that directly impact instruction is obvious in that roughly 71 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, 2017, amounts to \$628.1 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 \$28.6 million.

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

|                                    | <b>Balance at<br/>August 31,<br/>2016</b> | <b>Additions</b> | <b>Retirement<br/>s and<br/>Transfers</b> | <b>Balance at<br/>August 31,<br/>2017</b> |
|------------------------------------|---|------------------|---|---|
| Land                               | \$ 31,080                                 | \$ 3,811         | \$ (810)                                  | \$ 34,081                                 |
| Buildings and improvements         | 748,671                                   | 8,576            | 40,197                                    | 797,444                                   |
| Furniture and equipment            | 49,342                                    | 7,311            | (711)                                     | 55,942                                    |
| Construction in progress           | 14,705                                    | 33,081           | (40,197)                                  | 7,589                                     |
|                                    | <u>843,798</u>                            | <u>52,779</u>    | <u>(1,521)</u>                            | <u>895,056</u>                            |
| Less accumulated depreciation for: |   |                  |   |   |
| Buildings and improvements         | (210,665)                                 | (19,583)         | -   | (230,248)                                 |
| Furniture and Equipment            | (33,641)                                  | (3,817)          | 711                                       | (36,747)                                  |
|                                    | <u>(244,306)</u>                          | <u>(23,400)</u>  | <u>711</u>                                | <u>(266,995)</u>                          |
| Governmental Capital Assets        | <u>\$ 599,492</u>                         | <u>\$ 29,379</u> | <u>\$ (810)</u>                           | <u>\$ 628,061</u>                         |

Additional information on the District's capital assets can be found in Note 7 of the Notes to Financial Statements.

**Long-term Debt**

At the end of the current fiscal year, the District had \$868.7 million in bonded debt outstanding, an increase of \$72.1 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, 2017, are as follows:

|                                    | <b>Balance at<br/>August 31,<br/>2016</b> | <b>Additions</b> | <b>Retirements</b> | <b>Balance at<br/>August 31,<br/>2017</b> |
|------------------------------------|---|------------------|--------------------|---|
| General obligation bonds           | \$ 719,995                                | \$ 93,000        | \$ (21,345)        | \$ 791,650                                |
| Plus amounts for issuance premiums | 75,344                                    | 4,663            | (4,247)            | 75,760                                    |
| Accrued compensated absences       | 1,732                                     | 23               | (445)              | 1,310                                     |
|                                    | <u>\$ 797,071</u>                         | <u>\$ 97,686</u> | <u>\$ (26,037)</u> | <u>\$ 868,720</u>                         |

Additional information on the District's long-term liabilities can be found in Note 8 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 2017-18 budget adopted and passed by the Board of Trustees in accordance with state guidelines. Tax rates for the 2017-18 fiscal year are \$1.04005 for maintenance and operations and \$0.35000 for debt service. It is the seventh 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 2016-17 final amended budget and 2017-18 original budget for both estimated revenues and expenditures (in 000's):

|   | <b>2016-17<br/>Budget</b> | <b>2017-18<br/>Budget</b> | <b>Change</b>    |
|---|---------------------------|---------------------------|------------------|
| <b>Revenues</b>                               |                           |                           |                  |
| Local   | \$ 148,256                | \$ 160,551                | \$ 12,295        |
| State   | 97,727                    | 99,718                    | 1,991            |
| Federal                                       | 1,725                     | 2,925                     | 1,200            |
| <b>Total Revenues</b>                         | <b>247,708</b>            | <b>263,194</b>            | <b>15,486</b>    |
| <b>Expenditures</b>                           |                           |                           |                  |
| Instruction                                   | 162,791                   | \$ 166,093                | \$ 3,302         |
| Instructional resources and media services    | 1,544                     | 1,647                     | 103              |
| Curriculum and staff development              | 2,782                     | 3,347                     | 565              |
| Instructional leadership                      | 1,945                     | 2,299                     | 354              |
| School leadership                             | 15,809                    | 15,385                    | (424)            |
| Guidance, counseling, and evaluation services | 8,074                     | 8,652                     | 578              |
| Social work services                          | 544                       | 519                       | (25)             |
| Health services                               | 3,174                     | 3,208                     | 34               |
| Student transportation                        | 12,567                    | 10,057                    | (2,510)          |
| Food service                                  | 164                       | 53                        | (111)            |
| Extracurricular activities                    | 7,737                     | 7,117                     | (620)            |
| General administration                        | 6,253                     | 6,088                     | (165)            |
| Facilities, maintenance and operations        | 29,196                    | 29,042                    | (154)            |
| Security and monitoring services              | 2,762                     | 2,552                     | (210)            |
| Data processing services                      | 5,008                     | 5,272                     | 264              |
| Community services                            | 480                       | 376                       | (104)            |
| Facilities acquisition and construction       | 963                       | -                         | (963)            |
| Other intergovernmental charges               | 1,323                     | 1,487                     | 164              |
| <b>Total Expenditures</b>                     | <b>263,115</b>            | <b>263,194</b>            | <b>79</b>        |
| <b>Reduction in Fund Balance</b>              | <b>\$ (15,407)</b>        | <b>\$ -</b>               | <b>\$ 15,407</b> |

**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, 2017

| <b>Data<br/>Control<br/>Codes</b> |   | <b>Governmental<br/>Activities</b> |
|-----------------------------------|---|------------------------------------|
|                                   | <b>Assets</b>                               |                                    |
| 1110                              | Cash and temporary investments              | \$ 282,855,755                     |
| 1225                              | Property taxes receivables, net             | 5,097,527                          |
| 1240                              | Due from other governments                  | 8,400,809                          |
| 1290                              | Other receivables, net                      | 1,620,992                          |
| 1300                              | Inventories                                 | 622,181                            |
| 1410                              | Prepaid items                               | 1,284,532                          |
|                                   | Capital assets not subject to depreciation: |                                    |
| 1510                              | Land  | 34,081,070                         |
| 1580                              | Construction in progress                    | 7,588,444                          |
|                                   | Capital assets net of depreciation:         |                                    |
| 1520                              | Buildings and improvements, net             | 567,196,203                        |
| 1530                              | Furniture and equipment, net                | 19,195,763                         |
| <b>1000</b>                       | <b>Total Assets</b>                         | <u>927,943,276</u>                 |
|                                   | <b>Deferred Outflows of Resources</b>       |                                    |
| 1701                              | Deferred Outflows: Charge on Refunding      | 3,386,170                          |
| 1705                              | Deferred Outflows: Related to TRS           | 34,770,270                         |
|                                   | <b>Total Deferred Outflows of Resources</b> | <u>38,156,440</u>                  |
|                                   | <b>Liabilities</b>                          |                                    |
| 2110                              | Accounts payable                            | 12,486,097                         |
| 2140                              | Interest payable                            | 1,400,115                          |
| 2160                              | Accrued wages payable                       | 10,400,336                         |
| 2200                              | Accrued expenses                            | 2,491,918                          |
| 2300                              | Unearned revenue                            | 89,446                             |
|                                   | Noncurrent Liabilities:                     |                                    |
| 2501                              | Due within one year                         | 19,282,490                         |
| 2502                              | Due in more than one year                   | 849,437,559                        |
| 2540                              | Net Pension Liability                       | 58,934,512                         |
| <b>2000</b>                       | <b>Total Liabilities</b>                    | <u>954,522,473</u>                 |
|                                   | <b>Deferred Inflows of Resources</b>        |                                    |
| 2600                              | Deferred inflows: Related to TRS            | 9,763,867                          |
|                                   | <b>Total Deferred Inflows of Resources</b>  | <u>9,763,867</u>                   |
|                                   | <b>Net Position</b>                         |                                    |
| 3200                              | Net investment in capital assets            | 10,692,589                         |
|                                   | <b>Restricted for:</b>                      |                                    |
| 3820                              | Federal and state programs                  | 16,531                             |
| 3840                              | Food service                                | 3,945,231                          |
| 3850                              | Debt service                                | 9,196,688                          |
| 3900                              | Unrestricted                                | (22,037,663)                       |
| <b>3000</b>                       | <b>Total Net Position</b>                   | <u>\$ 1,813,376</u>                |

See Notes to the Financial Statements

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**STATEMENT OF ACTIVITIES**

For the Year Ended August 31, 2017

| Data<br>Control<br>Codes | Functions/Programs                            | Expenses              | Program Revenue         |  |
|--------------------------|---|-----------------------|-------------------------|--|
|                          |   |                       | Charges for<br>Services | Operating Grants<br>and<br>Contributions |
|                          | <b>Governmental activities:</b>               |                       |                         |  |
| 11                       | Instruction                                   | \$ 197,452,374        | \$ 337,896              | \$ 16,944,474                            |
| 12                       | Instructional resources and media services    | 2,007,660             | -                       | 97,927                                   |
| 13                       | Curriculum and staff development              | 3,209,796             | -                       | 793,569                                  |
| 21                       | Instructional leadership                      | 2,173,225             | -                       | 408,181                                  |
| 23                       | School leadership                             | 16,039,733            | -                       | 846,329                                  |
| 31                       | Guidance, counseling, and evaluation services | 9,170,469             | -                       | 1,515,857                                |
| 32                       | Social work services                          | 464,332               | -                       | 86,624                                   |
| 33                       | Health services                               | 3,214,372             | -                       | 2,806,512                                |
| 34                       | Student transportation                        | 13,698,604            | -                       | 498,963                                  |
| 35                       | Food service                                  | 13,866,221            | 4,156,742               | 8,732,813                                |
| 36                       | Extracurricular activities                    | 11,511,901            | 3,266,693               | 234,035                                  |
| 41                       | General administration                        | 6,258,560             | 21,000                  | 433,678                                  |
| 51                       | Facilities, maintenance and operations        | 28,377,268            | 523,562                 | 651,242                                  |
| 52                       | Security and monitoring services              | 2,787,817             | -                       | 48,372                                   |
| 53                       | Data processing services                      | 8,231,126             | -                       | 1,483,266                                |
| 61                       | Community services                            | 636,677               | -                       | 240,762                                  |
| 72                       | Interest on long-term debt                    | 27,278,808            | -                       | -  |
| 99                       | Other intergovernmental charges               | 1,221,826             | -                       | -  |
| <b>TG</b>                | <b>Total Governmental Activities</b>          | <b>\$ 347,600,769</b> | <b>\$ 8,305,893</b>     | <b>\$ 35,822,604</b>                     |

**Data  
Control  
Codes**

**General revenues:**

Taxes:

|           |   |
|-----------|---|
| <b>MT</b> | Property taxes, levied for general purposes |
| <b>DT</b> | Property taxes, levied for debt service     |
| <b>SF</b> | State-aid formula grants                    |
| <b>IE</b> | Investment earnings                         |
| <b>MI</b> | Miscellaneous                               |
| <b>TR</b> | Total general revenues                      |
| <b>CN</b> | Change in net position                      |
| <b>NB</b> | <b>Net position - beginning</b>             |
| <b>NE</b> | <b>Net position - ending</b>                |

See Notes to the Financial Statements

*Exhibit B-1*

**Net (Expense)  
Revenue and  
Changes in Net  
Primary Government**

**Governmental  
Activities**

|    |                      |
|----|----------------------|
| \$ | (180,170,004)        |
|    | (1,909,733)          |
|    | (2,416,227)          |
|    | (1,765,044)          |
|    | (15,193,404)         |
|    | (7,654,612)          |
|    | (377,708)            |
|    | (407,860)            |
|    | (13,199,641)         |
|    | (976,666)            |
|    | (8,011,173)          |
|    | (5,803,882)          |
|    | (27,202,464)         |
|    | (2,739,445)          |
|    | (6,747,860)          |
|    | (395,915)            |
|    | (27,278,808)         |
|    | (1,221,826)          |
|    | <u>(303,472,272)</u> |

|    |                    |
|----|--------------------|
|    | 148,671,123        |
|    | 50,287,636         |
|    | 87,542,503         |
|    | 2,100,537          |
|    | 947,174            |
|    | <u>289,548,973</u> |
|    | (13,923,299)       |
|    | 15,736,675         |
| \$ | <u>1,813,376</u>   |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**BALANCE SHEET**

**GOVERNMENTAL FUNDS**

August 31, 2017

| <b>Data Control Codes</b>   | <b>General Fund</b>  | <b>Debt Service Fund</b> | <b>Capital Projects Fund</b> |
|---|----------------------|--------------------------|------------------------------|
| <b>Assets</b>   |                      |                          |                              |
| 1110 Cash and temporary investments   | \$ 83,415,373        | \$ 9,316,517             | \$ 180,959,139               |
| Receivables:  |                      |                          |                              |
| 1220 Property taxes - delinquent  | 5,698,924            | 1,583,250                | -                            |
| 1230 Allowance for uncollectible taxes (credit)                               | (1,710,840)          | (473,807)                | -                            |
| 1240 Receivables from other governments                                       | 6,488,694            | 170,843                  | -                            |
| 1260 Due from other funds   | 1,695,113            | -                        | -                            |
| 1290 Other receivables  | 448,683              | -                        | 1,011,554                    |
| 1300 Inventories, at cost   | 293,410              | -                        | -                            |
| 1410 Prepaid items  | 1,284,532            | -                        | -                            |
| <b>1000 Total Assets</b>  | <b>\$ 97,613,889</b> | <b>\$ 10,596,803</b>     | <b>\$ 181,970,693</b>        |
| <b>Liabilities, Deferred Inflows, and Fund Balance</b>                        |                      |                          |                              |
| <b>Liabilities:</b>   |                      |                          |                              |
| 2110 Accounts payable   | \$ 5,381,193         | \$ -                     | \$ 6,333,126                 |
| 2160 Accrued wages payable  | 9,894,435            | -                        | -                            |
| 2170 Due to other funds   | 34,045               | -                        | 106                          |
| 2300 Unearned revenues  | 56,405               | -                        | -                            |
| <b>2000 Total Liabilities</b>   | <b>15,366,078</b>    | <b>-</b>                 | <b>6,333,232</b>             |
| <b>Deferred Inflows of Resources</b>  |                      |                          |                              |
| 2600 Unavailable revenue-property taxes                                       | 3,988,084            | 1,109,443                | -                            |
| <b>Total Deferred Inflows of Resources</b>                                    | <b>3,988,084</b>     | <b>1,109,443</b>         | <b>-</b>                     |
| <b>Fund Balance:</b>  |                      |                          |                              |
| <b>Nonspendable:</b>  |                      |                          |                              |
| 3410 Nonspendable - inventories   | 293,410              | -                        | -                            |
| 3430 Nonspendable - prepaid items   | 1,284,532            | -                        | -                            |
| <b>Restricted:</b>  |                      |                          |                              |
| 3450 Restricted - grant funds   | -                    | -                        | -                            |
| 3470 Restricted - capital acquisition program                                 | -                    | -                        | 175,637,461                  |
| 3480 Restricted - debt service  | -                    | 9,487,360                | -                            |
| <b>Committed:</b>   |                      |                          |                              |
| 3540 Committed - self insurance   | 99,056               | -                        | -                            |
| 3545 Committed - other  | 2,000,000            | -                        | -                            |
| <b>Assigned:</b>  |                      |                          |                              |
| 3590 Assigned - other   | 4,522,420            | -                        | -                            |
| <b>Unassigned:</b>  |                      |                          |                              |
| 3600 Unassigned   | 70,060,309           | -                        | -                            |
| <b>3000 Total Fund Balance</b>  | <b>78,259,727</b>    | <b>9,487,360</b>         | <b>175,637,461</b>           |
| <b>4000 Total Liabilities Deferred Inflows of Resources, and Fund Balance</b> | <b>\$ 97,613,889</b> | <b>\$ 10,596,803</b>     | <b>\$ 181,970,693</b>        |

See Notes to the Financial Statements.

*Exhibit C-1*

| <b>Nonmajor<br/>Governmental<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|--|---|
| \$ 5,748,758                               | \$ 279,439,787                          |
| -  | 7,282,174                               |
| -  | (2,184,647)                             |
| 1,741,272                                  | 8,400,809                               |
| 987,602                                    | 2,682,715                               |
| 8,747                                      | 1,468,984                               |
| 328,771                                    | 622,181                                 |
| -  | 1,284,532                               |
| <u>\$ 8,815,150</u>                        | <u>\$ 298,996,535</u>                   |
| <br>                                       |   |
| \$ 411,806                                 | \$ 12,126,125                           |
| 505,901                                    | 10,400,336                              |
| 2,648,564                                  | 2,682,715                               |
| 33,041                                     | 89,446                                  |
| <u>3,599,312</u>                           | <u>25,298,622</u>                       |
| <br>                                       |   |
| -  | 5,097,527                               |
| <u>-</u>                                   | <u>5,097,527</u>                        |
| <br>                                       |   |
| -  | 293,410                                 |
| -  | 1,284,532                               |
| 3,961,762                                  | 3,961,762                               |
| -  | 175,637,461                             |
| -  | 9,487,360                               |
| -  | 99,056                                  |
| 1,254,076                                  | 3,254,076                               |
| -  | 4,522,420                               |
| -  | 70,060,309                              |
| <u>5,215,838</u>                           | <u>268,600,386</u>                      |
| <br>                                       |   |
| <u>\$ 8,815,150</u>                        | <u>\$ 298,996,535</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, 2017*

*Exhibit C-2*

**Data  
Control  
Codes**

**Total fund balance, governmental funds** \$ 268,600,386

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.

|          |  |             |
|----------|--|-------------|
| <b>1</b> | Capital assets at historical cost, net of accumulated depreciation, where applicable   | 628,061,480 |
| <b>2</b> | 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). | 5,097,527   |
| <b>3</b> | Deferred amount on refunding   | 3,386,170   |
| <b>4</b> | Deferred outflows relating to pension activities   | 34,770,270  |

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:

|           |   |                            |
|-----------|---|----------------------------|
| <b>5</b>  | General obligation bonds                            | (791,650,000)              |
| <b>6</b>  | Premiums on issuance                                | (75,759,650)               |
| <b>7</b>  | Accrued compensated absences                        | (1,310,399)                |
| <b>8</b>  | Accrued interest payable                            | (1,400,115)                |
| <b>9</b>  | Net pension liability                               | (58,934,512)               |
| <b>10</b> | Deferred inflows relating to pension activities     | (9,763,867)                |
| <b>11</b> | Addition of Internal Service fund net position      | <u>716,086</u>             |
| <b>19</b> | <b>Total net position - governmental activities</b> | <u><u>\$ 1,813,376</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, 2017*

| <b>Data Control Codes</b>                              | <b>General Fund</b>  | <b>Debt Service Fund</b> | <b>Capital Projects Fund</b> |
|--|----------------------|--------------------------|------------------------------|
| <b>Revenues</b>  |                      |                          |                              |
| 5700 Local, intermediate, and out-of-state             | \$ 151,816,459       | \$ 50,171,626            | \$ 1,115,381                 |
| 5800 State program revenues                            | 96,453,150           | 1,196,168                | -                            |
| 5900 Federal program revenues                          | 3,047,290            | -                        | 1,011,554                    |
| <b>5020 Total Revenues</b>                             | <b>251,316,899</b>   | <b>51,367,794</b>        | <b>2,126,935</b>             |
| <b>Expenditures</b>                                    |                      |                          |                              |
| <b>Current:</b>  |                      |                          |                              |
| 0011 Instruction                                       | 159,091,509          | -                        | 5,247,661                    |
| 0012 Instruction resources and media services          | 1,422,079            | -                        | 465,937                      |
| 0013 Curriculum and instructional staff development    | 2,433,431            | -                        | 1,998                        |
| 0021 Instructional leadership                          | 1,751,550            | -                        | -                            |
| 0023 School leadership                                 | 15,362,820           | -                        | 173,870                      |
| 0031 Guidance, counseling and evaluation services      | 7,606,268            | -                        | 663                          |
| 0032 Social work services                              | 457,610              | -                        | -                            |
| 0033 Health services                                   | 3,021,671            | -                        | 15,718                       |
| 0034 Student transportation                            | 11,675,439           | -                        | 4,954,069                    |
| 0035 Food services                                     | 147,583              | -                        | 292,923                      |
| 0036 Extracurricular activities                        | 7,346,220            | -                        | 459,771                      |
| 0041 General administration                            | 5,653,345            | -                        | 79,504                       |
| 0051 Facilities maintenance and operations             | 27,762,183           | -                        | 313,096                      |
| 0052 Security and monitoring services                  | 2,360,880            | -                        | 10,483                       |
| 0053 Data processing services                          | 4,669,070            | -                        | 3,176,322                    |
| 0061 Community services                                | 402,242              | -                        | -                            |
| <b>Debt service:</b>                                   |                      |                          |                              |
| 0071 Principal on long-term debt                       | -                    | 21,345,000               | -                            |
| 0072 Interest on long-term debt                        | -                    | 30,364,874               | -                            |
| 0073 Bond issuance costs and fees                      | -                    | 26,500                   | 604,515                      |
| <b>Capital outlay:</b>                                 |                      |                          |                              |
| 0081 Capital outlay                                    | 619,566              | -                        | 45,153,457                   |
| <b>Intergovernmental:</b>                              |                      |                          |                              |
| 0099 Other intergovernmental charges                   | 1,221,826            | -                        | -                            |
| <b>6030 Total Expenditures</b>                         | <b>253,005,292</b>   | <b>51,736,374</b>        | <b>60,949,987</b>            |
| 1100 Excess (deficiency) of revenues over expenditures | (1,688,393)          | (368,580)                | (58,823,052)                 |
| <b>Other Financing Sources (Uses)</b>                  |                      |                          |                              |
| 7911 Capital-related debt issued (regular bonds)       | -                    | -                        | 93,000,000                   |
| 7912 Sale of real or personal property                 | -                    | -                        | 810,482                      |
| 7915 Transfers in                                      | -                    | -                        | -                            |
| 7916 Premium or discount on issuance of bonds          | -                    | 2,010,643                | 2,652,067                    |
| 8911 Transfers out                                     | (18,910)             | -                        | -                            |
| <b>7080 Total Other Financing Sources (Uses)</b>       | <b>(18,910)</b>      | <b>2,010,643</b>         | <b>96,462,549</b>            |
| 1200 Net change in fund balances                       | (1,707,303)          | 1,642,063                | 37,639,497                   |
| <b>0100 Fund Balance - September 1 (Beginning)</b>     | <b>79,967,030</b>    | <b>7,845,297</b>         | <b>137,997,964</b>           |
| <b>3000 Fund Balance - August 31 (Ending)</b>          | <b>\$ 78,259,727</b> | <b>\$ 9,487,360</b>      | <b>\$ 175,637,461</b>        |

See Notes to the Financial Statements.

*Exhibit C-3*

| <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|---|
| \$ 6,912,332                               | \$ 210,015,798                          |
| 2,525,334                                  | 100,174,652                             |
| <u>17,788,432</u>                          | <u>21,847,276</u>                       |
| <u>27,226,098</u>                          | <u>332,037,726</u>                      |
| 8,810,906                                  | 173,150,076                             |
| 30,377                                     | 1,918,393                               |
| 710,595                                    | 3,146,024                               |
| 323,062                                    | 2,074,612                               |
| 17,953                                     | 15,554,643                              |
| 1,137,486                                  | 8,744,417                               |
| 65,409                                     | 523,019                                 |
| 62,983                                     | 3,100,372                               |
| -  | 16,629,508                              |
| 12,820,654                                 | 13,261,160                              |
| 2,668,678                                  | 10,474,669                              |
| 205,935                                    | 5,938,784                               |
| -  | 28,075,279                              |
| -  | 2,371,363                               |
| 697  | 7,846,089                               |
| 230,435                                    | 632,677                                 |
| -  | 21,345,000                              |
| -  | 30,364,874                              |
| -  | 631,015                                 |
| -  | 45,773,023                              |
| -  | <u>1,221,826</u>                        |
| <u>27,085,170</u>                          | <u>392,776,823</u>                      |
| <u>140,928</u>                             | <u>(60,739,097)</u>                     |
| -  | 93,000,000                              |
| -  | 810,482                                 |
| 18,910                                     | 18,910                                  |
| -  | 4,662,710                               |
| -  | <u>(18,910)</u>                         |
| <u>18,910</u>                              | <u>98,473,192</u>                       |
| 159,838                                    | 37,734,095                              |
| <u>5,056,000</u>                           | <u>230,866,291</u>                      |
| <u>\$ 5,215,838</u>                        | <u>\$ 268,600,386</u>                   |

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**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**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, 2017**

*Exhibit C-4*

| <u>Data<br/>Control<br/>Codes</u> |   |                        |
|-----------------------------------|---|------------------------|
|                                   | Net change in fund balances - total governmental funds (from C-3)   | \$ 37,734,095          |
|                                   | 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 (\$52,779,925) exceeded depreciation of (\$23,399,623).  | 29,380,301             |
| 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. | (810,482)              |
| 3                                 | Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.   | 256,360                |
| 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.   | 21,345,000             |
| 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.   | (4,662,710)            |
| 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.   | (93,000,000)           |
|                                   | 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  | 4,247,043              |
| 8                                 | Increase in interest payable not recognized in fund statements  | 224,982                |
| 9                                 | Decrease in long-term portion of accrued compensated absences   | 421,764                |
| 10                                | Amortization of deferred loss on refunding  | (754,944)              |
| 11                                | Pension expense adjustment for the pension plan measurement year  | (4,630,055)            |
| 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.  | <u>(3,674,653)</u>     |
|                                   | Change in net position of governmental activities   | <u>\$ (13,923,299)</u> |

See Notes to the Financial Statements.

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*Exhibit D-1*

**STATEMENT OF NET POSITION**

**PROPRIETARY FUNDS**

*August 31, 2017*

| <u>Data<br/>Control<br/>Codes</u> |                                | <u>Governmental<br/>Activities - Internal<br/>Service Funds</u> |
|-----------------------------------|--------------------------------|---|
|                                   | <b>Assets</b>                  |   |
|                                   | Current Assets:                |   |
| 1110-75                           | Cash and temporary investments | \$ 3,415,968  |
|                                   | Receivables:                   |   |
| 1290                              | Other receivables              | 152,008   |
| <b>1000</b>                       | <b>Total Assets</b>            | <u>3,567,976</u>  |
|                                   | <br><b>Liabilities</b>         |   |
|                                   | Current Liabilities:           |   |
| 2110                              | Accounts payable               | 359,972   |
| 2200                              | Accrued expenses               | 2,491,918   |
|                                   | Total current liabilities      | <u>2,851,890</u>  |
| <b>2000</b>                       | <b>Total Liabilities</b>       | <u>2,851,890</u>  |
|                                   | <br><b>Net Position</b>        |   |
| 3900                              | Unrestricted net position      | 716,086   |
| <b>3000</b>                       | <b>Total Net Position</b>      | <u>\$ 716,086</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, 2017*

*Exhibit D-2*

| <u>Data<br/>Control<br/>Codes</u>                  | <u>Governmental<br/>Activities - Internal<br/>Service Funds</u> |
|--|---|
| <b>Operating Revenues</b>                          |   |
| 5754 Charges for services                          | \$ 28,811,459   |
| <b>5020 Total Operating Revenues</b>               | <u>28,811,459</u>   |
| <b>Operating Expenses</b>                          |   |
| 6200 Purchased and contracted services             | 3,333,021   |
| 6400 Claims expense and other operating expenses   | 29,193,296  |
| <b>6030 Total Operating Expenses</b>               | <u>32,526,317</u>   |
| 1200 Operating Income                              | (3,714,858)   |
| <b>Non-Operating Revenues (Expenses)</b>           |   |
| 7020 Investment earnings                           | <u>40,205</u>   |
| 1200 Change in Net Position                        | (3,674,653)   |
| <b>Net Position</b>                                |   |
| <b>0100 Net Position - September 1 (Beginning)</b> | <u>4,390,739</u>  |
| <b>3300 Net Position - August 31 (Ending)</b>      | <u>\$ 716,086</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, 2017*

|  | <b>Internal Service<br/>Funds</b> |
|--|-----------------------------------|
| <b>Cash Flows from Operating Activities:</b>   |                                   |
| Cash Receipts from Charges for Services  | \$ 28,851,883                     |
| Cash Payments for Claims   | (28,889,855)                      |
| Cash Payments for Services   | (3,333,021)                       |
| <b>Net Cash Used for Operating Activities</b>  | <u>(3,370,993)</u>                |
| <b>Cash Flows from Investing Activities:</b>   |                                   |
| Interest on investments  | 40,205                            |
| <b>Net Cash Provided by Investing Activities</b>   | <u>40,205</u>                     |
| Net Decrease in Cash and Cash Equivalents  | (3,330,788)                       |
| <b>Cash and Cash Equivalents at Beginning of Year</b>  | <u>6,746,756</u>                  |
| <b>Cash and Cash Equivalents at End of Year</b>  | <u>\$ 3,415,968</u>               |
| <b>Reconciliation to Balance Sheet</b>   |                                   |
| Cash and Cash Equivalents Per Cash Flow  | \$ 3,415,968                      |
| Cash and Cash Equivalents per Balance Sheet  | <u>\$ 3,415,968</u>               |
| <b>Reconciliation of Operating Income to Net Cash<br/>    Provided by Operating Activities</b> |                                   |
| Operating Income (Loss)  | \$ (3,714,858)                    |
| Change in Assets and Liabilities:  |                                   |
| Decrease (increase) in Receivables   | (59,576)                          |
| Decrease (increase) in Interfund Receivables   | 100,000                           |
| Increase (decrease) in Accounts Payable  | 230,591                           |
| Increase (decrease) in Accrued Expenses  | 72,850                            |
| <b>Net Cash User for Operating Activities</b>  | <u>\$ (3,370,993)</u>             |

See Notes to the Financial Statements

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*Exhibit E-1*

**STATEMENT OF FIDUCIARY NET POSITION**

*August 31, 2017*

| <u>Data<br/>Control<br/>Codes</u>        | <b>810</b>                            | <b>865</b>                       |
|--|---------------------------------------|----------------------------------|
|  | <u>Private Purpose<br/>Trust Fund</u> | <u>Student Activity<br/>Fund</u> |
| <b>Assets</b>                            |                                       |                                  |
| 1110 Cash and temporary investments      | \$ 33,571                             | \$ 559,725                       |
| <b>1000 Total Assets</b>                 | <u>33,571</u>                         | <u>\$ 559,725</u>                |
| <b>Liabilities</b>                       |                                       |                                  |
| 2190 Due to others                       | -                                     | \$ 559,725                       |
| <b>2000 Total Liabilities</b>            | <u>-</u>                              | <u>\$ 559,725</u>                |
| <b>Net Position</b>                      |                                       |                                  |
| 3590 Assets held in trust - scholarships | <u>\$ 33,571</u>                      |                                  |

See Notes to the Financial Statements.

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*Exhibit E-2*

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

*For the Year Ended August 31, 2017*

**810**

|                                       | <b>Private Purpose<br/>Trust Fund</b> |
|---------------------------------------|---------------------------------------|
| <b>Additions</b>                      |                                       |
| Gifts and contributions               | \$ 5,500                              |
| <b>Total Additions</b>                | <u>5,500</u>                          |
| <b>Deductions</b>                     |                                       |
| Other                                 | <u>3,750</u>                          |
| <b>Total deductions</b>               | <u>3,750</u>                          |
| Change in net position                | 1,750                                 |
| <b>Net position beginning of year</b> | <u>\$ 31,821</u>                      |
| <b>Net position end of year</b>       | <u><u>\$ 33,571</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.

**Implementation of New Standards**

GASB Statement No. 77, *Tax Abatement Disclosures*, applies to financial reports of all state and local governmental entities, addresses the reduction of tax revenues resulting from an agreement between a government and an individual in which the government forgoes tax revenues and the individual promises to take specific action as a result of the agreement that contributes to the economic development to benefit the government or citizens of the government, and relates to agreements entered into by the reporting government or agreements entered into by other governments that reduce the reporting government's tax revenues. For the year ended August 31, 2017, the District did not have any tax abatement agreements that require disclosures.

GASB Statement No. 82, *Pension Issues-An amendment of GASB Statements No. 67, No. 68 and No.73*, addresses the presentation of payroll-related measures in required supplementary information, selection of assumptions and the treatment of deviations from the guidance in an actuarial standard of practice for financial reporting purposes, and the classification of payments made by employers to satisfy employee contribution requirements.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**D. 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.

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.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. 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), certificates of deposit, and money market funds. 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*.

**F. 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.

**G. 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.

**H. 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.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**I. 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 estimated fair market value at the date of donation.

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

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

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

| <b>Category of Asset</b>                 | <b>Estimated Useful Lives</b> |
|--|-------------------------------|
| 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                       |

**J. Unearned Revenues**

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

**K. Deferred Outflows/Inflows of Resources**

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

A deferred outflow of resources is a consumption of a government's net assets (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 two items that qualify for reporting in this category:

**Deferred outflows of resources for refunding**

Reported in the government-wide statement of net position, this deferred charge of 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.

**Note 1 – Summary of Significant Accounting Policies (continued)**

**K. Deferred Outflows/Inflows of Resources (continued)**

**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.

A deferred inflow of resources is an acquisition of a government's net assets (an increase in asset 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 two 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 basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Deferred inflows of resources for pension**

Reported in the government-wide financial statement of net position, these deferred inflows result primarily from the differences between projected and actual earnings on pension plan investments. These amounts will be amortized over a closed five year period

**L. 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)**

**M. 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.

**N. 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.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**N. Fund Equity (continued)**

When expenditure is incurred for purposes 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, 2017.

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.

**O. 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.

**P. 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

**Q. 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 approved 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, 2017, are shown below.

|   | <b>Cash and<br/>Deposits</b> | <b>Local<br/>Government<br/>Investment<br/>Pools</b> | <b>Total</b>          |
|---|------------------------------|--|-----------------------|
| <b>Governmental Funds</b>                   |                              |  |                       |
| General Fund                                | \$ 1,070,648                 | \$ 82,344,725  | \$ 83,415,373         |
| Debt Service Fund                           | 675,403                      | 8,641,114  | 9,316,517             |
| Capital Projects Fund                       | 1,427,530                    | 179,531,609  | 180,959,139           |
| Non-Major Funds                             | 3,068,684                    | 2,680,074  | 5,748,758             |
| <b>Total Governmental Funds</b>             | <u>6,242,265</u>             | <u>273,197,522</u>                                   | <u>279,439,787</u>    |
| <b>Proprietary Funds</b>                    |                              |  |                       |
| Internal Service Funds                      | 296,592                      | 3,119,376  | 3,415,968             |
| <b>Total Government Wide Statements</b>     | 6,538,857                    | 276,316,898  | 282,855,755           |
| <b>Fiduciary Funds</b>                      | 556,055                      | 37,241   | 593,296               |
| <b>Total Cash and Temporary Investments</b> | <u>\$ 7,094,912</u>          | <u>\$ 276,354,139</u>                                | <u>\$ 283,449,051</u> |

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

**Credit Risk**

As of August 31, 2017, 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, 2017 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 2017.

The District's temporary investments at August 31, 2017, consisted of the following:

|                                      | <u>Fair<br/>Market<br/>Value</u> | <u>Weighted<br/>Average<br/>Maturity (Days)</u> | <u>Investment<br/>Rating</u> | <u>Percentage<br/>of Portfolio</u> |
|--------------------------------------|----------------------------------|---|------------------------------|------------------------------------|
| Temporary Investments:               |                                  |   |                              |                                    |
| Local Government Investment Pools: * |                                  |   |                              |                                    |
| TexPool                              | \$ 80,979,435                    | 32  | AAAm                         | 29%                                |
| TexStar                              | 76,664,476                       | 28  | AAAm                         | 28%                                |
| MBIA - Texas CLASS                   | 50,562,531                       | 42  | AAAm                         | 18%                                |
| Lone Star                            | 24,342,563                       | 22  | AAA                          | 9%                                 |
| Texas Term/Texas Daily               | 43,805,134                       | 41  | AAAm                         | 16%                                |
| <b>Total Temporary Investments</b>   | <u>\$ 276,354,139</u>            | 33  |                              |                                    |

\* 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, 2017.

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

**Local Government Investment Pools**

As of August 31, 2017, 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.

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.

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 2016-2017 fiscal year (tax year 2016) were \$1.04005 and \$0.35000, respectively. Based on an assessed property valuation of approximately \$14.2 billion, the resulting tax levy, after exemptions and adjustments for the district was approximately \$197.4 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, 2017, consisted of the following:

|  | <u>General Fund</u> | <u>Debt Service Fund</u> | <u>Total</u>        |
|--|---------------------|--------------------------|---------------------|
| Delinquent taxes - Current year levy   | \$ 1,357,750        | \$ 456,913               | \$ 1,814,663        |
| Delinquent taxes - Prior years' levy   | 2,165,236           | 624,797                  | 2,790,033           |
|  | 3,522,986           | 1,081,710                | 4,604,696           |
| Penalties and interest receivable      | 2,175,938           | 501,540                  | 2,677,478           |
|  | 5,698,924           | 1,583,250                | 7,282,174           |
| Less allowance for uncollectible taxes | (1,710,840)         | (473,807)                | (2,184,647)         |
| Net Property Taxes Receivable          | <u>\$ 3,988,084</u> | <u>\$ 1,109,443</u>      | <u>\$ 5,097,527</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:

|                                      | <u>General</u>      | <u>Debt Service Fund</u> | <u>Capital Projects Fund</u> | <u>Nonmajor Funds</u> | <u>Total</u>        |
|--------------------------------------|---------------------|--------------------------|------------------------------|-----------------------|---------------------|
| Property taxes                       | \$ 5,698,924        | \$ 1,583,250             | \$ -                         | \$ -                  | \$ 7,282,174        |
| Other                                | 448,683             | -                        | 1,011,554                    | 160,755               | 1,620,992           |
| Gross Receivables                    | 6,147,607           | 1,583,250                | 1,011,554                    | 160,755               | 8,903,166           |
| Less Allowance for doubtful accounts | (1,710,840)         | (473,807)                | -                            | -                     | (2,184,647)         |
|                                      | <u>\$ 4,436,767</u> | <u>\$ 1,109,443</u>      | <u>\$ 1,011,554</u>          | <u>\$ 160,755</u>     | <u>\$ 6,718,519</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, 2017, include the following:

|                                 | <u>Interfund<br/>Receivable</u> | <u>Interfund<br/>Payable</u> |
|---------------------------------|---------------------------------|------------------------------|
| <b>Governmental Funds</b>       |                                 |                              |
| General Fund                    | \$ 1,695,113                    | \$ 34,045                    |
| Capital Projects Fund           | -                               | 106                          |
| Nonmajor Funds                  | 987,602                         | 2,648,564                    |
| <b>Total Governmental Funds</b> | <u>\$ 2,682,715</u>             | <u>\$ 2,682,715</u>          |

Interfund transfers are defined as “flows of assets without equivalent flow of assets in return and without a requirement for repayment.” The following is a summary of the District’s transfers for the year ended August 31, 2017. Transfers of General Fund revenues were made to the Special Revenue Fund and Child Nutrition Fund to cover fund deficit and student’s deficit balances.

| <u>Transfer Out</u> | <u>Transfer In</u>   | <u>Amount</u>    |
|---------------------|----------------------|------------------|
| General Fund        | Special Revenue Fund | \$ 4,880         |
| General Fund        | Child Nutrition Fund | 14,030           |
|                     |                      | <u>\$ 18,910</u> |

**Note 6 - Due From Other Governments**

Due from other governments reported in the District’s General, Debt Service and Special Revenue Funds at August 31, 2017, consisted of the following:

|  | <u>General<br/>Fund</u> | <u>Debt<br/>Service<br/>Fund</u> | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total</u>        |
|--|-------------------------|----------------------------------|--|---------------------|
| State expenditure-driven grant reimbursement   | \$ -                    | \$ -                             | \$ 423,661                                 | \$ 423,661          |
| State Aid                                      | 6,410,706               | 144,600                          | -  | 6,555,306           |
| Fort Bend County (Tax Collections)             | 77,988                  | 26,243                           | -  | 104,231             |
| Federal expenditure-driven grant reimbursement | -                       | -                                | 1,317,611                                  | 1,317,611           |
|  | <u>\$ 6,488,694</u>     | <u>\$ 170,843</u>                | <u>\$ 1,741,272</u>                        | <u>\$ 8,400,809</u> |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(continued)*

**Note 7 - Capital Assets**

A summary of changes in capital assets for the year ended August 31, 2017, follows:

|  | <b>Balance</b><br><b>August 31, 2016</b> | <b>Additions</b>     | <b>Retirements</b><br><b>and Transfers</b> | <b>Balance</b><br><b>August 31, 2017</b> |
|--|--|----------------------|--|--|
| Capital assets, not being depreciated              |  |                      |  |  |
| Land   | \$ 31,080,059                            | \$ 3,811,493         | \$ (810,482)                               | \$ 34,081,070                            |
| Construction in progress                           | 14,704,828                               | 33,080,901           | (40,197,285)                               | 7,588,444                                |
| <b>Total Capital assets, not being depreciated</b> | <b>45,784,887</b>                        | <b>36,892,394</b>    | <b>(41,007,767)</b>                        | <b>41,669,514</b>                        |
| Capital assets, being depreciated                  |  |                      |  |  |
| Buildings and improvements                         | 748,670,597                              | 8,576,117            | 40,197,285                                 | 797,443,999                              |
| Furniture and equipment                            | 49,341,953                               | 7,311,413            | (711,210)                                  | 55,942,156                               |
| <b>Total Capital assets, being depreciated</b>     | <b>798,012,550</b>                       | <b>15,887,530</b>    | <b>39,486,075</b>                          | <b>853,386,155</b>                       |
| Less accumulated depreciation for:                 |  |                      |  |  |
| Buildings and improvements                         | (210,664,986)                            | (19,582,810)         | -  | (230,247,796)                            |
| Furniture and Equipment                            | (33,640,790)                             | (3,816,813)          | 711,210                                    | (36,746,393)                             |
| <b>Total Accumulated depreciation</b>              | <b>(244,305,776)</b>                     | <b>(23,399,623)</b>  | <b>711,210</b>                             | <b>(266,994,189)</b>                     |
| <b>Governmental Capital Assets</b>                 | <b>\$ 599,491,661</b>                    | <b>\$ 29,380,301</b> | <b>\$ (810,482)</b>                        | <b>\$ 628,061,480</b>                    |

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

| <b>Function</b>                              | <b>Depreciation</b><br><b>Expense</b> |
|--|---------------------------------------|
| Instruction                                  | \$ 18,722,742                         |
| Instructional resources and media services   | 103,529                               |
| Curriculum and staff development             | 1,772                                 |
| Instructional leadership                     | 2,095                                 |
| School leadership                            | 51,299                                |
| Guidance, counseling and evaluation services | 7,035                                 |
| Student transportation                       | 1,899,101                             |
| Food Services                                | 178,382                               |
| Extracurricular activities                   | 1,105,399                             |
| General administration                       | 79,290                                |
| Facilities maintenance and operations        | 262,739                               |
| Security and monitoring services             | 78,449                                |
| Data processing services                     | 907,791                               |
|  | <b>\$ 23,399,623</b>                  |

**Note 7 - Capital Assets (continued)**

The District has active construction projects as of August 31, 2017. The District's commitments as of August 31, 2017, are as follows:

| <b>Project</b>                    | <b>Authorized<br/>Contract</b> | <b>Construction<br/>in Progress</b> | <b>Remaining<br/>Commitment</b> |
|-----------------------------------|--------------------------------|-------------------------------------|---------------------------------|
| Carter Elementary School          | \$ 22,423,836                  | \$ 3,732,004                        | \$ 18,691,832                   |
| Support Services Facility         | 10,791,606                     | 549,518                             | 10,242,088                      |
| Natorium Foster High School       | 8,410,160                      | 1,072,995                           | 7,337,165                       |
| Natorium Fulshear High School     | 8,426,831                      | 1,173,249                           | 7,253,582                       |
| Natorium George Ranch High School | 8,426,798                      | 1,060,678                           | 7,366,120                       |
|                                   | <u>\$ 58,479,231</u>           | <u>\$ 7,588,444</u>                 | <u>\$ 50,890,787</u>            |

**Note 8 - 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, 2017, follows:

|                                  | <b>Balance August<br/>31, 2016</b> | <b>Additions</b>     | <b>Retirements</b>     | <b>Balance August<br/>31, 2017</b> | <b>Due Within<br/>One Year</b> |
|----------------------------------|------------------------------------|----------------------|------------------------|------------------------------------|--------------------------------|
| General obligation bonds         | 719,995,000                        | \$ 93,000,000        | \$ (21,345,000)        | \$ 791,650,000                     | \$ 18,640,000                  |
| Bond issuance premiums/discounts | 75,343,983                         | 4,662,711            | (4,247,044)            | 75,759,650                         | -                              |
| Accrued compensated absences     | 1,732,163                          | 23,609               | (445,373)              | 1,310,399                          | 642,490                        |
|                                  | <u>\$ 797,071,146</u>              | <u>\$ 97,686,320</u> | <u>\$ (26,037,417)</u> | <u>\$ 868,720,049</u>              | <u>\$ 19,282,490</u>           |

On March 6, 2017, the District issued Unlimited Tax Schoolhouse Bonds, Series 2017 in the amount of \$93.0 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 8 - Changes in Long-Term Debt and Debt Service Requirements (continued)**

Bonded long-term debt, at August 31, 2017, is comprised of the following individual issues:

| <b>Issue</b>   | <b>Original<br/>issuance amount</b> | <b>Interest Rate<br/>(%)</b> | <b>Maturity Date<br/>Range</b> | <b>Debt<br/>Outstanding</b> |
|--|-------------------------------------|------------------------------|--------------------------------|-----------------------------|
| LCISD Unlimited Tax Schoolhouse and Refunding Bonds Series 2012A | \$ 125,060,000                      | 1.50% to 5.00%               | 2/15/2045                      | \$ 120,640,000              |
| LCISD Unlimited Tax Refunding Series 2012B                       | 46,125,000                          | 2.00% to 5.00%               | 2/15/2024                      | 40,690,000                  |
| LCISD Unlimited Tax Refunding Series 2013                        | 25,640,000                          | 2.00% to 5.00%               | 2/15/2025                      | 21,340,000                  |
| LCISD Unlimited Tax Refunding Series 2013A                       | 33,185,000                          | 3.25%                        | 2/15/2020                      | 18,980,000                  |
| 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                      | 213,170,000                 |
| 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                  |
|  |                                     |                              |                                | <u>\$ 791,650,000</u>       |

Annual requirements to amortize all bonded and contractual obligation long-term debt outstanding, as of August 31, 2017, follows:

| <b>Year Ending<br/>August 31,</b> | <b>Principal</b>      | <b>Interest</b>       | <b>Totals</b>           |
|-----------------------------------|-----------------------|-----------------------|-------------------------|
| 2018                              | \$ 18,640,000         | \$ 31,889,035         | \$ 50,529,035           |
| 2019                              | 23,040,000            | 34,193,341            | 57,233,341              |
| 2020                              | 25,055,000            | 33,173,829            | 58,228,829              |
| 2021                              | 26,465,000            | 32,000,162            | 58,465,162              |
| 2022                              | 27,760,000            | 30,664,939            | 58,424,939              |
| 2023-2027                         | 130,345,000           | 133,433,201           | 263,778,201             |
| 2028-2032                         | 130,670,000           | 104,277,699           | 234,947,699             |
| 2033-2037                         | 152,370,000           | 74,468,769            | 226,838,769             |
| 2038-2042                         | 115,700,000           | 45,079,575            | 160,779,575             |
| 2043-2047                         | 121,905,000           | 17,543,500            | 139,448,500             |
| 2048-2049                         | 19,700,000            | 608,400               | 20,308,400              |
|                                   | <u>\$ 791,650,000</u> | <u>\$ 537,332,450</u> | <u>\$ 1,328,982,450</u> |

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

**Note 8 - Changes in Long-Term Debt and Debt Service Requirements (continued)**

**Defeased Debt**

The District had no defeased debt as of August 31, 2017

**Note 9 - 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, 2017 for all governmental types follows:

|                                  | General<br>Fund     | Nonmajor<br>Governmental<br>Funds |
|----------------------------------|---------------------|-----------------------------------|
| <b>Committed Fund Balance</b>    |                     |                                   |
| Committed - self insurance:      |                     |                                   |
| Health Plan                      | \$ 99,056           | \$ -                              |
| Total Committed - self insurance | <u>99,056</u>       | <u>-</u>                          |
| Committed - other:               |                     |                                   |
| Debt Service                     | 500,000             | -                                 |
| Food service program             | 500,000             | -                                 |
| Future land purchase             | 1,000,000           | -                                 |
| Campus activity funds            | -                   | 1,254,076                         |
| Total Committed - other          | <u>2,000,000</u>    | <u>1,254,076</u>                  |
| Total Committed                  | <u>\$ 2,099,056</u> | <u>\$ 1,254,076</u>               |
| <b>Assigned Fund Balance</b>     |                     |                                   |
| Assigned - other:                |                     |                                   |
| Encumbrances                     | \$ 1,916,740        | \$ -                              |
| Other Budgetary Set-Asides       | 1,125,680           | -                                 |
| Fleet Replacement                | 500,000             | -                                 |
| Equipment Replacement            | 500,000             | -                                 |
| Vending                          | 480,000             | -                                 |
| Total Assigned                   | <u>\$ 4,522,420</u> | <u>\$ -</u>                       |

**Note 10 - Local Revenues**

A summary of local revenues as presented in the governmental fund financial statements for the year ended August 31, 2017, follows:

|                                  | <b>General Fund</b>   | <b>Debt Service Fund</b> | <b>Capital Projects Fund</b> | <b>Nonmajor Governmental Funds</b> | <b>Total</b>          |
|----------------------------------|-----------------------|--------------------------|------------------------------|------------------------------------|-----------------------|
| Property taxes                   | \$ 148,671,123        | \$ 50,031,276            | \$ -                         | \$ -                               | \$ 198,702,399        |
| Investment income                | 787,324               | 140,350                  | 1,115,381                    | 17,277                             | 2,060,332             |
| Services to other districts      | 21,000                | -                        | -                            | -                                  | 21,000                |
| Tuition and summer school        | 337,896               | -                        | -                            | -                                  | 337,896               |
| Co-curricular student activities | 544,080               | -                        | -                            | -                                  | 544,080               |
| Food sales                       | -                     | -                        | -                            | 4,156,742                          | 4,156,742             |
| Other                            | 1,455,036             | -                        | -                            | 2,738,313                          | 4,193,349             |
|                                  | <u>\$ 151,816,459</u> | <u>\$ 50,171,626</u>     | <u>\$ 1,115,381</u>          | <u>\$ 6,912,332</u>                | <u>\$ 210,015,798</u> |

**Note 11 - 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 and Capital Project Fund for the year ended August 31, 2017, are as follows:

| <b>Program or Source</b>             | <b>CFDA Number</b> | <b>General Fund</b> | <b>Capital Project Fund</b> |
|--------------------------------------|--------------------|---------------------|-----------------------------|
| Medicaid Administrative Claims (MAC) | 93.778             | \$ 66,628           | \$ -                        |
| SHARS                                | N/A                | 2,520,805           | -                           |
| ROTC                                 | 12.000             | 366,791             | -                           |
| E-rate                               | N/A                | 93,066              | 1,011,554                   |
| <b>Total</b>                         |                    | <u>\$ 3,047,290</u> | <u>\$ 1,011,554</u>         |

**Note 12 - 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.

**Note 12 - Defined Benefit Pension Plan (continued)**

**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.

**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 2016 and 2017.

|                                  | <b>Contribution Rates</b> |             |
|----------------------------------|---------------------------|-------------|
|                                  | <b>2017</b>               | <b>2016</b> |
| Member                           | 7.70%                     | 7.20%       |
| Non-Employer Contributing Entity | 6.80%                     | 6.80%       |
| Employers                        | 6.80%                     | 6.80%       |

**Note 12 - Defined Benefit Pension Plan (continued)**

**Contributions (continued)**

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<br>Year (2016) | Fiscal Year<br>(2017) |
|--|----------------------------|-----------------------|
|  | Contributions<br>Made      | TRS<br>Contributions  |
| Employer (District) contributions            | \$ 4,955,206               | \$ 5,475,650          |
| Member (Employee) contributions              | 12,037,060                 | 14,130,806            |
| Non-employer (State) on-behalf contributions | 8,518,855                  | 9,150,578             |

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

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

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

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.
- 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.

**Note 12 - Defined Benefit Retirement Plan (continued)**

**Actuarial Assumptions**

The total pension liability in the August 31, 2016 actuarial valuation was determined using the following actuarial assumptions:

|  |                             |
|--|-----------------------------|
| Valuation Date                               | August 31, 2016             |
| 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, 2014 and adopted on September 24, 2015.

**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-estimate 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.

**Note 12 - Defined Benefit Retirement Plan (continued)**

**Discount Rate (continued)**

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2016 are summarized below:

| <b>Asset Class</b>            | <b>Target Allocation</b> | <b>Real Return Geometric Basis</b> | <b>Long Term Expected Portfolio Real Rate of Return*</b> |
|-------------------------------|--------------------------|------------------------------------|--|
| <b>Global Equity</b>          |                          |                                    |  |
| 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%   |
| <b>Stable Value</b>           |                          |                                    |  |
| 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%   |
| <b>Real Return</b>            |                          |                                    |  |
| 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%   |
| <b>Risk Parity</b>            |                          |                                    |  |
| Risk Parity                   | 5%                       | 6.7%                               | 0.3%   |
| Inflation expectation         |                          |                                    | 2.2%   |
| Alpha                         |                          |                                    | 1.0%   |
| <b>Total</b>                  | <b>100%</b>              |                                    | <b>8.7%</b>  |

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

**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.

|  | <b>Discount Rate</b>    |                          |                         |
|--|-------------------------|--------------------------|-------------------------|
|  | <b>1% Decrease (7%)</b> | <b>Current Rate (8%)</b> | <b>1% Increase (9%)</b> |
| District's proportional share of the net pension liability | \$ 91,210,772           | \$ 58,934,512            | \$ 31,557,719           |

**Note 12 - Defined Benefit Retirement Plan (continued)**

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

At August 31, 2017, the District reported a liability of \$58,934,512 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                     | 0.1560%               |
| District's proportionate share of the collective net pension liability | \$ 58,934,512         |
| State's proportionate share that is associated with the District       | <u>101,117,493</u>    |
| Total  | <u>\$ 160,052,005</u> |

The net pension liability was measured as of August 31, 2016 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, 2015 through August 31, 2016.

At August 31, 2016, the most recent measurement date, the employer's proportion of the collective net pension liability was 0.1560% which was an increase from its proportion of 0.0075% measured as of August 31, 2015.

**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, 2017, the District recognized pension expense of \$10,115,560 and revenue of \$10,493,585 for support provided by the State.

**Note 12 - 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, 2017, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> |
|---|---|--|
| Differences between expected and actual experience  | \$ 924,082                                    | \$ (1,759,750)                               |
| Changes of assumptions  | 1,796,218                                     | (1,633,586)                                  |
| Difference between projected and actual investment earnings   | 11,356,761                                    | (6,366,308)                                  |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 15,217,559                                    | (4,223)                                      |
| Contributions paid to TRS subsequent to the measurement date  | <u>5,475,650</u>                              | <u>-</u>                                     |
| Total   | <u>\$ 34,770,270</u>                          | <u>\$ (9,763,867)</u>                        |

The \$5,475,650 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, 2018.

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:

| <u>Year ended<br/>August 31</u> | <u>Pension<br/>Expense<br/>Amount</u> |
|---------------------------------|---------------------------------------|
| 2018                            | \$ (3,433,796)                        |
| 2019                            | (3,433,796)                           |
| 2020                            | (6,616,950)                           |
| 2021                            | (3,189,209)                           |
| 2022                            | (2,216,734)                           |
| Thereafter                      | <u>(640,268)</u>                      |
|                                 | <u>\$ (19,530,753)</u>                |

**Note 13 - Retiree Health Care**

**Plan Description**

The Lamar Consolidated Independent School District contributes to the Texas Public School Retired Employees Group Insurance Program (TRS-Care), a cost-sharing multiple-employer defined benefit postemployment health care plan administered by the Teacher Retirement System of Texas (TRS). TRS-Care Retired Plan provides health care coverage for certain persons (and their dependents) who retired under TRS. The statutory authority for the program is Texas Insurance Code, Chapter 1575 that grants the TRS Board of Trustees the authority to establish and amend basic and optional group insurance coverage for participants. TRS issues a publicly available financial report that includes financial statements and required supplementary information for TRS-Care. That report may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701, or by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications heading.

**Funding Policy**

Contribution requirements are not actuarially determined but are legally established each biennium by the Texas legislature. Texas Insurance Code, Sections 1575.202, 203, and 204 establish state, active employee, and public school contributions, respectively. The State of Texas and active public school employee contribution rates were 1.0% and .65% of public school payroll, respectively, with school districts contributing a percentage of payroll set at .55% for fiscal years 2017. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than .25% or greater than .75% of the salary of each active employee of the public school. For staff members funded by federal programs, the federal programs are required to contribute 1.0% for fiscal year 2017, 2016 and 2015. The District contributed 100% of the annual required contribution for fiscal year 2017, 2016 and 2015.

Contributions made by the State, District, and staff members, for the years ended 2017, 2016, and 2015, are as follows:

| <b>Fiscal Year</b> | <b>State TRS<br/>Contributions<br/>Made on<br/>Behalf of the<br/>District</b> | <b>District<br/>Required<br/>Contribution<br/>s to TRS</b> | <b>Employee s<br/>Contributions<br/>to TRS</b> | <b>District's<br/>Annual<br/>Covered<br/>Payroll</b> |
|--------------------|---|--|--|--|
| 2017               | \$ 1,758,717  | \$ 1,085,798   | \$ 1,192,846                                   | \$ 183,516,760                                       |
| 2016               | 1,596,577   | 1,005,171  | 1,086,679                                      | 167,181,389  |
| 2015               | 1,437,107   | 898,720  | 976,691  | 150,261,996  |

The contributions made by the State on behalf of the District have been recorded in the governmental funds financial statements of the District as both state revenues and expenditures. These contributions are the legal responsibility of the State.

**Note 13 - Retiree Health Care (continued)**

**Funding Policy (continued)**

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, 2017, 2016, and 2015 the subsidy payments received by TRS-Care on behalf of the District

| Fiscal<br>Year | Medicare<br>Part D |
|----------------|--------------------|
| 2017           | \$ 540,870         |
| 2016           | 641,382            |
| 2015           | 610,604            |

The Early Retiree Reinsurance Program (ERRP) is a provision of the Patient Protection and Affordable Care Act (PPACA) and provides reimbursement to plan sponsors for a portion of the cost of providing health benefits to retirees between the ages of 55-64 and their covered dependents regardless of age. An “early retiree” is defined as a plan participant aged 55-64 who is not eligible for Medicare and is not covered by an active employee of the plan sponsor. This temporary program is available to help employers continue to provide coverage to early retirees. ERRP reimbursement is available on a first come, first served basis for qualified employers that apply and become certified for the program. TRS has been certified for this program and has received funds from the ERRP program. These funds will be allocated to reporting agencies using the same basis as the Medicare Part D - On Behalf Payments (GASB 24) reporting that is done each year. Reporting Entities should report this allocation on their annual financial statements much like on behalf payments. The District has not received any subsidy payment for TRS-Care on behalf for fiscal year 2015, 2016 and 2017.

**Note 14 - 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, 2017 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, 2017. 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.

**Note 14 - Commitments and Contingencies (continued)**

Analysis of claims liability, for the fiscal years 2015-2017, is as follows:

| <b>Fiscal Year</b> | <b>Beginning of Year Accrual</b> | <b>Current Year Estimates</b> | <b>Claims Payments</b> | <b>End of Year Accrual</b> |
|--------------------|----------------------------------|-------------------------------|------------------------|----------------------------|
| 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                  |
| 2015               | 2,034,636                        | 25,255,577                    | 24,687,090             | 2,603,123                  |

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 2015-2017, is a follows:

| <b>Fiscal Year</b> | <b>Beginning of Year Accrual</b> | <b>Current Year Estimates</b> | <b>Claims Payments</b> | <b>End of Year Accrual</b> |
|--------------------|----------------------------------|-------------------------------|------------------------|----------------------------|
| 2017               | \$ 819,185                       | \$ 41,830                     | \$ 553,843             | \$ 307,172                 |
| 2016               | 329,304                          | 587,610                       | 532,482                | 384,432                    |
| 2015               | 447,378                          | 374,579                       | 492,653                | 329,304                    |

During fiscal year 2016-17 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.

**Note 14 - Commitments and Contingencies (continued)**

**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, 2017.

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 15 - Deficit Fund Balance and Fund Equity**

The Health Insurance fund, an internal service fund had a deficit fund balance of \$99,056 as of August 31, 2017. The District plans to cover the deficits during the next fiscal year.

**Note 16 - Hurricane Harvey**

On August 25, 2017, Hurricane Harvey, characterized as a Category 4 hurricane at its peak, made landfall in the Texas coast before stalling over the Houston-Galveston region (the "Region") and producing significant flooding. Many residences and commercial and industrial properties in the Region sustained damage. While the District experienced damage to some facilities such damage will not have a substantial negative affect on the operation of the facilities. On August 25, 2017, the President of the United States issued a major disaster declaration, which was amended on August 27, 2017 to include Fort Bend County, where the District is located. The major disaster declaration made federal assistance available for debris removal and emergency protective measures, including direct federal assistance, under the Public Assistance Program. The District expects to utilize the District's unrestricted funds to initially cover Hurricane Harvey related expenses and to seek reimbursement from the Federal Emergency Management Agency for eligible disaster-related expenses. The District has filed insurance claims to cover eligible losses at sites that sustained damage. Each site's deductible is 1 percent of building value, with some sites having additional flood-related deductibles.

**Note 17 - Subsequent Events**

In November 2017, with more than 60 percent of District's voters, which authorized the issuance of \$445.4 million in bonds. The bond proposal called for the issuance to be used for new schools, land, technology, interior improvements, athletics, fine arts, exterior improvements, transportation and food service upgrades.

**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, 2017

Exhibit G-1

| Data<br>Control<br>Codes              |   | Budgeted Amounts     |                      | Actual<br>Amounts,<br>Budgetary<br>Basis | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|---------------------------------------|---|----------------------|----------------------|--|---|
|                                       |   | Original             | Final                |  |   |
|                                       |   | <b>Revenues</b>      |                      |  |   |
| 5700                                  | Local revenues                                    | \$ 147,768,026       | \$ 148,256,007       | \$ 151,816,459                           | \$ 3,560,452  |
| 5800                                  | State program revenues                            | 97,669,179           | 97,726,537           | 96,453,150                               | (1,273,387)   |
| 5900                                  | Federal program revenues                          | 1,725,000            | 1,725,000            | 3,047,290                                | 1,322,290   |
| <b>5020</b>                           | <b>Total revenues</b>                             | <u>247,162,205</u>   | <u>247,707,544</u>   | <u>251,316,899</u>                       | <u>3,609,355</u>  |
| <b>Expenditures</b>                   |   |                      |                      |  |   |
| <b>Current:</b>                       |   |                      |                      |  |   |
| 0011                                  | Instruction                                       | 153,871,542          | 162,791,071          | 159,091,509                              | 3,699,562   |
| 0012                                  | Instruction resources and media services          | 1,382,803            | 1,543,754            | 1,422,079                                | 121,675   |
| 0013                                  | Curriculum and instructional staff development    | 2,696,517            | 2,782,130            | 2,433,431                                | 348,699   |
| 0021                                  | Instructional leadership                          | 1,949,931            | 1,944,671            | 1,751,550                                | 193,121   |
| 0023                                  | School leadership                                 | 15,017,785           | 15,809,250           | 15,362,820                               | 446,430   |
| 0031                                  | Guidance, counseling and evaluation services      | 8,356,144            | 8,073,668            | 7,606,268                                | 467,400   |
| 0032                                  | Social work services                              | 394,297              | 543,922              | 457,610                                  | 86,312  |
| 0033                                  | Health services                                   | 3,000,006            | 3,173,878            | 3,021,671                                | 152,207   |
| 0034                                  | Student transportation                            | 10,510,496           | 12,567,479           | 11,675,439                               | 892,040   |
| 0035                                  | Food services                                     | 65,608               | 164,240              | 147,583                                  | 16,657  |
| 0036                                  | Extracurricular activities                        | 6,555,347            | 7,736,774            | 7,346,220                                | 390,554   |
| 0041                                  | General administration                            | 5,949,265            | 6,252,534            | 5,653,345                                | 599,189   |
| 0051                                  | Facilities maintenance and operations             | 28,763,503           | 29,196,085           | 27,762,183                               | 1,433,902   |
| 0052                                  | Security and monitoring services                  | 2,464,901            | 2,761,810            | 2,360,880                                | 400,930   |
| 0053                                  | Data processing services                          | 4,578,121            | 5,008,254            | 4,669,070                                | 339,184   |
| 0061                                  | Community services                                | 282,811              | 479,751              | 402,242                                  | 77,509  |
| 0081                                  | Capital outlay                                    | -                    | 962,988              | 619,566                                  | 343,422   |
| 0099                                  | Other intergovernmental charges                   | 1,323,128            | 1,323,128            | 1,221,826                                | 101,302   |
| <b>6030</b>                           | <b>Total Expenditures</b>                         | <u>247,162,205</u>   | <u>263,115,387</u>   | <u>253,005,292</u>                       | <u>10,110,095</u>   |
| 1100                                  | Excess (deficiency) of revenues over expenditures | -                    | (15,407,843)         | (1,688,393)                              | 13,719,450  |
| <b>Other Financing Sources (Uses)</b> |   |                      |                      |  |   |
| 8911                                  | Transfers out                                     | -                    | -                    | (18,910)                                 | (18,910)  |
| 1200                                  | Net change in fund balances                       | -                    | (15,407,843)         | (1,707,303)                              | 13,700,540  |
| <b>100</b>                            | <b>Fund balances - beginning</b>                  | <u>79,967,030</u>    | <u>79,967,030</u>    | <u>79,967,030</u>                        | <u>-</u>  |
| <b>3000</b>                           | <b>Fund balances - ending</b>                     | <u>\$ 79,967,030</u> | <u>\$ 64,559,187</u> | <u>\$ 78,259,727</u>                     | <u>\$ 13,700,540</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, 2017.

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, 2016. 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 \$1,916,740 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 Three Measurement Year ended August 31 (1)*

**Exhibit G-3**

|  | <u>2016</u>           | <u>2015</u>           | <u>2014</u>           |
|--|-----------------------|-----------------------|-----------------------|
| District's proportion of the net pension liability   | 0.1560%               | 0.1485%               | 0.0909%               |
| District's proportionate share of the net pension liability  | \$ 58,934,512         | \$ 52,504,827         | \$ 24,283,479         |
| State's proportionate share of the net pension liability associated with the District                        | <u>101,117,493</u>    | <u>91,363,163</u>     | <u>76,798,291</u>     |
| Total  | <u>\$ 160,052,005</u> | <u>\$ 143,867,990</u> | <u>\$ 101,081,770</u> |
| <br>   |                       |                       |                       |
| District's covered-employee payroll (for Measurement Year)   | \$ 167,181,389        | \$ 150,260,996        | \$ 139,758,071        |
| <br>   |                       |                       |                       |
| District's proportionate share of the net pension liability as a percentage of it's covered-employee payroll | 35.3%                 | 34.9%                 | 17.4%                 |
| <br>   |                       |                       |                       |
| Plan fiduciary net position as a percentage of the total pension liability *                                 | 78.00%                | 78.43%                | 83.25%                |
| <br>   |                       |                       |                       |
| Plan's net pension liability as a percentage of covered-employee payroll *                                   | 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 CONTRIBUTIONS**  
**Teachers Retirement System of Texas**  
**Last Ten Fiscal Years**

**Exhibit G-4**

|   | <u>2017</u>      | <u>2016</u>      | <u>2015</u>      | <u>2014</u>      | <u>2013</u>      |
|---|------------------|------------------|------------------|------------------|------------------|
| Contractually required contributions                                | \$ 5,475,650     | \$ 4,955,206     | \$ 4,398,157     | \$ 2,305,130     | \$ 1,988,833     |
| Contributions in relation to the contractual required contributions | <u>5,475,650</u> | <u>4,955,206</u> | <u>4,398,157</u> | <u>2,305,130</u> | <u>1,988,833</u> |
| contribution deficiency (excess)                                    | <u>\$ -</u>      |
| District's covered employee payroll                                 | \$ 183,516,760   | \$ 167,181,389   | \$ 150,260,996   | \$ 139,758,071   | \$ 132,112,084   |
| Contributions as a percentage of covered employee payroll           | 2.98%            | 2.96%            | 2.93%            | 1.65%            | 1.51%            |
|   | <u>2012</u>      | <u>2011</u>      | <u>2010</u>      | <u>2009</u>      | <u>2008</u>      |
| Contractually required contributions                                | \$ 1,791,235     | \$ 2,131,506     | \$ 1,913,857     | \$ 1,822,296     | \$ 1,626,311     |
| Contributions in relation to the contractual required contributions | <u>1,791,235</u> | <u>2,131,506</u> | <u>1,913,857</u> | <u>1,822,296</u> | <u>1,626,311</u> |
| contribution deficiency (excess)                                    | <u>\$ -</u>      |
| District's covered employee payroll                                 | \$ 130,928,506   | \$ 134,534,219   | \$ 127,560,891   | \$ 119,537,534   | \$ 112,341,768   |
| Contributions as a percentage of covered employee payroll           | 1.37%            | 1.58%            | 1.50%            | 1.52%            | 1.45%            |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSIONS**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**For the Fiscal Year Ended August 31, 2017**

*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.

**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)

**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)

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 High School Allotment** - 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.

**429 Achievement Literacy**- 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 eligible 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, 2017*

| <b>Data<br/>Control<br/>Codes</b>   | <b>211</b>             | <b>215</b>             | <b>224</b>                |
|-------------------------------------|------------------------|------------------------|---------------------------|
|                                     | <b>Title I, Part A</b> | <b>Title I, Part D</b> | <b>IDEA B<br/>Formula</b> |
| <b>Assets</b>                       |                        |                        |                           |
| 1110                                | \$ 352,486             | \$ -                   | \$ -                      |
|                                     | Receivables:           |                        |                           |
| 1240                                | 454,608                | 11,526                 | 614,807                   |
| 1260                                | 979,952                | 2,348                  | -                         |
| 1290                                | -                      | -                      | -                         |
| 1310                                | -                      | -                      | -                         |
| 1000                                | <u>\$ 1,787,046</u>    | <u>\$ 13,874</u>       | <u>\$ 614,807</u>         |
| <b>Liabilities and Fund Balance</b> |                        |                        |                           |
| <b>Liabilities:</b>                 |                        |                        |                           |
| <b>Current Liabilities:</b>         |                        |                        |                           |
| 2110                                | \$ 29,934              | \$ -                   | \$ 23,539                 |
| 2160                                | 124,610                | 5,047                  | 194,829                   |
| 2170                                | 1,632,502              | 8,827                  | 396,439                   |
| 2300                                | -                      | -                      | -                         |
| 2000                                | <u>1,787,046</u>       | <u>13,874</u>          | <u>614,807</u>            |
| <b>Fund Balance:</b>                |                        |                        |                           |
| <b>Restricted:</b>                  |                        |                        |                           |
| 3450                                | -                      | -                      | -                         |
| <b>Committed:</b>                   |                        |                        |                           |
| 3545                                | -                      | -                      | -                         |
| 3000                                | <u>-</u>               | <u>-</u>               | <u>-</u>                  |
| 4000                                | <u>\$ 1,787,046</u>    | <u>\$ 13,874</u>       | <u>\$ 614,807</u>         |

| 225                                   | 240                        | 244                              | 255                         | 263                                    | 281                          |
|---------------------------------------|----------------------------|----------------------------------|-----------------------------|--|------------------------------|
| <b>IDEA B<br/>Preschool<br/>Grant</b> | <b>Child<br/>Nutrition</b> | <b>Vocational Ed -<br/>Basic</b> | <b>Title II,<br/>Part A</b> | <b>Title III,<br/>Part A -<br/>LEP</b> | <b>Summer<br/>School LEP</b> |
| \$ -                                  | \$ 3,999,902               | \$ 4,054                         | \$ -                        | \$ -                                   | \$ 22,133                    |
| 13,290                                | 22,844                     | 40,132                           | 103,925                     | 56,479                                 | -                            |
| -                                     | -                          | -                                | -                           | -                                      | -                            |
| -                                     | 8,731                      | -                                | -                           | -                                      | -                            |
| -                                     | 328,771                    | -                                | -                           | -                                      | -                            |
| <u>\$ 13,290</u>                      | <u>\$ 4,360,248</u>        | <u>\$ 44,186</u>                 | <u>\$ 103,925</u>           | <u>\$ 56,479</u>                       | <u>\$ 22,133</u>             |
| <br>                                  |                            |                                  |                             |  |                              |
| \$ -                                  | \$ 275,806                 | \$ 10,416                        | \$ 42,467                   | \$ 390                                 | \$ -                         |
| 4,660                                 | 133,877                    | 4,662                            | 3,846                       | 11,963                                 | -                            |
| 8,630                                 | 5,334                      | 29,108                           | 57,612                      | 44,126                                 | 22,133                       |
| -                                     | -                          | -                                | -                           | -                                      | -                            |
| <u>13,290</u>                         | <u>415,017</u>             | <u>44,186</u>                    | <u>103,925</u>              | <u>56,479</u>                          | <u>22,133</u>                |
| <br>                                  |                            |                                  |                             |  |                              |
| -                                     | 3,945,231                  | -                                | -                           | -                                      | -                            |
| -                                     | -                          | -                                | -                           | -                                      | -                            |
| -                                     | 3,945,231                  | -                                | -                           | -                                      | -                            |
| <u>\$ 13,290</u>                      | <u>\$ 4,360,248</u>        | <u>\$ 44,186</u>                 | <u>\$ 103,925</u>           | <u>\$ 56,479</u>                       | <u>\$ 22,133</u>             |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**COMBINING BALANCE SHEET**

**NONMAJOR GOVERNMENTAL FUNDS**

August 31, 2017

| <u>Data Control Codes</u>           | <b>385</b>                     | <b>397</b>                          | <b>410</b>                               |
|-------------------------------------|--------------------------------|-------------------------------------|--|
| <u>Data Control Codes</u>           | <u>State Visually Impaired</u> | <u>Advanced Placement Incentive</u> | <u>Instructional Materials Allotment</u> |
| <b>Assets</b>                       |                                |                                     |  |
| 1110                                | \$ -                           | \$ 33,388                           | \$ -                                     |
| Receivables:                        |                                |                                     |  |
| 1240                                | -                              | -                                   | 174,971                                  |
| 1260                                | -                              | -                                   | -  |
| 1290                                | -                              | -                                   | -  |
| 1310                                | -                              | -                                   | -  |
| 1000                                | <u>\$ -</u>                    | <u>\$ 33,388</u>                    | <u>\$ 174,971</u>                        |
| <b>Liabilities and Fund Balance</b> |                                |                                     |  |
| <b>Liabilities:</b>                 |                                |                                     |  |
| <b>Current Liabilities:</b>         |                                |                                     |  |
| 2110                                | \$ -                           | \$ -                                | \$ -                                     |
| 2160                                | -                              | -                                   | -  |
| 2170                                | -                              | 2,039                               | 169,003                                  |
| 2300                                | -                              | 31,349                              | -  |
| 2000                                | <u>-</u>                       | <u>33,388</u>                       | <u>169,003</u>                           |
| <b>Fund Balance:</b>                |                                |                                     |  |
| <b>Restricted:</b>                  |                                |                                     |  |
| 3450                                | -                              | -                                   | 5,968                                    |
| <b>Committed:</b>                   |                                |                                     |  |
| 3545                                | -                              | -                                   | -  |
| 3000                                | <u>-</u>                       | <u>-</u>                            | <u>5,968</u>                             |
| 4000                                | <u>\$ -</u>                    | <u>\$ 33,388</u>                    | <u>\$ 174,971</u>                        |

| <b>411</b>                            | <b>428</b>                             | <b>429</b>                            | <b>461</b>                       | <b>499</b><br><b>Locally</b><br><b>Funded</b><br><b>Special</b><br><b>Revenue</b><br><b>Funds</b> | <b>Total</b><br><b>Nonmajor</b><br><b>Governmental</b><br><b>Funds</b> |
|---------------------------------------|--|---------------------------------------|----------------------------------|---|--|
| <b>Technology</b><br><b>Allotment</b> | <b>High School</b><br><b>Allotment</b> | <b>Achievement</b><br><b>Literacy</b> | <b>Campus</b><br><b>Activity</b> |   |  |
| \$ 6,563                              | \$ 6,738                               | \$ -                                  | \$ 1,254,076                     | \$ 69,418   | \$ 5,748,758   |
| -                                     | 9,800                                  | 238,890                               | -                                | -   | 1,741,272  |
| -                                     | 422                                    | -                                     | -                                | 4,880   | 987,602  |
| -                                     | -                                      | -                                     | -                                | 16  | 8,747  |
| -                                     | -                                      | -                                     | -                                | -   | 328,771  |
| <u>\$ 6,563</u>                       | <u>\$ 16,960</u>                       | <u>\$ 238,890</u>                     | <u>\$ 1,254,076</u>              | <u>\$ 74,314</u>  | <u>\$ 8,815,150</u>  |
| <br>                                  |  |                                       |                                  |   |  |
| \$ -                                  | \$ -                                   | \$ 17,554                             | \$ -                             | \$ 11,700   | \$ 411,806   |
| -                                     | 16,800                                 | 5,607                                 | -                                | -   | 505,901  |
| -                                     | 160                                    | 215,729                               | -                                | 56,922  | 2,648,564  |
| -                                     | -                                      | -                                     | -                                | 1,692   | 33,041   |
| <u>-</u>                              | <u>16,960</u>                          | <u>238,890</u>                        | <u>-</u>                         | <u>70,314</u>   | <u>3,599,312</u>   |
| <br>                                  |  |                                       |                                  |   |  |
| 6,563                                 | -                                      | -                                     | -                                | 4,000   | 3,961,762  |
| -                                     | -                                      | -                                     | 1,254,076                        | -   | 1,254,076  |
| <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>\$ 16,960</u>                       | <u>\$ 238,890</u>                     | <u>\$ 1,254,076</u>              | <u>\$ 74,314</u>  | <u>\$ 8,815,150</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, 2017*

| <b>Data<br/>Control<br/>Codes</b>                      | <b>211</b>             | <b>215</b>             | <b>224</b>                |
|--|------------------------|------------------------|---------------------------|
|  | <b>Title I, Part A</b> | <b>Title I, Part D</b> | <b>IDEA B<br/>Formula</b> |
| <b>Revenues</b>  |                        |                        |                           |
| 5700 Local, intermediate, and out-of-state             | \$ -                   | \$ -                   | \$ -                      |
| 5800 State program revenues                            | -                      | -                      | -                         |
| 5900 Federal program revenues                          | 3,636,489              | 105,871                | 3,997,885                 |
| 5020 <b>Total Revenues</b>                             | <u>3,636,489</u>       | <u>105,871</u>         | <u>3,997,885</u>          |
| <b>Expenditures</b>                                    |                        |                        |                           |
| <b>Current:</b>  |                        |                        |                           |
| 0011 Instruction                                       | 3,021,342              | 100,422                | 2,679,260                 |
| 0012 Instruction resources and media services          | 12,376                 | -                      | -                         |
| 0013 Curriculum and instructional staff development    | 119,076                | -                      | 10,720                    |
| 0021 Instructional leadership                          | 89,596                 | -                      | 178,640                   |
| 0023 School leadership                                 | 12,504                 | 5,449                  | -                         |
| 0031 Guidance, counseling and evaluation services      | 69,825                 | -                      | 1,067,661                 |
| 0032 Social work services                              | 65,409                 | -                      | -                         |
| 0033 Health services                                   | 1,379                  | -                      | 61,604                    |
| 0035 Food service                                      | -                      | -                      | -                         |
| 0036 Extracurricular activities                        | -                      | -                      | -                         |
| 0041 General administration                            | 25,550                 | -                      | -                         |
| 0053 Data processing services                          | 697                    | -                      | -                         |
| 0061 Community services                                | 218,735                | -                      | -                         |
| 6030 <b>Total Expenditures</b>                         | <u>3,636,489</u>       | <u>105,871</u>         | <u>3,997,885</u>          |
| 1100 Excess (deficiency) of revenues over expenditures | <u>-</u>               | <u>-</u>               | <u>-</u>                  |
| <b>Other Financing Sources (Uses)</b>                  |                        |                        |                           |
| 7915 Transfers in                                      | -                      | -                      | -                         |
| 7080 <b>Total Other Financing Sources (Uses)</b>       | <u>-</u>               | <u>-</u>               | <u>-</u>                  |
| 1200 Net change in fund balances                       | -                      | -                      | -                         |
| 0100 <b>Fund Balance - September 1 (beginning)</b>     | <u>-</u>               | <u>-</u>               | <u>-</u>                  |
| 3000 <b>Fund Balance - August 31 (ending)</b>          | <u>\$ -</u>            | <u>\$ -</u>            | <u>\$ -</u>               |

| 225                                   | 240                        | 244                              | 255                     | 263                                    | 281                          |
|---------------------------------------|----------------------------|----------------------------------|-------------------------|--|------------------------------|
| <b>IDEA B<br/>Preschool<br/>Grant</b> | <b>Child<br/>Nutrition</b> | <b>Vocational Ed .<br/>Basic</b> | <b>Title II, Part A</b> | <b>Title III,<br/>Part A -<br/>LEP</b> | <b>Summer<br/>School LEP</b> |
| \$ -                                  | \$ 4,174,019               | \$ -                             | \$ -                    | \$ -                                   | \$ -                         |
| -                                     | 72,840                     | -                                | -                       | -                                      | -                            |
| 113,631                               | 8,656,788                  | 255,649                          | 590,751                 | 409,235                                | 22,133                       |
| <u>113,631</u>                        | <u>12,903,647</u>          | <u>255,649</u>                   | <u>590,751</u>          | <u>409,235</u>                         | <u>22,133</u>                |
| 113,631                               | -                          | 189,960                          | -                       | 381,895                                | 22,133                       |
| -                                     | -                          | -                                | -                       | -                                      | -                            |
| -                                     | -                          | 11,908                           | 410,366                 | 26,295                                 | -                            |
| -                                     | -                          | 53,781                           | -                       | 1,045                                  | -                            |
| -                                     | -                          | -                                | -                       | -                                      | -                            |
| -                                     | -                          | -                                | -                       | -                                      | -                            |
| -                                     | -                          | -                                | -                       | -                                      | -                            |
| -                                     | 12,820,654                 | -                                | -                       | -                                      | -                            |
| -                                     | -                          | -                                | -                       | -                                      | -                            |
| -                                     | -                          | -                                | 180,385                 | -                                      | -                            |
| -                                     | -                          | -                                | -                       | -                                      | -                            |
| -                                     | -                          | -                                | -                       | -                                      | -                            |
| <u>113,631</u>                        | <u>12,820,654</u>          | <u>255,649</u>                   | <u>590,751</u>          | <u>409,235</u>                         | <u>22,133</u>                |
| -                                     | 82,993                     | -                                | -                       | -                                      | -                            |
| -                                     | 14,030                     | -                                | -                       | -                                      | -                            |
| -                                     | 14,030                     | -                                | -                       | -                                      | -                            |
| -                                     | 97,023                     | -                                | -                       | -                                      | -                            |
| -                                     | 3,848,208                  | -                                | -                       | -                                      | -                            |
| <u>\$ -</u>                           | <u>\$ 3,945,231</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, 2017*

| <b>Data<br/>Control<br/>Codes</b> |   | <b>385</b>                             | <b>397</b>                                  | <b>410</b>                                       |
|-----------------------------------|---|--|---|--|
|                                   |   | <b>State<br/>Visually<br/>Impaired</b> | <b>Advanced<br/>Placement<br/>Incentive</b> | <b>Instructional<br/>Materials<br/>Allotment</b> |
|                                   | <b>Revenues</b>                                   |  |   |  |
| 5700                              | Local, intermediate, and out-of-state             | \$ -                                   | \$ -  | \$ -   |
| 5800                              | State program revenues                            | 10,000                                 | 44,488                                      | 1,839,930  |
| 5900                              | Federal program revenues                          | -                                      | -   | -  |
| 5020                              | <b>Total Revenues</b>                             | <u>10,000</u>                          | <u>44,488</u>                               | <u>1,839,930</u>                                 |
|                                   | <b>Expenditures</b>                               |  |   |  |
|                                   | <b>Current:</b>                                   |  |   |  |
| 0011                              | Instruction                                       | 10,000                                 | 2,227                                       | 1,839,930  |
| 0012                              | Instruction resources and media services          | -                                      | -   | -  |
| 0013                              | Curriculum and instructional staff development    | -                                      | 42,261                                      | -  |
| 0021                              | Instructional leadership                          | -                                      | -   | -  |
| 0023                              | School leadership                                 | -                                      | -   | -  |
| 0031                              | Guidance, counseling and evaluation services      | -                                      | -   | -  |
| 0032                              | Social work services                              | -                                      | -   | -  |
| 0033                              | Health services                                   | -                                      | -   | -  |
| 0035                              | Food service                                      | -                                      | -   | -  |
| 0036                              | Extracurricular activities                        | -                                      | -   | -  |
| 0041                              | General administration                            | -                                      | -   | -  |
| 0053                              | Data processing services                          | -                                      | -   | -  |
| 0061                              | Community services                                | -                                      | -   | -  |
| 6030                              | <b>Total Expenditures</b>                         | <u>10,000</u>                          | <u>44,488</u>                               | <u>1,839,930</u>                                 |
| 1100                              | Excess (deficiency) of revenues over expenditures | <u>-</u>                               | <u>-</u>                                    | <u>-</u>   |
|                                   | <b>Other Financing Sources (Uses)</b>             |  |   |  |
| 7915                              | Transfers in                                      | -                                      | -   | -  |
| 7080                              | <b>Total Other Financing Sources (Uses)</b>       | <u>-</u>                               | <u>-</u>                                    | <u>-</u>   |
| 1200                              | Net change in fund balances                       | -                                      | -   | -  |
| 0100                              | <b>Fund Balance - September 1 (beginning)</b>     | <u>-</u>                               | <u>-</u>                                    | <u>5,968</u>                                     |
| 3000                              | <b>Fund Balance - August 31 (ending)</b>          | <u>\$ -</u>                            | <u>\$ -</u>                                 | <u>\$ 5,968</u>                                  |

| 411                  | 428                   | 429                  | 461                 | 499                                  | Total                       |
|----------------------|-----------------------|----------------------|---------------------|--------------------------------------|-----------------------------|
| Technology Allotment | High School Allotment | Achievement Literacy | Campus Activity     | Locally Funded Special Revenue Funds | Nonmajor Governmental Funds |
| \$ -                 | \$ -                  | \$ -                 | \$ 2,722,613        | \$ 15,700                            | \$ 6,912,332                |
| -                    | 23,800                | 534,276              | -                   | -                                    | 2,525,334                   |
| -                    | -                     | -                    | -                   | -                                    | 17,788,432                  |
|                      | <u>23,800</u>         | <u>534,276</u>       | <u>2,722,613</u>    | <u>15,700</u>                        | <u>27,226,098</u>           |
| -                    | 23,800                | 426,306              | -                   | -                                    | 8,810,906                   |
| -                    | -                     | 18,001               | -                   | -                                    | 30,377                      |
| -                    | -                     | 89,969               | -                   | -                                    | 710,595                     |
| -                    | -                     | -                    | -                   | -                                    | 323,062                     |
| -                    | -                     | -                    | -                   | -                                    | 17,953                      |
| -                    | -                     | -                    | -                   | -                                    | 1,137,486                   |
| -                    | -                     | -                    | -                   | -                                    | 65,409                      |
| -                    | -                     | -                    | -                   | -                                    | 62,983                      |
| -                    | -                     | -                    | -                   | -                                    | 12,820,654                  |
| -                    | -                     | -                    | 2,668,678           | -                                    | 2,668,678                   |
| -                    | -                     | -                    | -                   | -                                    | 205,935                     |
| -                    | -                     | -                    | -                   | -                                    | 697                         |
| -                    | -                     | -                    | -                   | 11,700                               | 230,435                     |
|                      | <u>23,800</u>         | <u>534,276</u>       | <u>2,668,678</u>    | <u>11,700</u>                        | <u>27,085,170</u>           |
| -                    | -                     | -                    | 53,935              | 4,000                                | 140,928                     |
| -                    | -                     | -                    | -                   | 4,880                                | 18,910                      |
| -                    | -                     | -                    | -                   | 4,880                                | 18,910                      |
| -                    | -                     | -                    | 53,935              | 8,880                                | 159,838                     |
| <u>6,563</u>         | <u>-</u>              | <u>-</u>             | <u>1,200,141</u>    | <u>(4,880)</u>                       | <u>5,056,000</u>            |
| <u>\$ 6,563</u>      | <u>\$ -</u>           | <u>\$ -</u>          | <u>\$ 1,254,076</u> | <u>\$ 4,000</u>                      | <u>\$ 5,215,838</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**

*Exhibit H-3*

**COMBINING STATEMENT OF NET POSITION**

**INTERNAL SERVICE FUNDS**

*For the Year Ended August 31, 2017*

| <b>Data<br/>Control<br/>Codes</b> |                                  | <b>753</b>                  | <b>770</b>                       | <b>Total</b>      |
|-----------------------------------|----------------------------------|-----------------------------|----------------------------------|-------------------|
|                                   |                                  | <b>Health<br/>Insurance</b> | <b>Workers'<br/>Compensation</b> |                   |
| <b>Assets</b>                     |                                  |                             |                                  |                   |
|                                   | Current assets:                  |                             |                                  |                   |
| 1110                              | Cash and temporary investments   | \$ 2,244,090                | \$ 1,171,878                     | \$ 3,415,968      |
|                                   | Receivables:                     |                             |                                  |                   |
| 1290                              | Other receivables                | 152,008                     | -                                | 152,008           |
| 1000                              | <b>Total Current Assets</b>      | <u>2,396,098</u>            | <u>1,171,878</u>                 | <u>3,567,976</u>  |
| <b>Liabilities</b>                |                                  |                             |                                  |                   |
| <b>Current Liabilities:</b>       |                                  |                             |                                  |                   |
| 2110                              | Accounts payable                 | 310,408                     | 49,564                           | 359,972           |
| 2200                              | Accrued expenses                 | 2,184,746                   | 307,172                          | 2,491,918         |
| 2000                              | <b>Total Current liabilities</b> | <u>2,495,154</u>            | <u>356,736</u>                   | <u>2,851,890</u>  |
| <b>Net Position</b>               |                                  |                             |                                  |                   |
| 3900                              | Unrestricted net position        | (99,056)                    | 815,142                          | 716,086           |
| 3000                              | <b>Total Net Position</b>        | <u>\$ (99,056)</u>          | <u>\$ 815,142</u>                | <u>\$ 716,086</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, 2017**

*Exhibit H-4*

| <b>Data<br/>Control<br/>Codes</b> |   | <b>753</b>                  | <b>770</b>                       |                    |
|-----------------------------------|---|-----------------------------|----------------------------------|--------------------|
|                                   |   | <b>Health<br/>Insurance</b> | <b>Workers'<br/>Compensation</b> | <b>Total</b>       |
|                                   | <b>Operating Revenues</b>                     |                             |                                  |                    |
| 5754                              | Charges for services                          | \$ 28,289,733               | \$ 521,726                       | \$ 28,811,459      |
| 5020                              | <b>Total Operating Revenues</b>               | <u>28,289,733</u>           | <u>521,726</u>                   | <u>28,811,459</u>  |
|                                   | <b>Operating Expenses</b>                     |                             |                                  |                    |
| 6200                              | Purchased and contracted services             | 3,293,521                   | 39,500                           | 3,333,021          |
| 6400                              | Claims expense and other operating expenses   | 28,711,116                  | 482,180                          | 29,193,296         |
| 6030                              | <b>Total Operating Expenses</b>               | <u>32,004,637</u>           | <u>521,680</u>                   | <u>32,526,317</u>  |
| 1200                              | Operating Income                              | <u>(3,714,904)</u>          | <u>46</u>                        | <u>(3,714,858)</u> |
|                                   | <b>Non-Operating Revenues (Expenses)</b>      |                             |                                  |                    |
| 7020                              | Investment earnings                           | 33,001                      | 7,204                            | 40,205             |
|                                   | <b>Total Nonoperating Revenues</b>            | <u>33,001</u>               | <u>7,204</u>                     | <u>40,205</u>      |
| 1200                              | Change in Net Position                        | (3,681,903)                 | 7,250                            | (3,674,653)        |
| 0100                              | <b>Net Position - September 1 (Beginning)</b> | <u>3,582,847</u>            | <u>807,892</u>                   | <u>4,390,739</u>   |
| 3300                              | <b>Net Position - August 31 (Ending)</b>      | <u>\$ (99,056)</u>          | <u>\$ 815,142</u>                | <u>\$ 716,086</u>  |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*Exhibit H-5*

**COMBINING STATEMENT OF CASH FLOWS**

**INTERNAL SERVICE FUNDS**

*Year Ended August 31, 2017*

|  | <b>753</b>                  | <b>770</b>                       |                       |
|--|-----------------------------|----------------------------------|-----------------------|
|  | <b>Health<br/>Insurance</b> | <b>Workers'<br/>Compensation</b> | <b>Total</b>          |
|  | <u>          </u>           | <u>          </u>                | <u>          </u>     |
| <b>Increase (Decrease) in Cash and Cash Equivalents</b>  |                             |                                  |                       |
| <b>Cash Flows from Operating Activities:</b>   |                             |                                  |                       |
| Cash receipts from customers   | \$ 28,330,157               | \$ 521,726                       | \$ 28,851,883         |
| Cash payments for claims   | (28,336,012)                | (553,843)                        | (28,889,855)          |
| Cash payments for services   | (3,293,521)                 | (39,500)                         | (3,333,021)           |
| <b>Net Cash Provided by (Used for) Operating Activities</b>                                    | <u>(3,299,376)</u>          | <u>(71,617)</u>                  | <u>(3,370,993)</u>    |
| <br><b>Cash Flows from Investing Activities:</b>   |                             |                                  |                       |
| Interest on investments  | 33,001                      | 7,204                            | 40,205                |
| <b>Net Cash Provided by Investing Activities</b>   | <u>33,001</u>               | <u>7,204</u>                     | <u>40,205</u>         |
| <br>Net Decrease in Cash and Cash Equivalents  | (3,266,375)                 | (64,413)                         | (3,330,788)           |
| <b>Cash and Cash Equivalents at Beginning of Year</b>  | <u>5,510,465</u>            | <u>1,236,291</u>                 | <u>6,746,756</u>      |
| <b>Cash and Cash Equivalents at End of Year</b>  | <u>\$ 2,244,090</u>         | <u>\$ 1,171,878</u>              | <u>\$ 3,415,968</u>   |
| <br><b>Reconciliation to Balance Sheet</b>   |                             |                                  |                       |
| Cash and Cash Equivalents Per Cash Flow  | <u>\$ 2,244,090</u>         | <u>\$ 1,171,878</u>              | <u>\$ 3,415,968</u>   |
| Cash and Cash Equivalents per Balance Sheet  | <u>\$ 2,244,090</u>         | <u>\$ 1,171,878</u>              | <u>\$ 3,415,968</u>   |
| <br><b>Reconciliation of Operating Income to Net Cash<br/>Provided by Operating Activities</b> |                             |                                  |                       |
| Operating Income (Loss)  | \$ (3,714,904)              | \$ 46                            | \$ (3,714,858)        |
| Change in Assets and Liabilities:  |                             |                                  |                       |
| Decrease (increase) in Receivables   | (59,576)                    | -                                | (59,576)              |
| Decrease (increase) in Interfund Receivables   | 100,000                     | -                                | 100,000               |
| Increase (decrease) in Accounts Payable  | 224,994                     | 5,597                            | 230,591               |
| Increase (decrease) in Accrued Expenses  | 150,110                     | (77,260)                         | 72,850                |
| <b>Net Cash Provided by (Used for) Operating Activities</b>                                    | <u>\$ (3,299,376)</u>       | <u>\$ (71,617)</u>               | <u>\$ (3,370,993)</u> |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUND**  
**For the Year Ended August 31, 2017**

*Exhibit H-6*

|                           | <u>Balance</u><br><u>August 31, 2016</u> | <u>Additions</u>  | <u>Deductions</u> | <u>Balance</u><br><u>August 31, 2017</u> |
|---------------------------|--|-------------------|-------------------|--|
| <b>Student Activities</b> |  |                   |                   |  |
| <b>Assets</b>             |  |                   |                   |  |
| Cash and cash equivalents | 536,816                                  | \$ 105,256        | \$ 82,347         | 559,725                                  |
| <b>Total Assets</b>       | <u>\$ 536,816</u>                        | <u>\$ 105,256</u> | <u>\$ 82,347</u>  | <u>\$ 559,725</u>                        |
| <b>Liabilities</b>        |  |                   |                   |  |
| Due to student groups     | 536,816                                  | \$ 105,256        | \$ 82,347         | 559,725                                  |
| <b>Total Liabilities</b>  | <u>\$ 536,816</u>                        | <u>\$ 105,256</u> | <u>\$ 82,347</u>  | <u>\$ 559,725</u>                        |

## **REQUIRED TEA SCHEDULES**

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**SCHEDULE OF DELINQUENT TAXES RECEIVABLE**

*For the year ended August 31, 2017*

| <b>Fiscal<br/>Year</b> | <b>Tax<br/>Year</b> | <b>1</b>           |                     | <b>2</b> |    | <b>3</b>  |  |
|------------------------|---------------------|--------------------|---------------------|----------|----|---|--|
|                        |                     | <b>Tax Rates</b>   |                     |          |    | <b>Net Assessed/Appraised<br/>Value For School<br/>Tax Purposes</b> |  |
|                        |                     | <b>Maintenance</b> | <b>Debt Service</b> |          |    |   |  |
| 2008 and prior         | Various             | Various            |                     | Various  |    | Various   |  |
| 2009                   | 2008                | 1.020050           |                     | 0.277600 | \$ | 9,748,829,345   |  |
| 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  |  |
| <b>1000 Totals</b>     |                     |                    |                     |          |    |   |  |

| <b>10</b>                               | <b>20</b>                                | <b>30</b>                                    | <b>30a</b>                                    | <b>40</b>                                | <b>50</b>                             |
|---|--|--|---|--|---------------------------------------|
| <b>Beginning<br/>Balance<br/>9/1/16</b> | <b>Current<br/>Year's<br/>Total Levy</b> | <b>Maintenance<br/>Total<br/>Collections</b> | <b>Debt Service<br/>Total<br/>Collections</b> | <b>Entire<br/>Year's<br/>Adjustments</b> | <b>Ending<br/>Balance<br/>8/31/17</b> |
| \$ 700,896                              | \$ -                                     | \$ 61,995                                    | \$ 8,547                                      | \$ (7,766)                               | \$ 622,588                            |
| 166,608                                 | -  | 10,612                                       | 2,591   | (218)                                    | 153,187                               |
| 180,591                                 | -  | 16,016                                       | 4,031   | (1,390)                                  | 159,154                               |
| 239,335                                 | -  | 57,440                                       | 19,399  | 18,807                                   | 181,303                               |
| 306,019                                 | -  | 150,907                                      | 54,738  | 123,817                                  | 224,191                               |
| 351,985                                 | -  | 168,580                                      | 56,731  | 138,805                                  | 265,479                               |
| 376,209                                 | -  | 158,523                                      | 53,347  | 113,340                                  | 277,679                               |
| 542,295                                 | -  | 228,484                                      | 76,890  | 102,657                                  | 339,578                               |
| 1,461,782                               | -  | 557,854                                      | 187,731                                       | (149,323)                                | 566,874                               |
| <u>-</u>                                | <u>197,368,128</u>                       | <u>146,315,154</u>                           | <u>49,238,311</u>                             | <u>-</u>                                 | <u>1,814,663</u>                      |
| <u>\$ 4,325,720</u>                     | <u>\$ 197,368,128</u>                    | <u>\$ 147,725,565</u>                        | <u>\$ 49,702,316</u>                          | <u>\$ 338,729</u>                        | <u>4,604,696</u>                      |
|   |  |  |   |  | <u>2,677,478</u>                      |
|   |  |  |   |  | <u>\$ 7,282,174</u>                   |

Penalty and interest receivable on taxes

Total taxes receivable per Governmental Fund Balance Sheet

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, 2017

| Data<br>Control<br>Codes              | Child Nutrition                                |                     |                     |  |                   |
|---------------------------------------|--|---------------------|---------------------|--|-------------------|
|                                       | Budget   |                     |                     | Variance<br>Favorable<br>(Unfavorable) |                   |
|                                       | Original                                       | Final               | Actual              |  |                   |
| <b>Revenues</b>                       |  |                     |                     |  |                   |
| 5700                                  | Local, Intermediate, and Out-of-State          | \$ 4,684,643        | \$ 4,684,643        | \$ 4,174,019                           | \$ (510,624)      |
| 5800                                  | State Program Revenues                         | -                   | -                   | 72,840                                 | 72,840            |
| 5900                                  | Federal Program Revenues                       | 8,826,707           | 8,826,707           | 8,656,788                              | (169,919)         |
| 5030                                  | <b>Total Revenues</b>                          | <u>13,511,350</u>   | <u>13,511,350</u>   | <u>12,903,647</u>                      | <u>(607,703)</u>  |
| <b>Expenditures</b>                   |  |                     |                     |  |                   |
| <b>Current:</b>                       |  |                     |                     |  |                   |
| 0035                                  | Food Services                                  | 13,509,850          | 14,276,349          | 12,820,654                             | 1,455,695         |
| 0051                                  | Support Services - Non Student Based           | 1,500               | 1,500               | -                                      | 1,500             |
| 6030                                  | <b>Total Expenditures</b>                      | <u>13,511,350</u>   | <u>14,277,849</u>   | <u>12,820,654</u>                      | <u>1,457,195</u>  |
| 1100                                  | Excess (Deficiency) Revenues Over Expenditures | -                   | (766,499)           | 82,993                                 | 849,492           |
| <b>Other Financing Sources (Uses)</b> |  |                     |                     |  |                   |
| 7915                                  | Transfers in                                   | -                   | -                   | 14,030                                 | 14,030            |
|                                       | <b>Total other financing sources (uses)</b>    | <u>-</u>            | <u>-</u>            | <u>14,030</u>                          | <u>14,030</u>     |
| 1200                                  | Increase (Decrease) in Fund Balance            | -                   | (766,499)           | 97,023                                 | 863,522           |
| 0100                                  | <b>Fund Balance - September 1 (Beginning)</b>  | <u>3,848,208</u>    | <u>3,848,208</u>    | <u>3,848,208</u>                       | <u>-</u>          |
| 3000                                  | <b>Fund Balance - August 31 (Ending)</b>       | <u>\$ 3,848,208</u> | <u>\$ 3,081,709</u> | <u>\$ 3,945,231</u>                    | <u>\$ 863,522</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, 2017

| Data<br>Control<br>Codes                    | Debt Service Fund                             |                     |                     |  |                     |
|---|---|---------------------|---------------------|--|---------------------|
|   | Budget  |                     |                     | Variance<br>Favorable<br>(Unfavorable) |                     |
|   | Original                                      | Final               | Actual              |  |                     |
| <b>Revenues</b>                             |   |                     |                     |  |                     |
| 5700  | Local, Intermediate, and Out-of-State         | \$ 51,823,344       | \$ 51,823,344       | \$ 50,171,626                          | \$ (1,651,718)      |
| 5800  | State Program Revenues                        | -                   | -                   | 1,196,168                              | 1,196,168           |
| 5030  | <b>Total Revenues</b>                         | <u>51,823,344</u>   | <u>51,823,344</u>   | <u>51,367,794</u>                      | <u>(455,550)</u>    |
| <b>Expenditures</b>                         |   |                     |                     |  |                     |
| <b>Debt Service:</b>                        |   |                     |                     |  |                     |
| 0071  | Principal                                     | 21,345,000          | 21,345,000          | 21,345,000                             | -                   |
| 0072  | Interest and Fiscal Agent Fees                | <u>30,803,533</u>   | <u>30,803,533</u>   | <u>30,391,374</u>                      | <u>412,159</u>      |
| 6030  | <b>Total Expenditures</b>                     | <u>52,148,533</u>   | <u>52,148,533</u>   | <u>51,736,374</u>                      | <u>412,159</u>      |
| Excess (Deficiency) Revenues Over           |   |                     |                     |  |                     |
| 1100  | Expenditures                                  | <u>(325,189)</u>    | <u>(325,189)</u>    | <u>(368,580)</u>                       | <u>(43,391)</u>     |
| <b>Other Financing Sources (Uses)</b>       |   |                     |                     |  |                     |
| 7916  | Premium or discount on issuance of bonds      | -                   | -                   | 2,010,643                              | 2,010,643           |
| <b>Total Other Financing Sources (Uses)</b> |   |                     |                     |  |                     |
|   |   | <u>-</u>            | <u>-</u>            | <u>2,010,643</u>                       | <u>2,010,643</u>    |
| 1200  | Increase (Decrease) in Fund Balance           | (325,189)           | (325,189)           | 1,642,063                              | 1,967,252           |
| 0100  | <b>Fund Balance - September 1 (Beginning)</b> | <u>7,845,297</u>    | <u>7,845,297</u>    | <u>7,845,297</u>                       | <u>-</u>            |
| 3000  | <b>Fund Balance - August 31 (Ending)</b>      | <u>\$ 7,520,108</u> | <u>\$ 7,520,108</u> | <u>\$ 9,487,360</u>                    | <u>\$ 1,967,252</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.*

|   | <b>Page</b> |
|---|-------------|
| <b>Financial Trends</b>   | 96          |
| <p>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</p>  |             |
| <b>Revenue Capacity</b>   | 109         |
| <p>The schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</p>  |             |
| <b>Debt Capacity</b>  | 114         |
| <p>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.</p>                      |             |
| <b>Demographic and Economic Information</b>   | 120         |
| <p>The schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</p>   |             |
| <b>Operating Information</b>  | 124         |
| <p>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.</p> |             |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*NET POSITION BY COMPONENT*

*LAST TEN FISCAL YEARS*

*(ACCRUAL BASIS OF ACCOUNTING)*

|  | <u>2017</u>         | <u>2016</u>          | <u>2015</u>          | <u>2014</u>          |
|--|---------------------|----------------------|----------------------|----------------------|
| <b>Governmental Activities:</b>              |                     |                      |                      |                      |
| Net investment in Capital Assets             | \$ 10,692,589       | \$ 9,581,235         | \$ 6,143,914         | \$ 4,829,940         |
| Restricted                                   | 13,158,450          | 11,143,211           | 7,055,146            | 9,930,762            |
| Unrestricted                                 | <u>(22,037,663)</u> | <u>(4,987,771)</u>   | <u>15,927,600</u>    | <u>36,550,983</u>    |
| <b>Total Primary Government Net Position</b> | <u>\$ 1,813,376</u> | <u>\$ 15,736,675</u> | <u>\$ 29,126,660</u> | <u>\$ 51,311,685</u> |

*Table 1*

| <u>2013</u>          | <u>2012</u>          | <u>2011</u>          | <u>2010</u>          | <u>2009</u>          | <u>2008</u>          |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 6,707,772         | \$ 4,389,772         | \$ 17,617,881        | \$ 23,020,436        | \$ 29,836,402        | \$ 36,920,555        |
| 8,227,039            | 12,409,567           | 7,336,674            | 7,879,995            | 9,867,622            | 10,291,075           |
| <u>38,166,089</u>    | <u>43,649,083</u>    | <u>36,320,461</u>    | <u>36,713,287</u>    | <u>42,485,492</u>    | <u>46,905,317</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> | <u>\$ 94,116,947</u> |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**CHANGES IN NET POSITION**

**LAST TEN FISCAL YEARS**

**(ACCRUAL BASIS OF ACCOUNTING)**

| <b>Expenses</b>   | <b>2017</b>             | <b>2016</b>             | <b>2015</b>             | <b>2014</b>             |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Governmental Activities:</b>                           |                         |                         |                         |                         |
| Instruction   | \$ 197,452,374          | \$ 195,439,210          | \$ 163,038,822          | \$ 152,294,135          |
| Instructional Resources and Media Services                | 2,007,660               | 2,022,594               | 1,461,225               | 1,293,773               |
| Curriculum and Instructional Staff Development            | 3,209,796               | 3,035,238               | 2,633,777               | 2,347,968               |
| Instructional Leadership                                  | 2,173,225               | 2,234,040               | 2,086,550               | 1,928,382               |
| School Leadership   | 16,039,733              | 14,676,447              | 13,215,053              | 12,815,197              |
| Guidance, Counseling, and Evaluation Services             | 9,170,469               | 8,279,286               | 7,890,355               | 7,020,788               |
| Social Work Services                                      | 464,332                 | 422,587                 | 474,207                 | 454,461                 |
| Health Services   | 3,214,372               | 2,900,052               | 2,604,809               | 2,312,349               |
| Student Transportation                                    | 13,698,604              | 13,158,592              | 11,605,375              | 10,543,401              |
| Food Services   | 13,866,221              | 12,060,326              | 11,662,632              | 11,628,499              |
| Cocurricular/Extracurricular Activities                   | 11,511,901              | 9,454,336               | 7,128,025               | 5,910,720               |
| General Administration                                    | 6,258,560               | 5,781,477               | 5,348,972               | 4,625,438               |
| Facilities Maintenance and Operations                     | 28,377,268              | 24,973,027              | 17,768,950              | 16,854,511              |
| Security and Monitoring Services                          | 2,787,817               | 2,774,118               | 3,211,480               | 2,447,794               |
| Data Processing Services                                  | 8,231,126               | 6,764,298               | 5,266,640               | 4,576,411               |
| Community Services  | 636,677                 | 691,745                 | 513,479                 | 555,302                 |
| Interest on Long-term Debt                                | 27,278,808              | 30,727,687              | 25,635,948              | 21,938,675              |
| Bond Issuance Costs and Fees                              | -                       | -                       | -                       | -                       |
| Facilities Acquisition and Construction                   | -                       | -                       | -                       | -                       |
| Payments related to shared services                       | -                       | -                       | 5,275,571               | 4,871,706               |
| Other governmental charges                                | 1,221,826               | 1,052,498               | 1,021,510               | 912,399                 |
| <b>Total Primary Government Expenses</b>                  | <b>347,600,769</b>      | <b>336,447,558</b> (1)  | <b>287,843,380</b> (3)  | <b>265,331,909</b> (5)  |
| <b>Program Revenues</b>                                   |                         |                         |                         |                         |
| <b>Governmental Activities:</b>                           |                         |                         |                         |                         |
| Charges for Services                                      |                         |                         |                         |                         |
| Instruction   | 337,896                 | 303,166                 | 269,375                 | 277,334                 |
| Food Services   | 4,156,742               | 4,200,530               | 4,111,176               | 4,230,520               |
| Cocurricular/Extracurricular Activities                   | 3,266,693               | 3,027,199               | 2,187,117               | 1,084,632               |
| General Administration                                    | 21,000                  | 21,021                  | 21,000                  |                         |
| Other Activities  | 523,562                 | 521,994                 | 626,965                 | 659,787                 |
| Operating Grants and Contributions                        | 35,822,604              | 34,369,391              | 33,770,230              | 27,976,410              |
| <b>Total Primary Government Program Revenues</b>          | <b>44,128,497</b>       | <b>42,443,301</b>       | <b>40,985,863</b>       | <b>34,228,683</b>       |
| <b>Net (Expense)/Revenue</b>                              |                         |                         |                         |                         |
| <b>Total Primary Government Net Expense</b>               | <b>\$ (303,472,272)</b> | <b>\$ (294,004,257)</b> | <b>\$ (246,857,517)</b> | <b>\$ (231,103,226)</b> |
| <b>General Revenues and Other Changes in Net Position</b> |                         |                         |                         |                         |
| <b>Governmental Activities:</b>                           |                         |                         |                         |                         |
| Property Taxes, Levied for General Purposes               | 148,671,123             | 135,796,769             | 122,083,810             | 112,988,074             |
| Property Taxes, Levied for Debt Service                   | 50,287,636              | 43,616,387              | 43,454,887              | 38,215,983              |
| Investment Earnings                                       | 2,100,537               | 969,354                 | 173,953                 | 98,848                  |
| State aid-formula grants                                  | 87,542,503              | 99,429,145              | 84,822,379              | 77,428,500              |
| Miscellaneous   | 947,174                 | 802,617                 | 1,656,746               | 582,606                 |
| <b>Total Primary Government General Revenues</b>          | <b>289,548,973</b>      | <b>280,614,272</b> (2)  | <b>252,191,775</b> (4)  | <b>229,314,011</b> (6)  |
| <b>Change in Net Position -</b>                           |                         |                         |                         |                         |
| <b>Total Primary Government</b>                           | <b>\$ (13,923,299)</b>  | <b>\$ (13,389,985)</b>  | <b>\$ 5,334,258</b>     | <b>\$ (1,789,215)</b>   |

Table 2

| 2013                    | 2012                    | 2011                    | 2010                    | 2009                    | 2008                    |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| \$ 135,457,070          | \$ 137,412,392          | \$ 143,399,736          | \$ 138,814,580          | \$ 117,629,122          | \$ 108,018,630          |
| 1,548,243               | 1,589,247               | 1,778,660               | 2,260,797               | 1,705,757               | 1,567,000               |
| 2,370,661               | 2,691,474               | 3,513,324               | 2,986,587               | 2,438,049               | 2,612,132               |
| 1,585,797               | 1,477,788               | 1,497,782               | 1,468,943               | 1,243,957               | 1,316,753               |
| 11,356,034              | 11,140,021              | 11,284,981              | 10,712,103              | 9,601,252               | 9,105,107               |
| 6,436,753               | 7,118,948               | 7,285,467               | 6,630,630               | 6,047,003               | 5,566,692               |
| 490,236                 | 553,308                 | 605,624                 | 636,174                 | 587,620                 | 601,659                 |
| 2,106,916               | 2,267,023               | 2,384,463               | 2,251,824               | 2,037,529               | 1,956,354               |
| 8,691,102               | 8,689,655               | 8,403,403               | 8,280,004               | 7,007,337               | 7,328,550               |
| 11,364,664              | 11,167,440              | 11,276,146              | 10,390,763              | 9,459,411               | 9,205,170               |
| 5,582,888               | 6,509,029               | 5,905,748               | 5,539,620               | 3,865,972               | 3,636,774               |
| 4,654,918               | 4,635,177               | 4,791,894               | 4,589,113               | 4,478,291               | 4,875,070               |
| 16,110,594              | 16,445,089              | 16,173,182              | 15,705,047              | 15,411,671              | 19,122,876              |
| 1,814,387               | 1,714,679               | 2,195,529               | 1,675,066               | 1,236,745               | 1,253,316               |
| 3,715,819               | 4,052,812               | 3,656,258               | 4,534,273               | 4,715,710               | 2,520,554               |
| 888,988                 | 588,217                 | 495,936                 | 495,647                 | 420,949                 | 490,238                 |
| 23,509,145              | 21,623,364              | 20,514,850              | 21,004,013              | 21,751,655              | 20,125,828              |
| -                       | -                       | 461,628                 | 322,624                 | 233,442                 | 543,109                 |
| -                       | -                       | 708,769                 | 481,333                 | 12,065,078              | 9,594,625               |
| 5,746,412               | 5,943,137               | 5,471,222               | 7,187,489               | 6,321,587               | 659,537                 |
| 776,743                 | 796,673                 | 706,191                 | 586,410                 | 629,680                 | -                       |
| <u>244,207,370</u> (7)  | <u>246,415,473</u> (9)  | <u>252,510,793</u> (11) | <u>246,553,040</u> (13) | <u>228,887,817</u> (15) | <u>210,099,974</u> (17) |
| 781,416                 | 355,149                 | 339,990                 | 315,703                 | 268,599                 | 231,517                 |
| 3,883,804               | 3,922,214               | 3,835,910               | 3,681,658               | 3,559,081               | 3,306,425               |
| 1,011,708               | 818,214                 | 852,669                 | 727,678                 | 714,180                 | 826,276                 |
| 182,443                 | 221,640                 | 167,973                 | 216,658                 | 196,404                 | 125,174                 |
| <u>26,762,924</u>       | <u>32,765,274</u>       | <u>38,469,801</u>       | <u>35,518,473</u>       | <u>25,741,995</u>       | <u>24,451,707</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>28,941,099</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> | <u>\$ (181,158,875)</u> |
| 107,510,901             | 102,467,391             | 102,022,399             | 103,643,638             | 99,539,182              | 86,717,978              |
| 35,104,437              | 36,648,106              | 34,004,672              | 28,226,392              | 27,112,682              | 25,669,513              |
| 237,966                 | 216,129                 | 197,904                 | 347,496                 | 2,813,236               | 10,227,977              |
| 64,340,784              | 67,432,670              | 65,269,210              | 57,908,589              | 55,994,845              | 61,791,470              |
| 894,301                 | 742,092                 | 1,011,563               | 1,390,957               | 1,172,521               | 956,295                 |
| <u>208,088,389</u> (8)  | <u>207,506,388</u> (10) | <u>202,505,748</u> (12) | <u>191,517,072</u> (14) | <u>186,632,466</u> (16) | <u>185,363,233</u> (18) |
| <u>\$ (3,496,686)</u>   | <u>\$ (826,594)</u>     | <u>\$ (6,338,702)</u>   | <u>\$ (14,575,798)</u>  | <u>\$ (11,775,092)</u>  | <u>\$ 4,204,358</u>     |

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- (1) Instruction and related services increased mainly due to (a) increases in teacher salaries and benefits paid from the general fund, (b) additional staff necessary to accommodate rapid student growth in the District
- (2) An increase in property values resulted in additional tax revenue for the year along with increased student growth resulted in higher state revenues.
- (3) Instruction and related services increased mainly due to (a) increases in teacher salaries and benefits paid from the general fund, (b) additional staff necessary to accommodate rapid student growth in the District
- (4) An increase in property values resulted in additional tax revenue for the year.
- (5) Overall decrease due to a continued reduction in the use of substitutes, resignations and attrition allocations.
- (6) An increase in property values resulted in additional tax revenue for the year.
- (7) Overall decrease due to no pay increases in 2011-12, a reduction in the use of substitutes, adjustments to staffing guidelines, resignations, attrition allocations and reduced out-of-district training (and related travel) for staff.
- (8) Increases in revenue were mainly due to increases in state aid, equalized funding and increased student enrollment
- (9) Instruction and related services increased mainly due to (a) increases in teacher salaries and benefits paid from the general fund, (b) additional staff necessary to accommodate rapid student growth in the District.
- (10) Increases in revenue were mainly due to increases in state aid, equalized funding and increased student enrollment
- (11) Instruction and related services increased mainly due to (a) increases in teacher salaries and benefits paid from the general fund, (b) additional staff necessary to accommodate rapid student growth in the District.
- (12) An increase in property values resulted in additional tax revenue for the year.
- (13) Instruction and related services increased mainly due to (a) increases in teacher salaries and benefits paid from the general fund, (b) additional staff necessary to accommodate rapid student growth in the District.
- (14) An increase in property values resulted in additional tax revenue for the year.
- (15) Instruction and related services increased mainly due to (a) increases in teacher salaries and benefits paid from the general fund, (b) additional staff necessary to accommodate rapid student growth in the District.
- (16) Increases in revenue were mainly due to rapid student growth, but also as a result of the recognition of prior year state aid as additional TRS On-Behalf payments.
- (17) Instruction and related services increased mainly due to (a) increases in teacher salaries and benefits paid from the general fund, (b) additional staff necessary to accommodate rapid student growth in the District. Other significant expenditures included repairs to existing elementary campus due to tornado damage.
- (18) Increases in revenue were mainly due to higher collection rates for property taxes, as well as higher interest rates on invested funds. Investment earnings increased due to investment of additional bond proceeds.
- (19) Instruction and related services increased mainly due to (a) increases in teacher salaries and benefits paid from the general fund, (b) additional staff necessary to accommodate rapid student growth in the District, and (c) the purchase of 1,320 computers as part of a district-wide technology “refresh” program.
- (20) Increases in revenue were mainly due to higher collection rates for property taxes, as well as higher interest rates on invested funds. Investment earnings increased due to rates and investment of additional bond proceeds

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**FUND BALANCES OF GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

| <u>Fiscal Year Ended 08/31:</u>           | <u>2017</u>           | <u>2016</u>                          | <u>2015</u>                          | <u>2014</u>                          |
|---|-----------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>General Fund</b>                       |                       |                                      |                                      |                                      |
| Reserved                                  |                       |                                      |                                      |                                      |
| Unreserved                                |                       |                                      |                                      |                                      |
| <b>Total General Fund</b>                 |                       |                                      |                                      |                                      |
| Non-spendable - inventories               | \$ 293,410            | \$ 337,391                           | \$ 383,755                           | \$ 474,271                           |
| Non-spendable - prepaid items             | 1,284,532             | 942,514                              | 954,754                              | 831,083                              |
| <b>Committed:</b>                         |                       |                                      |                                      |                                      |
| Committed - self insurance                | 99,056                | 2,500,000                            | 2,500,000                            | 2,500,000                            |
| Committed - other                         | 2,000,000             | 2,000,000                            | 2,000,000                            | 2,000,000                            |
| <b>Assigned:</b>                          |                       |                                      |                                      |                                      |
| Assigned - other                          | 4,522,420             | 4,151,562                            | 3,610,239                            | 3,003,148                            |
| <b>Unassigned:</b>                        |                       |                                      |                                      |                                      |
| Unassigned                                | <u>70,060,309</u>     | <u>70,035,563</u>                    | <u>68,162,441</u>                    | <u>61,570,799</u>                    |
| <b>Total General Fund</b>                 | <u>\$ 78,259,727</u>  | <u>\$ 79,967,030</u> <sup>(1)</sup>  | <u>\$ 77,611,189</u> <sup>(3)</sup>  | <u>\$ 70,379,301</u> <sup>(5)</sup>  |
| <b>All Other Governmental Funds</b>       |                       |                                      |                                      |                                      |
| Reserved                                  |                       |                                      |                                      |                                      |
| Unreserved, reported in:                  |                       |                                      |                                      |                                      |
| Capital Projects Funds                    |                       |                                      |                                      |                                      |
| Other purposes                            |                       |                                      |                                      |                                      |
| Special Revenue Funds                     |                       |                                      |                                      |                                      |
| <b>Total All Other Governmental Funds</b> |                       |                                      |                                      |                                      |
| Non-spendable - inventories               | \$ -                  | \$ -                                 | \$ 205,472                           | \$ 191,338                           |
| <b>Restricted:</b>                        |                       |                                      |                                      |                                      |
| Restricted - grant funds                  | 3,961,762             | 3,860,739                            | 3,467,375                            | 3,447,967                            |
| Restricted - capital acquisition program  | 175,637,461           | 137,997,964                          | 213,812,223                          | 166,051,511                          |
| Restricted - debt service                 | 9,487,360             | 7,845,297                            | 12,400,725                           | 7,193,504                            |
| <b>Committed:</b>                         |                       |                                      |                                      |                                      |
| Committed - other                         | 1,254,076             | 1,200,141                            | 676,766                              | 251,394                              |
| <b>Unassigned:</b>                        |                       |                                      |                                      |                                      |
| Unassigned                                | <u>-</u>              | <u>(4,880)</u>                       | <u>(4,880)</u>                       | <u>(4,880)</u>                       |
|   | <u>\$ 190,340,659</u> | <u>\$ 150,899,261</u> <sup>(2)</sup> | <u>\$ 230,557,681</u> <sup>(4)</sup> | <u>\$ 177,130,834</u> <sup>(6)</sup> |

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

Table 3

| <u>2013</u>              | <u>2012</u>                | <u>2011</u>          | <u>2010</u>                    | <u>2009</u>                | <u>2008</u>                |
|--------------------------|----------------------------|----------------------|--------------------------------|----------------------------|----------------------------|
|                          |                            | **                   |                                |                            |                            |
|                          |                            |                      | \$ 1,598,238                   | \$ 2,322,875               | \$ 2,457,192               |
|                          |                            |                      | <u>52,657,983</u>              | <u>50,357,172</u>          | <u>48,606,076</u>          |
|                          |                            |                      | (11) \$ <u>54,256,221</u> (13) | \$ <u>52,680,047</u> (15)  | \$ <u>51,063,268</u> (17)  |
| \$ 609,591               | \$ 461,084                 | \$ 362,520           |                                |                            |                            |
| 683,110                  | 22,134                     | 13,461               |                                |                            |                            |
| 2,500,000                | 2,500,000                  | 2,500,000            |                                |                            |                            |
| 3,225,000                | 1,500,000                  | 1,500,000            |                                |                            |                            |
| 2,615,720                | 3,170,120                  | 2,757,591            |                                |                            |                            |
| <u>52,570,487</u>        | <u>51,974,586</u>          | <u>49,641,234</u>    |                                |                            |                            |
| <u>\$ 62,203,908</u> (7) | <u>\$ 59,627,924</u> (9)   | <u>\$ 56,774,806</u> |                                |                            |                            |
|                          |                            |                      | \$ 6,374,154                   | \$ 8,694,711               | \$ 8,924,865 (18)          |
|                          |                            |                      | 40,456,300                     | 91,448,607                 | 221,494,835                |
|                          |                            |                      | -                              | 543,940                    | -                          |
|                          |                            |                      | <u>1,381,888</u>               | <u>1,384,921</u>           | <u>1,283,688</u>           |
|                          |                            |                      | (12) \$ <u>48,212,342</u> (14) | \$ <u>102,072,179</u> (16) | \$ <u>231,703,388</u> (19) |
| \$ 299,406               | \$ 464,452                 | \$ 485,292           |                                |                            |                            |
| 2,555,302                | 2,023,484                  | 2,153,239            |                                |                            |                            |
| 72,290,201               | 109,921,948                | 20,123,979           |                                |                            |                            |
| 5,607,667                | 10,041,256                 | 4,731,289            |                                |                            |                            |
| 217,983                  | 192,803                    | 193,428              |                                |                            |                            |
| -                        | -                          | -                    |                                |                            |                            |
| <u>\$ 80,970,559</u> (8) | <u>\$ 122,643,943</u> (10) | <u>\$ 27,687,227</u> |                                |                            |                            |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**FUND BALANCES OF GOVERNMENTAL FUNDS (continued)**

*Table 3*

- (1) Increase in fund balance of the General Fund is mainly due to increase local tax revenue and higher state revenue.
- (2) Increase in fund balance for All Other Governmental Funds is the result of the District issuing \$213,170,000 of Unlimited Tax Schoolhouse and Refunding Bonds.
- (3) Increase in fund balance of the General Fund is mainly due to increases in local tax revenue.
- (4) Increase in fund balance for All Other Governmental Funds is the result of the District issuing \$192,690,000 of Unlimited Tax and Refunding Bonds.
- (5) Increase in fund balance of the General Fund is mainly due to increases in local tax revenue.
- (6) Decreases to unreserved fund balances for All Other Governmental Funds are a result of the normal spending of bond proceeds for construction projects.
- (7) Increase in fund balance of the General Fund is mainly due to increases in local tax revenue.
- (8) Increase in fund balance for All Other Governmental Funds is the result of the District issuing \$125,060,000 of Unlimited Tax Schoolhouse and Refunding Bonds and \$46,125,000 of Unlimited Tax Refunding Bonds.
- (9) Increase in fund balance of the General Fund is mainly due to increases in local tax revenue.
- (10) Decreases to unreserved fund balances for All Other Governmental Funds are a result of the normal spending of bond proceeds for construction projects.
- (11) Increase in fund balance of the General Fund is mainly due to increases in local tax revenue.
- (12) Decreases to unreserved fund balances for All Other Governmental Funds are a result of the normal spending of bond proceeds for construction projects.
- (13) Increase in fund balance of the General Fund is mainly due to increases in local tax revenue.
- (14) Decreases to unreserved fund balances for All Other Governmental Funds are a result of the normal spending of bond proceeds for construction projects.
- (15) Increase in fund balance of the General Fund is mainly due to increases in local tax revenue.
- (16) The District issued \$134,400,000 of Unlimited Tax Schoolhouse and Refunding bonds during the year.
- (17) Increase in fund balance of the General Fund is primarily due to increases in local tax revenue resulting from higher than estimated property values, increase in state aid earned from favorable prior year property value audits, retirements, leave of absence, funded but unfilled positions, and outstanding encumbrances.

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**FUND BALANCES OF GOVERNMENTAL FUNDS (continued)**

*Table 3*

- (18) The increase of \$1.3 million to reserved fund balance for All Other Governmental Funds is due to higher collection rates on current and delinquent taxes, greater investment earnings than anticipated. Increases to unreserved fund balances for All Other Governmental Funds are mainly the result of bond proceeds.
- (19) Increase is mainly due to the District issued bonds of \$142,645,000 during the year.
- (20) Increase in fund balance of the General Fund is primarily due to increases in local tax revenue resulting from higher than estimated property values, increase in state aid earned from favorable prior year property value audits, retirements, leave of absence, funded but unfilled positions, and outstanding encumbrances.
- (21) Decreases to unreserved fund balance for All Other Governmental Funds are a result of the normal spending of bond proceeds for construction projects.

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*CHANGES IN FUND BALANCES*

*GOVERNMENTAL FUNDS*

*LAST TEN FISCAL YEARS*

*(MODIFIED ACCRUAL BASIS OF ACCOUNTING)*

|  | <u>2017</u>          | <u>2016</u>            | <u>2015</u>          | <u>2014</u>           |
|--|----------------------|------------------------|----------------------|-----------------------|
| <b>Revenues</b>  |                      |                        |                      |                       |
| Local, Intermediate, and Out-of-State                              | \$ 210,015,798       | \$ 191,379,631         | \$ 171,213,581       | \$ 157,891,865        |
| State Programs   | 100,174,652          | 106,560,341            | 98,892,700           | 87,452,015            |
| Federal Programs   | 21,847,276           | 22,602,649             | 20,195,138           | 17,952,895            |
| <b>Total Revenues</b>  | <u>332,037,726</u>   | <u>320,542,621</u>     | <u>290,301,419</u>   | <u>263,296,775</u>    |
| <b>Expenditures</b>  |                      |                        |                      |                       |
| <b>Current:</b>  |                      |                        |                      |                       |
| Instruction  | 173,150,076          | 175,444,472            | 149,164,753          | 138,311,973           |
| Instructional Resources and Media Services                         | 1,918,393            | 1,952,113              | 1,393,296            | 1,253,647             |
| Curriculum and Instructional Staff                                 | 3,146,024            | 3,004,864              | 2,635,273            | 2,341,564             |
| Instructional Leadership   | 2,074,612            | 2,209,166              | 2,101,929            | 1,956,493             |
| School Leadership  | 15,554,643           | 14,585,492             | 13,293,155           | 12,736,222            |
| Guidance, Counseling, and Evaluation                               | 8,744,417            | 8,246,170              | 7,943,725            | 6,996,215             |
| Social Work Services   | 523,019              | 424,845                | 470,473              | 454,454               |
| Health Services  | 3,100,372            | 2,946,684              | 2,605,034            | 2,340,183             |
| Student Transportation   | 16,629,508           | 12,262,286             | 10,068,176           | 8,870,848             |
| Food Services  | 13,261,160           | 12,198,125             | 11,702,899           | 11,895,307            |
| Cocurricular/Extracurricular Activities                            | 10,474,669           | 8,557,012              | 6,324,506            | 5,089,030             |
| General Administration   | 5,938,784            | 5,711,699              | 5,260,963            | 4,530,111             |
| Facilities Maintenance and Operations                              | 28,075,279           | 25,601,874             | 17,569,301           | 16,618,950            |
| Security and Monitoring Services                                   | 2,371,363            | 2,699,584              | 2,863,696            | 2,253,472             |
| Data Processing Services   | 7,846,089            | 6,679,726              | 5,327,462            | 5,812,815             |
| Community Services   | 632,677              | 660,068                | 509,849              | 556,324               |
| <b>Debt Service:</b>   |                      |                        |                      |                       |
| Principal on Long-term Debt  | 21,345,000           | 19,030,000             | 16,440,000           | 17,375,000            |
| Interest on Long-term Debt   | 30,364,874           | 30,870,547             | 26,767,616           | 22,868,940            |
| Bond Issuance Cost and Fees  | 631,015              | 2,483,888              | 1,656,415            | 1,435,978             |
| <b>Capital Outlay:</b>   |                      |                        |                      |                       |
| Facilities Acquisition and Construction                            | 45,773,023           | 62,095,946             | 94,818,940           | 32,203,724            |
| <b>Intergovernmental:</b>  |                      |                        |                      |                       |
| Payments related to shared services                                | -                    | -                      | 5,275,571            | 4,871,706             |
| Other intergovernmental charges                                    | 1,221,826            | 1,052,498              | 1,021,510            | 912,399               |
| <b>Total Expenditures</b>  | <u>392,776,823</u>   | <u>398,717,059</u>     | <u>385,214,542</u>   | <u>301,685,355</u>    |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures       | <u>(60,739,097)</u>  | <u>(78,174,438)</u>    | <u>(94,913,123)</u>  | <u>(38,388,580)</u>   |
| <b>Other Financing Sources (Uses)</b>                              |                      |                        |                      |                       |
| Refunding bonds issued   | -                    | 149,965,000            | -                    | 58,825,000            |
| Issuance of Capital Related Debt (Regular<br>Bonds)                | 93,000,000           | -                      | 213,170,000          | 133,865,000           |
| Premium/Discount from Issuance of Bonds                            | 4,662,710            | 15,964,136             | 25,770,443           | 15,992,146            |
| Sale of Real and Personal Property                                 | 810,482              | -                      | -                    | -                     |
| Other Resources  | -                    | -                      | 990,926              | -                     |
| Transfers In   | 18,910               | -                      | -                    | 1,824,979             |
| Transfers Out  | (18,910)             | -                      | -                    | (1,824,979)           |
| Payment to Refunded Bond Escrow Agent                              | -                    | (165,057,277)          | (84,359,511)         | (65,957,898)          |
| <b>Total Other Financing Sources (Uses)</b>                        | <u>98,473,192</u>    | <u>871,859</u>         | <u>155,571,858</u>   | <u>142,724,248</u>    |
| <b>Special Item</b>  |                      |                        |                      |                       |
| Extraordinary items (use)  | -                    | -                      | -                    | -                     |
| <b>Net Change in Fund Balances</b>                                 | <u>\$ 37,734,095</u> | <u>\$ (77,302,579)</u> | <u>\$ 60,658,735</u> | <u>\$ 104,335,668</u> |
| <b>Debt Service as a Percentage of<br/>Noncapital Expenditures</b> | 15.21%               | 14.94%                 | 14.94%               | 15.03%                |

Table 4

| 2013                   | 2012                 | 2011                   | 2010                 | 2009                 | 2008                 |
|------------------------|----------------------|------------------------|----------------------|----------------------|----------------------|
| \$ 150,720,745         | \$ 145,536,593       | \$ 142,491,805         | \$ 137,530,324       | \$ 135,374,532       | \$ 128,030,744       |
| 73,011,521             | 75,817,840           | 74,770,687             | 66,888,037           | 66,614,424           | 71,829,989           |
| 18,092,187             | 24,380,104           | 28,968,324             | 26,539,025           | 15,122,416           | 14,413,186           |
| <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>   | <u>214,273,919</u>   |
| 122,343,597            | 123,766,893          | 129,832,851            | 127,798,461          | 117,109,971          | 107,353,779          |
| 1,466,090              | 1,491,526            | 1,683,696              | 2,210,176            | 1,692,739            | 1,547,183            |
| 2,379,027              | 2,692,128            | 3,485,408              | 2,972,941            | 3,022,738            | 2,600,004            |
| 1,560,667              | 1,485,784            | 1,484,958              | 1,475,843            | 1,243,440            | 1,309,665            |
| 11,334,875             | 11,197,728           | 11,106,793             | 10,820,983           | 9,509,554            | 9,075,721            |
| 6,539,394              | 7,160,478            | 7,168,603              | 6,630,101            | 6,044,185            | 5,531,344            |
| 484,182                | 499,586              | 599,364                | 636,413              | 587,649              | 598,295              |
| 2,103,647              | 2,279,009            | 2,332,843              | 2,251,626            | 2,034,171            | 1,938,199            |
| 12,802,492             | 7,618,144            | 7,013,253              | 11,540,114           | 6,252,095            | 9,684,508            |
| 11,466,995             | 11,050,252           | 11,093,931             | 10,320,872           | 9,405,481            | 9,143,173            |
| 4,973,695              | 5,718,556            | 5,237,063              | 4,911,537            | 3,821,324            | 3,718,236            |
| 4,583,299              | 4,602,045            | 4,747,472              | 4,550,014            | 4,521,553            | 5,042,908            |
| 16,236,182             | 16,493,309           | 15,913,316             | 15,833,600           | 15,597,473           | 19,213,371           |
| 1,693,693              | 1,464,295            | 1,537,641              | 1,386,736            | 1,249,903            | 1,256,910            |
| 4,522,038              | 4,582,538            | 4,250,183              | 4,764,991            | 6,569,714            | 3,059,833            |
| 890,694                | 594,560              | 491,132                | 488,142              | 419,607              | 486,706              |
| 16,640,000             | 43,285,007           | 13,987,760             | 11,083,678           | 9,574,989            | 7,946,805            |
| 25,207,179             | 22,562,113           | 21,943,499             | 22,840,345           | 23,275,390           | 21,446,916           |
| 15,252                 | 666,800              | 174,443                | 732,580              | 176,055              | 1,369,135            |
| 27,155,700             | 16,229,857           | 14,349,041             | 32,966,529           | 116,688,121          | 68,400,904           |
| 5,746,412              | 5,943,137            | 5,471,222              | 7,187,489            | 6,321,587            | 659,537              |
| 776,743                | 796,673              | 706,191                | 586,410              | 629,680              | -                    |
| <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>281,383,132</u>   |
| (39,097,400)           | (46,445,881)         | (18,379,847)           | (53,032,195)         | (128,636,047)        | (67,109,213)         |
| -                      | 74,960,000           | -                      | -                    | -                    | 9,220,000            |
| -                      | 96,225,000           | -                      | 149,965,000          | 149,965,000          | 125,180,000          |
| -                      | 27,354,368           | -                      | -                    | -                    | 7,888,341            |
| -                      | 298,472              | -                      | -                    | -                    | -                    |
| -                      | -                    | 373,317                | 748,532              | -                    | -                    |
| 1,235,000              | 857,278              | 1,500,000              | 3,272,756            | 5,432,499            | 3,102,388            |
| (1,235,000)            | (857,278)            | (1,500,000)            | (3,272,756)          | (5,432,499)          | (3,102,388)          |
| -                      | (54,582,125)         | -                      | -                    | -                    | (9,949,378)          |
| <u>-</u>               | <u>144,255,715</u>   | <u>373,317</u>         | <u>150,713,532</u>   | <u>149,965,000</u>   | <u>132,338,963</u>   |
| -                      | -                    | -                      | -                    | -                    | (550)                |
| <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> | <u>\$ 65,229,200</u> |
| 17.01%                 | 24.01%               | 14.40%                 | 13.89%               | 14.54%               | 14.12%               |

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

*Table 5*

| <b>Fiscal Year<br/>Ended 8/31:</b> | <b>Actual Value</b>            |  |                             | <b>Total<br/>Assessed<br/>Value</b> | <b>Total<br/>Direct<br/>Rate (1)</b> |
|------------------------------------|--------------------------------|--|-----------------------------|-------------------------------------|--------------------------------------|
|                                    | <b>Real Property<br/>Value</b> | <b>Personal<br/>Property<br/>Value</b> | <b>Less:<br/>Exemptions</b> |                                     |                                      |
| 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                             |
| 2008                               | 6,758,161,439                  | 4,022,056,319                          | 2,083,258,626               | 8,554,239,124                       | 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

| <b>Taxing Authority</b>            | <b>2017</b>       | <b>2016</b>       | <b>2015</b>       | <b>2014</b>       |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Overlapping Rates:</b>          |                   |                   |                   |                   |
| Beasley, City of                   | 0.4671            | 0.4671            | 0.4991            | \$ 0.4991         |
| Fort Bend County                   | 0.4580            | 0.4580            | 0.4650            | 0.4728            |
| 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           | 0.6430            | 0.6430            | 0.6430            | 0.6430            |
| Fort Bend County LID #11           | 0.2000            | 0.2000            | 0.2050            | 0.2250            |
| Fort Bend County LID #12           | 0.0900            | 0.0900            | 0.1000            | 0.1150            |
| Fort Bend County MUD #5            | 1.4800            | 1.4800            | 1.5000            | 1.5000            |
| Fort Bend County MUD #19           | 1.2700            | 1.2700            | 1.4000            | 1.4000            |
| Fort Bend County MUD #50           | 0.9100            | 0.9100            | 0.9100            | 0.9100            |
| Fort Bend County MUD #66           | 1.2100            | 1.2100            | 1.2500            | 1.3900            |
| Fort Bend County MUD #81           | 0.3293            | 0.3293            | 0.3200            | 0.3300            |
| Fort Bend County MUD #94           | 0.5000            | 0.5000            | 0.5800            | 0.6600            |
| Fort Bend County MUD #106          | 0.3000            | 0.3000            | 0.3450            | 0.4600            |
| Fort Bend County MUD #108          | 0.1900            | 0.1900            | 0.2900            | 0.4100            |
| Fort Bend County MUD #109          | 0.3400            | 0.3400            | 0.4400            | 0.6200            |
| Fort Bend County MUD #116          | 1.0700            | 1.0700            | 1.0800            | 1.1400            |
| Fort Bend County MUD #117          | 0.4300            | 0.4300            | 0.4800            | 0.6500            |
| Fort Bend County MUD #121          | 1.1200            | 1.1200            | 1.1200            | 1.1700            |
| Fort Bend County MUD #122          | 0.9750            | 0.9750            | 0.9900            | 1.0150            |
| Fort Bend County MUD #123          | 1.0990            | 1.0990            | 1.1000            | 1.1550            |
| Fort Bend County MUD #133          | 1.4100            | 1.4300            | 1.4300            | 1.5000            |
| Fort Bend County MUD #140          | 1.2500            | 1.2500            | 1.2500            | 1.3400            |
| Fort Bend County MUD #142          | 0.7700            | 0.7700            | 0.8500            | 0.9500            |
| Fort Bend County MUD #144          | 0.8000            | 0.8000            | 0.8000            | 0.8000            |
| Fort Bend County MUD #145          | 1.2150            | 1.2150            | 1.2300            | 1.2500            |
| Fort Bend County MUD #146          | 0.8700            | 0.8700            | 0.9400            | 1.0100            |
| Fort Bend County MUD #148          | 0.8300            | 0.8300            | 0.8800            | 0.9000            |
| Fort Bend County MUD #151          | 1.0000            | 1.0000            | 1.1100            | 1.2200            |
| Fort Bend County MUD #152          | 1.2800            | 1.2800            | 1.3700            | 1.4500            |
| Fort Bend County MUD #155          | 1.0400            | 1.0400            | 1.1400            | 1.2900            |
| Fort Bend County MUD #158          | 1.1200            | 1.1200            | 1.2500            | 1.3900            |
| Fort Bend County MUD #159          | 0.7200            | 0.7200            | 0.7200            | 0.7800            |
| Fort Bend County MUD #162          | 1.0900            | 1.0900            | 1.0900            | 1.1200            |
| Fort Bend County MUD #167          | 0.8500            | 0.8500            | 0.8500            | 0.8900            |
| Fort Bend County MUD #169          | 1.3420            | **N/A             | **N/A             | **N/A             |
| Fort Bend County MUD #170          | 1.3422            | **N/A             | **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 #187          | 0.9100            | 0.9300            | 0.9700            | 1.0000            |
| Fort Bend County MUD #192          | 1.5000            | **N/A             | **N/A             | **N/A             |
| Fort Bend County MUD #194          | 1.2500            | 1.2500            | 1.2500            | 1.2500            |
| Fort Bend County WCID #3           | 0.4400            | 0.4400            | 0.4400            | 0.4500            |
| Fort Bend County WCID #8           | 1.0700            | 1.0700            | 1.0700            | 1.0500            |
| Fulshear MUD #1                    | 1.1700            | 1.1700            | 1.1900            | 1.1900            |
| Pecan Grove MUD                    | 0.6250            | 0.6250            | 0.6400            | 0.6500            |
| Plantation MUD                     | 0.6450            | 0.6450            | 0.6850            | 0.7400            |
| Richmond, City of                  | 0.7350            | 0.7350            | 0.7550            | 0.7700            |
| Rosenberg, City of                 | 0.4700            | 0.4700            | 0.4700            | 0.4900            |
| Willow Creek Farms MUD             | 1.0100            | 1.0950            | 1.1500            | 1.2500            |
| <b>District Direct Rates:</b>      |                   |                   |                   |                   |
| Maintenance & Operations           | \$ 1.04005        | \$ 1.04005        | \$ 1.04005        | \$ 1.04005        |
| Debt Service                       | 0.3500            | 0.3500            | 0.3500            | 0.3500            |
| <b>Total District Direct Rates</b> | <b>\$ 1.39005</b> | <b>\$ 1.39005</b> | <b>\$ 1.39005</b> | <b>\$ 1.39005</b> |

Source: Fort Bend County Appraisal District

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

Table 6

| 2013              | 2012              | 2011              | 2010              | 2009              | 2008             |
|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| \$ 0.4991         | \$ 0.4931         | \$ 0.4483         | \$ 0.4483         | \$ 0.4483         | \$ 0.4169        |
| 0.4808            | 0.4810            | 0.4802            | 0.4790            | 0.4838            | 0.4987           |
| 0.5000            | 0.5000            | 0.5000            | 0.5000            | 0.5000            | **N/A            |
| 0.4500            | 0.4500            | 0.4500            | 0.4500            | 0.4500            | **N/A            |
| 0.6200            | 0.4750            | 0.4750            | 0.4750            | 0.4750            | 0.4600           |
| 0.2600            | 0.2800            | 0.2800            | 0.2700            | 0.2700            | 0.2700           |
| 0.1250            | 0.1300            | 0.1400            | 0.1500            | 0.1900            | 0.2500           |
| 1.5000            | 0.6500            | 0.6500            | 0.5300            | 0.6500            | 0.6500           |
| 0.1899            | 1.3800            | 1.3800            | 1.2400            | 1.2000            | 1.2000           |
| 0.7400            | 0.9000            | 0.9000            | 0.9000            | 0.9000            | 0.9000           |
| 1.5000            | 1.5000            | 1.3500            | 1.3500            | 1.3500            | 1.3500           |
| 0.3500            | 0.3700            | 0.3700            | 0.3800            | 0.4250            | 0.4250           |
| 0.7700            | 0.7700            | 0.7700            | 0.7100            | 0.7100            | 0.7100           |
| 0.5000            | 0.5200            | 0.4900            | 0.4500            | 0.4500            | 0.4700           |
| 0.4400            | 0.4400            | 0.4200            | 0.3900            | 0.3900            | 0.4000           |
| 0.6500            | 0.6600            | 0.6300            | 0.5800            | 0.5070            | 0.5100           |
| 1.2100            | 1.2200            | 1.2200            | 1.2200            | 1.1300            | 1.1300           |
| 0.6800            | 0.6900            | 0.6600            | 0.6600            | 0.6600            | 0.6700           |
| 1.2000            | 1.2000            | 1.2000            | 1.2000            | 1.2000            | 1.2500           |
| 1.0400            | 1.0000            | 1.0000            | 1.0000            | 1.0000            | 1.0000           |
| 1.1550            | 1.1500            | 1.1400            | 1.0800            | 1.0000            | 1.0000           |
| 1.5000            | 1.5000            | 1.5000            | 1.5000            | 1.5000            | 1.5000           |
| 1.3400            | 1.2500            | 1.2500            | 1.2500            | 1.2500            | 1.2500           |
| 1.2700            | 1.3200            | 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           |
| 1.1000            | 1.1500            | 1.1500            | 1.1500            | 1.2000            | 1.2000           |
| 0.9000            | 0.9000            | 0.9000            | 0.9000            | 0.9000            | 0.9000           |
| 1.2600            | 1.2600            | 1.2700            | 1.3000            | 1.3000            | 1.3000           |
| 1.4500            | 1.4500            | 1.4500            | 1.4500            | 1.4500            | 1.4500           |
| 1.3900            | 1.3900            | 1.3900            | 1.3900            | 1.3900            | 1.3900           |
| 1.4500            | 1.4500            | 1.4500            | 1.4500            | 1.4500            | 1.4500           |
| 0.8400            | 0.8400            | 0.8400            | 0.8400            | 0.8400            | 0.8400           |
| 1.1200            | 1.0000            | 0.8000            | 0.7400            | 0.7000            | 0.5500           |
| 0.8900            | 0.8900            | 0.8900            | 0.8500            | 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            |
| 0.6500            | 0.6500            | 0.6500            | 0.6500            | 0.6500            | 0.7000           |
| 1.5000            | **N/A             | **N/A             | **N/A             | **N/A             | **N/A            |
| 1.0000            | 1.0000            | 1.0000            | 1.0000            | 1.0000            | **N/A            |
| **N/A             | **N/A             | **N/A             | **N/A             | **N/A             | **N/A            |
| 1.2500            | 1.2500            | 1.2500            | 1.2500            | **N/A             | **N/A            |
| 0.4500            | 0.4500            | 0.4500            | 0.4800            | 0.5000            | 0.5000           |
| 1.0500            | 0.9500            | 0.9500            | 0.9500            | 0.9500            | 0.9500           |
| 1.1900            | 1.1900            | 1.1900            | 1.1900            | 1.1900            | **N/A            |
| 0.5600            | 0.5500            | 0.5500            | 0.4680            | 0.4700            | 0.4700           |
| 0.7400            | 0.7400            | 0.6600            | 0.6600            | 0.6300            | 0.6300           |
| 0.7865            | 0.7865            | 0.7865            | 0.7865            | 0.7900            | 0.7900           |
| 0.5100            | 0.5000            | 0.5000            | 0.5000            | 0.5202            | 0.5450           |
| 1.2500            | 1.2500            | 1.2500            | 1.2500            | 1.2500            | **N/A            |
| \$ 1.04005        | \$ 1.02005        | \$ 1.02005        | \$ 1.02005        | \$ 1.02005        | \$ 1.0000        |
| 0.3500            | 0.3700            | 0.3445            | 0.27760           | 0.27760           | 0.2976           |
| <u>\$ 1.39005</u> | <u>\$ 1.39005</u> | <u>\$ 1.36455</u> | <u>\$ 1.29765</u> | <u>\$ 1.29765</u> | <u>\$ 1.2976</u> |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*Table 7*

**PRINCIPAL TAXPAYERS**

**CURRENT YEAR AND NINE YEARS AGO**

| <b>Taxpayer</b>                          | <b>2017</b>               |             |   | <b>2008</b>               |             |   |
|--|---------------------------|-------------|---|---------------------------|-------------|---|
|  | <b>Assessed Value (1)</b> | <b>Rank</b> | <b>Percentage of Total Assessed Value (2)</b> | <b>Assessed Value (1)</b> | <b>Rank</b> | <b>Percentage of Total Assessed Value (3)</b> |
| NRG Texas LP                             | \$ 690,142,000            | 1           | 4.86%   | \$ 1,762,052,120          | 1           | 20.26%  |
| Centerpoint Energy Electric              | 96,264,350                | 2           | 0.68%   | 75,290,400                | 5           | 0.87%   |
| Frito-Lay Inc                            | 95,717,880                | 3           | 0.67%   | 48,339,830                | 7           | 0.56%   |
| Brazos Valley Energy LLC                 | 80,960,490                | 4           | 0.57%   | 152,058,160               | 2           | 1.75%   |
| Brazos Town Center Partnership           | 76,334,680                | 5           | 0.54%   | 68,138,940                | 6           |   |
| Aldi (Texas) LLC                         | 68,367,250                | 6           | 0.48%   | -                         |             |   |
| Brazos Town Center South Partnership     | 49,139,670                | 7           | 0.35%   | -                         |             |   |
| BRE RC Riverpark SC TX LP                | 46,880,300                | 8           | 0.33%   | -                         |             |   |
| Shops At Bella Terra Owner LP            | 46,093,400                | 9           | 0.32%   | -                         |             |   |
| Santikos West Houston LTD                | 37,387,240                | 10          | 0.26%   | -                         |             |   |
| Texas Genco LP                           | -                         |             |   | 484,528,590               | 3           | 5.57%   |
| IRA Reserve at River Park                | -                         |             |   | 30,216,970                | 9           | 0.35%   |
| Southwestern Bell Telephone              | -                         |             |   | 26,477,740                | 10          | 0.30%   |
| Inland Western Sugar Land Riverpark I LP | -                         |             |   | 37,476,490                | 8           | 0.43%   |
| Jetta Operating Company                  | -                         |             |   | 75,989,800                | 4           | 0.87%   |
| <b>Totals</b>                            | <b>\$ 1,287,287,260</b>   |             | <b>9.06%</b>                                  | <b>\$ 2,760,569,040</b>   |             | <b>30.96%</b>                                 |

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

(2) Total assessed value equals: \$ 14,198,635,157

(3) Total assessed value equals: \$ 8,696,959,132

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*

| <b>Fiscal Year<br/>Ended 8/31:</b> | <b>Net Tax Levy<br/>for the<br/>Fiscal Year (1)</b> | <b>Collected within the<br/>Fiscal Year of the Levy</b> |   | <b>Collections<br/>in Subsequent<br/>Years</b> | <b>Total Collections to Date</b> |   |
|------------------------------------|---|---|---|--|----------------------------------|---|
|                                    |   | <b>Amount</b>   | <b>Percentage<br/>of Net Tax<br/>Levy</b> |  | <b>Amount</b>                    | <b>Percent of Total<br/>Tax Collections<br/>To Net Tax Levy</b> |
| 2017                               | \$ 197,368,128                                      | \$ 195,553,465  | 99.08%                                    | \$ -   | \$ 195,553,465                   | 99.08%  |
| 2016                               | 179,341,017   | 178,028,558   | 99.27%                                    | 745,585  | 178,774,143                      | 99.68%  |
| 2015                               | 161,902,165   | 160,220,428   | 98.96%                                    | 2,819,901                                      | 161,562,587                      | 99.79%  |
| 2014                               | 148,993,975   | 148,220,912   | 99.48%                                    | 495,384  | 148,716,296                      | 99.81%  |
| 2013                               | 141,214,903   | 140,561,034   | 99.54%                                    | 388,390  | 140,949,424                      | 99.81%  |
| 2012                               | 136,687,478   | 136,117,707   | 99.58%                                    | 345,580  | 136,463,287                      | 99.84%  |
| 2011                               | 133,026,915   | 132,662,874   | 99.73%                                    | 182,738  | 132,845,612                      | 99.86%  |
| 2010                               | 128,065,810   | 128,154,416   | 100.07%                                   | (247,760)                                      | 127,906,656                      | 99.88%  |
| 2009                               | 122,924,238   | 123,171,452   | 100.20%                                   | (400,401)                                      | 122,771,051                      | 99.88%  |
| 2008                               | 110,340,597   | 108,651,032   | 98.47%                                    | 5,238  | 108,656,270                      | 98.47%  |

(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*

| <b>Fiscal Year<br/>Ended 8/31:</b> | <b>Governmental Activities</b>          |                           | <b>Total<br/>Primary<br/>Government</b> | <b>Ratio of Debt<br/>to<br/>Assessed<br/>Value (1)</b> | <b>Debt<br/>Per<br/>Student (2)</b> |
|------------------------------------|---|---------------------------|---|--|-------------------------------------|
|                                    | <b>General<br/>Obligation<br/>Bonds</b> | <b>Capital<br/>Leases</b> |   |  |                                     |
| 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                              |
| 2008                               | 486,975,697                             | -                         | 486,975,697                             | 5.69%  | 22,200                              |

(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*

| <b>Fiscal Year<br/>Ended 8/31:</b> | <b>Gross Bonded<br/>Debt (1)</b> | <b>Less Reserve<br/>for Retirement<br/>of Bonded Debt</b> | <b>Net Bonded<br/>Debt</b> | <b>Ratio of Net<br/>Bonded<br/>Debt to<br/>Assessed Value (2)</b> | <b>Net Bonded Debt<br/>per Student (3)</b> |
|------------------------------------|----------------------------------|---|----------------------------|---|--|
| 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                                     |
| 2008                               | 486,975,697                      | 8,503,247   | 478,472,450                | 5.59%   | 21,812                                     |

(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, 2017

Table 11

| Taxing Authority                               | Gross Debt Outstanding | Percent Overlapping (1) | Amount Applicable to School District |
|--|------------------------|-------------------------|--------------------------------------|
| <b>Overlapping:</b>                            |                        |                         |                                      |
| Beasley, City of                               | \$ -                   | 100.00%                 | \$ -                                 |
| Fort Bend County                               | 566,233,978            | 21.46%                  | 121,513,812                          |
| Fort Bend County LID #6                        | 10,430,000             | 100.00%                 | 10,430,000                           |
| Fort Bend County LID #20                       | 2,525,000              | 100.00%                 | 2,525,000                            |
| Fort Bend County LID #10                       | 14,020,000             | 100.00%                 | 14,020,000                           |
| Fort Bend County LID #11                       | 20,115,000             | 100.00%                 | 20,115,000                           |
| Fort Bend County LID #12                       | 12,505,000             | 46.64%                  | 5,832,332                            |
| Fort Bend County MUD #5                        | 12,220,000             | 100.00%                 | 12,220,000                           |
| Fort Bend County MUD #19                       | 1,145,000              | 100.00%                 | 1,145,000                            |
| Fort Bend County MUD #50                       | 56,945,000             | 100.00%                 | 56,945,000                           |
| Fort Bend County MUD #66                       | 1,860,000              | 100.00%                 | 1,860,000                            |
| Fort Bend County MUD #81                       | 4,170,000              | 100.00%                 | 4,170,000                            |
| Fort Bend County MUD #94                       | 4,685,000              | 100.00%                 | 4,685,000                            |
| Fort Bend County MUD #106                      | 6,080,000              | 100.00%                 | 6,080,000                            |
| Fort Bend County MUD #108                      | 1,090,000              | 100.00%                 | 1,090,000                            |
| Fort Bend County MUD #109                      | 8,320,000              | 100.00%                 | 8,320,000                            |
| Fort Bend County MUD #116                      | 29,140,000             | 100.00%                 | 29,140,000                           |
| Fort Bend County MUD #117                      | 16,125,000             | 100.00%                 | 16,125,000                           |
| Fort Bend County MUD #121                      | 34,280,000             | 100.00%                 | 34,280,000                           |
| Fort Bend County MUD #122                      | 17,330,000             | 100.00%                 | 17,330,000                           |
| Fort Bend County MUD #123                      | 31,530,000             | 100.00%                 | 31,530,000                           |
| Fort Bend County MUD #133                      | 60,650,000             | 100.00%                 | 60,650,000                           |
| Fort Bend County MUD #140                      | 18,595,000             | 100.00%                 | 18,595,000                           |
| Fort Bend County MUD #142                      | 75,695,000             | 57.55%                  | 43,562,473                           |
| Fort Bend County MUD #144                      | 15,400,000             | 100.00%                 | 15,400,000                           |
| Fort Bend County MUD #145                      | 6,780,000              | 100.00%                 | 6,780,000                            |
| Fort Bend County MUD #146                      | 46,875,000             | 75.70%                  | 35,484,375                           |
| Fort Bend County MUD #148                      | 4,950,000              | 100.00%                 | 4,950,000                            |
| Fort Bend County MUD #151                      | 77,190,000             | 20.36%                  | 15,715,884                           |
| Fort Bend County MUD #152                      | 11,125,000             | 100.00%                 | 11,125,000                           |
| Fort Bend County MUD #155                      | 25,825,000             | 100.00%                 | 25,825,000                           |
| Fort Bend County MUD #158                      | 13,980,000             | 100.00%                 | 13,980,000                           |
| Fort Bend County MUD #159                      | 4,845,000              | 100.00%                 | 4,845,000                            |
| Fort Bend County MUD #162                      | 13,925,000             | 100.00%                 | 13,925,000                           |
| Fort Bend County MUD #167                      | 29,590,000             | 100.00%                 | 29,590,000                           |
| Fort Bend County MUD #169                      | 595,230                | 100.00%                 | 595,230                              |
| Fort Bend County MUD #170                      | 17,960,827             | 100.00%                 | 17,960,827                           |
| Fort Bend County MUD #176                      | 3,840,000              | 100.00%                 | 3,840,000                            |
| Fort Bend County MUD #182                      | 21,695,000             | 98.09%                  | 21,280,626                           |
| Fort Bend County MUD #187                      | 30,440,000             | 100.00%                 | 30,440,000                           |
| Fort Bend County MUD #192                      | 1,500,000              | 100.00%                 | 1,500,000                            |
| Fort Bend County MUD #194                      | 28,210,000             | 100.00%                 | 28,210,000                           |
| Fort Bend County WCID #3                       | 3,105,000              | 100.00%                 | 3,105,000                            |
| Fort Bend County WCID #8                       | 1,795,000              | 100.00%                 | 1,795,000                            |
| Fulshear MUD #1                                | 13,285,000             | 100.00%                 | 13,285,000                           |
| Pecan Grove MUD                                | 55,125,000             | 37.09%                  | 20,445,863                           |
| Plantation MUD                                 | 5,480,000              | 100.00%                 | 5,480,000                            |
| Richmond, City of                              | 30,580,000             | 100.00%                 | 30,580,000                           |
| Rosenberg, City of                             | 71,307,000             | 100.00%                 | 71,307,000                           |
| Willow Creek Farms MUD                         | 23,715,000             | 0.75%                   | 177,863                              |
| <b>Subtotal, Overlapping Debt</b>              |                        |                         | <b>949,786,285</b>                   |
| <b>Direct:</b>                                 |                        |                         |                                      |
| Lamar Consolidated Independent School District | 791,650,000            | 100.00%                 | 791,650,000                          |
| <b>Total Direct and Overlapping Debt</b>       |                        |                         | <b>\$ 1,741,436,285</b>              |

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>2017</u>           | <u>2016</u>           | <u>2015</u>           | <u>2014</u>           |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Debt Limit  | \$ 1,419,863,516      | \$ 1,291,250,962      | \$ 1,163,976,171      | \$ 1,075,332,585      |
| Total Net Debt Applicable to Limit                                      | <u>782,162,640</u>    | <u>712,149,703</u>    | <u>736,179,275</u>    | <u>622,131,496</u>    |
| <b>Legal Debt Margin</b>  | <u>\$ 637,700,876</u> | <u>\$ 579,101,259</u> | <u>\$ 427,796,896</u> | <u>\$ 453,201,089</u> |
| Total Net Debt Applicable to the Limit<br>as a Percentage of Debt Limit | 55.09%                | 55.15%                | 63.25%                | 57.85%                |

**Legal Debt Margin Calculation for Fiscal Year 2016:**

|   |                       |
|---|-----------------------|
| Assessed Value  | \$ 14,198,635,157     |
| Debt Limit Percentage of Assessed Value                   | <u>10%</u>            |
| Debt Limitation   | 1,419,863,516         |
| Debt Applicable to Debt Limitation:                       |                       |
| Total Bonded Debt   | \$ 791,650,000        |
| Less Reserve for Retirement of Bonded Debt                | <u>9,487,360</u>      |
| <b>Total Amount of Debt Applicable to Debt Limitation</b> | <u>782,162,640</u>    |
| <b>Legal Debt Margin</b>                                  | <u>\$ 637,700,876</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>2013</u>           | <u>2012</u>           | <u>2011</u>           | <u>2010</u>           | <u>2009</u>           | <u>2008</u>           |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 1,020,090,637      | \$ 990,209,942        | \$ 946,947,111        | \$ 982,228,428        | \$ 974,882,935        | \$ 855,423,912        |
| <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>478,472,450</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> | <u>\$ 376,951,462</u> |
| 49.99%                | 52.74%                | 47.38%                | 47.09%                | 48.15%                | 55.93%                |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

*Table 13*

| <b>Fiscal Year Ended 08/31:</b> | <b>Residential Units (1)</b> | <b>Total Assessed Value of Residential Units (1)</b> | <b>Average Assessed Value Per Residential Unit</b> | <b>Per Capita Income (3)</b> | <b>Enrollment (2)</b> | <b>Unemployment Rate (4)</b> |
|---------------------------------|------------------------------|--|--|------------------------------|-----------------------|------------------------------|
| 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%                         |
| 2008                            | 30,166                       | 4,796,429,366  | 159,001  | *                            | 21,936                | 5.2%                         |

\* 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**

| <b>Employer</b>             | <b>2017</b>      |             |                                       | <b>2008</b>      |             |                                       |
|-----------------------------|------------------|-------------|---------------------------------------|------------------|-------------|---------------------------------------|
|                             | <b>Employees</b> | <b>Rank</b> | <b>Percentage of Total Employment</b> | <b>Employees</b> | <b>Rank</b> | <b>Percentage of Total Employment</b> |
| Lamar CISD                  | 4,004            | 1           | N/A                                   | 3,016            | 1           | N/A                                   |
| Fort Bend County            | 2,389            | 2           | N/A                                   | 2,000            | 2           | N/A                                   |
| Richmond State School       | 1,241            | 3           | N/A                                   | 1,396            | 3           | N/A                                   |
| Oak Bend Medical Center     | 1164             | 4           | N/A                                   | 615              | 4           | N/A                                   |
| Texana Center               | 867              | 5           | N/A                                   |                  |             |                                       |
| Frito-Lay, Inc.             | 994              | 6           | N/A                                   | 511              | 5           | N/A                                   |
| Memorial Hermann-Sugar Land | 563              | 7           | N/A                                   |                  |             |                                       |
| City of Rosenberg           | 260              | 8           | N/A                                   |                  |             | N/A                                   |
| City of Richmond            | 155              | 9           | N/A                                   |                  |             |                                       |
| Hines Nurseries             |                  |             |                                       | 300              | 7           | N/A                                   |
| Hudson Products             |                  |             |                                       | 400              | 6           | N/A                                   |
| Allied Concrete             |                  |             |                                       | 288              | 8           | N/A                                   |
| AT&T                        |                  |             |                                       | 238              | 9           | N/A                                   |
| Benedittini Cabinetry       |                  |             |                                       | 135              | 10          | N/A                                   |

Source: Fort Bend Economic Development Council

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**

| <b>Position</b>                       | <b>2017</b>     | <b>2016</b>     | <b>2015</b>     | <b>2014</b>     |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Administrator                         | 25.00           | 24.00           | 22.00           | 22.00           |
| Associate/Assistant Principal         | 57.00           | 54.00           | 51.00           | 49.00           |
| Food Service                          | 273.00          | 259.00          | 239.00          | 230.00          |
| Counselor                             | 59.00           | 56.00           | 55.00           | 57.00           |
| Librarian/Library Assistant/Historian | 37.00           | 34.00           | 33.00           | 33.00           |
| Maintenance/Operation                 | 345.00          | 320.00          | 311.00          | 317.00          |
| Nurse                                 | 35.00           | 32.00           | 32.00           | 32.00           |
| Other Professional*                   | 143.00          | 141.00          | 136.00          | 122.00          |
| Other Support Staff                   | 179.00          | 155.00          | 160.00          | 155.00          |
| Principal                             | 39.00           | 37.00           | 35.00           | 35.00           |
| Secretary/Clerical                    | 215.00          | 183.00          | 187.00          | 183.00          |
| Security Guard                        | 16.00           | 14.00           | 13.00           | 13.00           |
| Special Education                     | 307.00          | 284.00          | 272.00          | 260.00          |
| Teacher                               | 2,014.00        | 1,842.00        | 1,682.00        | 1,663.00        |
| Technical                             | 22.00           | 23.00           | 24.00           | 23.00           |
| Transportation                        | 238.00          | 222.00          | 223.00          | 228.00          |
| <b>Total Employees</b>                | <b>4,004.00</b> | <b>3,680.00</b> | <b>3,475.00</b> | <b>3,422.00</b> |

\* 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>2013</u>     | <u>2012</u>     | <u>2011</u>     | <u>2010</u>     | <u>2009</u>     | <u>2008</u>     |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 22.00           | 23.00           | 16.19           | 16.19           | 16.19           | 16.19           |
| 49.00           | 47.00           | 44.00           | 44.00           | 43.00           | 42.00           |
| 244.00          | 231.00          | 204.00          | 204.00          | 204.00          | 188.70          |
| 57.00           | 57.00           | 57.98           | 57.98           | 52.56           | 50.00           |
| 33.00           | 31.00           | 29.93           | 29.93           | 27.93           | 26.00           |
| 302.00          | 289.00          | 302.00          | 301.00          | 301.00          | 303.00          |
| 32.00           | 31.00           | 33.93           | 33.93           | 32.65           | 28.00           |
| 152.00          | 140.00          | 112.00          | 110.00          | 108.50          | 106.25          |
| 160.00          | 223.00          | 300.00          | 301.00          | 300.34          | 300.34          |
| 36.00           | 33.00           | 32.00           | 32.00           | 32.00           | 31.00           |
| 171.00          | 167.00          | 153.00          | 153.00          | 151.25          | 150.23          |
| 13.00           | 11.00           | 16.00           | 16.00           | 15.00           | 15.00           |
| 244.00          | 250.00          | 183.30          | 182.23          | 182.23          | 181.30          |
| 1,655.00        | 1,544.00        | 1,467.00        | 1,456.00        | 1,448.00        | 1,366.00        |
| 23.00           | 21.00           | 18.00           | 18.00           | 18.00           | 18.00           |
| <u>225.00</u>   | <u>210.00</u>   | <u>204.00</u>   | <u>204.00</u>   | <u>202.00</u>   | <u>188.26</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> | <u>3,010.27</u> |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

| <u>Fiscal Year<br/>Ended 8/31:</u> | <u>Enrollment</u> | <u>Operating<br/>Expenditures (1)</u> | <u>Cost<br/>Per<br/>Student</u> | <u>Percentage<br/>Change</u> |
|------------------------------------|-------------------|---------------------------------------|---------------------------------|------------------------------|
| 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%                        |
| 2008                               | 21,936            | 177,362,134                           | 8,085                           | 6.46%                        |

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*

| <b>Government<br/>Wide<br/>Expenses</b> | <b>Cost<br/>Per<br/>Student</b> | <b>Percentage<br/>Change</b> | <b>Teaching<br/>Staff</b> | <b>Student to<br/>Teacher<br/>Ratio</b> | <b>Percentage of<br/>Economically<br/>Disadvantage<br/>Students</b> |
|---|---------------------------------|------------------------------|---------------------------|---|---|
| \$ 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%   |
| 210,009,270                             | 9,574                           | 11.19%                       | 1,366                     | 16.06                                   | 43.1%   |

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

| <b>Fiscal Year<br/>Ended 08/31:</b> | <b>Minimum<br/>Salary (1)</b> | <b>Maximum<br/>Salary (1)</b> | <b>County<br/>Average<br/>Salary (2)</b> | <b>Statewide<br/>Average<br/>Salary (2)</b> |
|-------------------------------------|-------------------------------|-------------------------------|--|---|
| 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                                      |
| 2008                                | 43,500                        | 62,740                        | 49,589                                   | 46,178                                      |

(1) Source: District records

(2) Source: Texas Education Agency website

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

*SCHOOL BUILDING INFORMATION*

*LAST TEN FISCAL YEARS*

| <b>Building:</b>                     | <b>2017</b> | <b>2016</b> | <b>2015</b> | <b>2014</b> | <b>2013</b> |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>High Schools</b>                  |             |             |             |             |             |
| 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                           | 1,680       | 1,513       | 1,513       | 1,527       | 1,526       |
| 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                           | 2,072       | 1,787       | 1,787       | 1,688       | 1,644       |
| 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                           | 2,041       | 2,130       | 2,130       | 1,953       | 1,936       |
| George Ranch (2010)                  |             |             |             |             |             |
| Square Footage                       | 356,625     | 356,625     | 356,625     | 356,625     | 356,625     |
| Capacity                             | 1,400       | 2,000       | 2,000       | 2,000       | 1,400       |
| Enrollment                           | 2,640       | 2,215       | 2,215       | 2,060       | 2,064       |
| Churchill Fulshear Jr. (2016)        |             |             |             |             |             |
| Square Footage                       | 381,522     | 381,522     | -           | -           | -           |
| Capacity                             | 1,400       | 1,400       | -           | -           | -           |
| Enrollment                           | 730         | 385         | -           | -           | -           |
| <b>Junior High Schools</b>           |             |             |             |             |             |
| 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                           | 834         | 860         | 860         | 796         | 801         |
| 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                           | 1,072       | 1,036       | 1,036       | 1,032       | 1,021       |
| 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         | 1,191       | 1,191       | 1,103       | 1,113       |
| 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                           | 1,296       | 1,163       | 1,163       | 1,123       | 1,138       |
| Dean Leaman Junior High (2016) (6-8) |             |             |             |             |             |
| Square Footage                       | 203,235     | 203,235     | -           | -           | -           |
| Capacity                             | 1,200       | 1,200       | -           | -           | -           |
| Enrollment                           | 952         | 746         | -           | -           | -           |
| <b>Middle Schools</b>                |             |             |             |             |             |
| Navarro Middle (1987)                |             |             |             |             |             |
| Square Footage                       | 85,678      | 85,678      | 85,678      | 85,678      | 85,678      |
| Capacity                             | 660         | 660         | 660         | 660         | 660         |
| Enrollment                           | 522         | 504         | 504         | 528         | 530         |
| Polly Ryon Middle (2013)             |             |             |             |             |             |
| Square Footage                       | 85,538      | 85,538      | 85,538      | 85,538      | 85,538      |
| Capacity                             | 680         | 680         | 680         | 680         | 680         |
| Enrollment                           | 681         | 560         | 560         | 530         | 523         |
| Wertheimer Middle (2008)             |             |             |             |             |             |
| Square Footage                       | 86,045      | 86,045      | 86,045      | 86,045      | 86,045      |
| Capacity                             | 680         | 680         | 680         | 680         | 680         |
| Enrollment                           | 428         | 613         | 613         | 517         | 528         |
| Wessendorf Middle (1997)             |             |             |             |             |             |
| Square Footage                       | 86,045      | 86,045      | 86,045      | 86,045      | 86,045      |
| Capacity                             | 680         | 680         | 680         | 680         | 680         |
| Enrollment                           | 404         | 456         | 456         | 458         | 461         |

**Table 18**  
**Page 1 of 3**

| <b>2012</b> | <b>2011</b> | <b>2010</b> | <b>2009</b> | <b>2008</b> |
|-------------|-------------|-------------|-------------|-------------|
| 292,702     | 292,702     | 292,702     | 292,702     | 292,702     |
| 2,000       | 2,000       | 2,000       | 2,000       | 2,000       |
| 1,441       | 1,653       | 1,799       | 1,943       | 1,943       |
| 281,629     | 281,629     | 281,629     | 281,629     | 281,629     |
| 2,050       | 2,050       | 2,050       | 2,050       | 2,050       |
| 1,609       | 1,594       | 1,630       | 1,717       | 1,835       |
| 361,330     | 361,330     | 361,330     | 361,330     | 361,330     |
| 2,000       | 2,000       | 2,000       | 2,000       | 2,000       |
| 1,916       | 1,931       | 1,948       | 2,155       | 2,036       |
| 356,625     | 356,625     | 356,625     | -           | -           |
| 1,400       | 1,400       | 1,400       | -           | -           |
| 1,834       | 1,316       | 791         | -           | -           |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| 176,590     | 176,590     | 176,590     | 176,590     | 176,590     |
| 1,273       | 1,273       | 1,273       | 1,273       | 1,200       |
| 761         | 777         | 788         | 1,101       | 1,101       |
| 179,300     | 179,300     | 179,300     | 179,300     | 179,300     |
| 1,225       | 1,225       | 1,225       | 1,225       | 1,225       |
| 987         | 898         | 898         | 1,006       | 876         |
| 193,298     | 193,298     | 193,298     | 193,298     | 193,298     |
| 1,200       | 1,200       | 1,200       | 1,200       | 1,200       |
| 1,015       | 926         | 939         | 1,540       | 1,540       |
| 182,877     | 182,877     | 182,877     | -           | -           |
| 1,200       | 1,200       | 1,200       | -           | -           |
| 1,601       | 1,504       | 1,472       | -           | -           |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| 85,678      | 85,678      | 85,678      | 85,678      | 85,678      |
| 660         | 660         | 660         | 660         | 660         |
| 463         | 501         | 433         | 505         | 470         |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| 86,045      | 86,045      | 86,045      | 86,045      | 86,045      |
| 680         | 680         | 680         | 680         | 680         |
| 535         | 499         | 440         | 564         | 586         |
| 86,045      | 86,045      | 86,045      | 86,045      | 86,045      |
| 680         | 680         | 680         | 680         | 680         |
| 455         | 427         | 439         | 662         | 586         |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**SCHOOL BUILDING INFORMATION**

**LAST TEN FISCAL YEARS**

| <b>Building:</b>          | <b>2017</b> | <b>2016</b> | <b>2015</b> | <b>2014</b> | <b>2013</b> |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Elementary Schools</b> |             |             |             |             |             |
| Arredondo (2015)          |             |             |             |             |             |
| Square Footage            | 90,741      | 90,741      | 90,741      | -           | -           |
| Capacity                  | 750         | 750         | 750         | -           | -           |
| Enrollment                | 821         | 643         | 643         | -           | -           |
| Austin (1990)             |             |             |             |             |             |
| Square Footage            | 64,860      | 64,860      | 64,860      | 64,860      | 64,860      |
| Capacity                  | 720         | 720         | 720         | 720         | 720         |
| Enrollment                | 604         | 572         | 572         | 575         | 576         |
| Adolphus (2013)           |             |             |             |             |             |
| Square Footage            | 91,900      | 91,900      | 91,900      | 91,900      | 91,900      |
| Capacity                  | 750         | 750         | 750         | 750         | 750         |
| Enrollment                | 803         | 574         | 574         | 477         | 486         |
| Beasley (1985)            |             |             |             |             |             |
| Square Footage            | 42,800      | 42,800      | 42,800      | 42,800      | 42,800      |
| Capacity                  | 370         | 370         | 370         | 370         | 370         |
| Enrollment                | 397         | 420         | 420         | 418         | 430         |
| Bentley (2017)            |             |             |             |             |             |
| Square Footage            | 91,693      | -           | -           | -           | -           |
| Capacity                  | 750         | -           | -           | -           | -           |
| Enrollment                | 657         | -           | -           | -           | -           |
| Bowie (1961)              |             |             |             |             |             |
| Square Footage            | 73,564      | 73,564      | 73,564      | 73,564      | 73,564      |
| Capacity                  | 640         | 640         | 640         | 640         | 640         |
| Enrollment                | 619         | 642         | 642         | 663         | 679         |
| Campbell (2000)           |             |             |             |             |             |
| Square Footage            | 92,210      | 92,210      | 92,210      | 92,210      | 92,210      |
| Capacity                  | 720         | 720         | 720         | 720         | 720         |
| Enrollment                | 611         | 701         | 701         | 731         | 732         |
| Dickinson (1993)          |             |             |             |             |             |
| Square Footage            | 86,050      | 86,050      | 86,050      | 86,050      | 86,050      |
| Capacity                  | 750         | 750         | 750         | 750         | 750         |
| Enrollment                | 551         | 560         | 560         | 564         | 563         |
| Frost (2000)              |             |             |             |             |             |
| Square Footage            | 92,210      | 92,210      | 92,210      | 92,210      | 92,210      |
| Capacity                  | 720         | 720         | 720         | 720         | 720         |
| Enrollment                | 564         | 404         | 404         | 395         | 407         |
| Hubenak (2009)            |             |             |             |             |             |
| Square Footage            | 89,920      | 89,920      | 89,920      | 89,920      | 89,920      |
| Capacity                  | 750         | 750         | 750         | 750         | 750         |
| Enrollment                | 844         | 1,087       | 1,087       | 911         | 919         |
| Huggins (1979)            |             |             |             |             |             |
| Square Footage            | 58,200      | 58,200      | 58,200      | 58,200      | 58,200      |
| Capacity                  | 650         | 650         | 650         | 650         | 650         |
| Enrollment                | 686         | 637         | 637         | 557         | 563         |
| Hutchison (2005)          |             |             |             |             |             |
| Square Footage            | 95,000      | 95,000      | 95,000      | 95,000      | 95,000      |
| Capacity                  | 750         | 750         | 750         | 750         | 750         |
| Enrollment                | 662         | 793         | 793         | 778         | 787         |
| Jackson (1947)            |             |             |             |             |             |
| Square Footage            | 66,330      | 66,330      | 66,330      | 66,330      | 66,330      |
| Capacity                  | 520         | 520         | 520         | 520         | 520         |
| Enrollment                | 374         | 394         | 394         | 394         | 391         |

**Table 18**  
**Page 2 of 3**

| <b>2012</b> | <b>2011</b> | <b>2010</b> | <b>2009</b> | <b>2008</b> |
|-------------|-------------|-------------|-------------|-------------|
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| 64,860      | 64,860      | 64,860      | 64,860      | 64,860      |
| 720         | 720         | 720         | 720         | 720         |
| 553         | 609         | 601         | 564         | 620         |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| 42,800      | 42,800      | 42,800      | 42,800      | 42,800      |
| 370         | 370         | 370         | 370         | 370         |
| 407         | 454         | 413         | 353         | 318         |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| 73,564      | 73,564      | 73,564      | 73,564      | 73,564      |
| 640         | 640         | 640         | 640         | 640         |
| 695         | 758         | 754         | 712         | 658         |
| 92,210      | 92,210      | 92,210      | 92,210      | 92,210      |
| 720         | 720         | 720         | 720         | 720         |
| 763         | 767         | 763         | 757         | 998         |
| 86,050      | 86,050      | 86,050      | 86,050      | 86,050      |
| 750         | 750         | 750         | 750         | 750         |
| 573         | 620         | 630         | 645         | 730         |
| 92,210      | 92,210      | 92,210      | 92,210      | 92,210      |
| 720         | 720         | 720         | 720         | 720         |
| 722         | 706         | 709         | 652         | 1,125       |
| 89,920      | 89,920      | 89,920      | 89,920      | -           |
| 750         | 750         | 750         | 750         | -           |
| 808         | 689         | 429         | 353         | -           |
| 58,200      | 58,200      | 58,200      | 58,200      | 58,200      |
| 650         | 650         | 650         | 650         | 650         |
| 490         | 458         | 458         | 431         | 594         |
| 95,000      | 95,000      | 95,000      | 95,000      | 95,000      |
| 750         | 750         | 750         | 750         | 750         |
| 776         | 762         | 779         | 792         | 656         |
| 65,860      | 65,860      | 65,860      | 65,860      | 65,860      |
| 520         | 520         | 520         | 520         | 520         |
| 394         | 379         | 402         | 389         | 384         |

**LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**SCHOOL BUILDING INFORMATION**

**LAST TEN FISCAL YEARS**

| <b>Building:</b>          | <b>2017</b> | <b>2016</b> | <b>2015</b> | <b>2014</b> | <b>2013</b> |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Elementary Schools</b> |             |             |             |             |             |
| Lindsey (2017)            |             |             |             |             |             |
| Square Footage            | 91,693      | -           | -           | -           | -           |
| Capacity                  | 750         | -           | -           | -           | -           |
| Enrollment                | 478         | -           | -           | -           | -           |
| Long (1949)               |             |             |             |             |             |
| Square Footage            | 80,176      | 80,176      | 80,176      | 80,176      | 80,176      |
| Capacity                  | 740         | 740         | 740         | 740         | 740         |
| Enrollment                | 589         | 603         | 603         | 587         | 591         |
| McNeil (2008)             |             |             |             |             |             |
| Square Footage            | 91,321      | 91,321      | 91,321      | 91,321      | 91,321      |
| Capacity                  | 750         | 750         | 750         | 750         | 750         |
| Enrollment                | 865         | 838         | 838         | 772         | 773         |
| Meyer (1985)              |             |             |             |             |             |
| Square Footage            | 69,500      | 69,500      | 69,500      | 69,500      | 69,500      |
| Capacity                  | 750         | 750         | 750         | 750         | 750         |
| Enrollment                | 775         | 682         | 682         | 636         | 627         |
| Pink (1997)               |             |             |             |             |             |
| Square Footage            | 92,210      | 92,210      | 92,210      | 92,210      | 92,210      |
| Capacity                  | 720         | 720         | 720         | 720         | 720         |
| Enrollment                | 584         | 607         | 607         | 648         | 627         |
| Ray (1979)                |             |             |             |             |             |
| Square Footage            | 67,160      | 67,160      | 67,160      | 67,160      | 67,160      |
| Capacity                  | 750         | 750         | 750         | 750         | 750         |
| Enrollment                | 638         | 595         | 595         | 596         | 585         |
| Seguin (1957)             |             |             |             |             |             |
| Square Footage            | 50,000      | 50,000      | 50,000      | 50,000      | 50,000      |
| Capacity                  | 460         | 460         | 460         | 460         | 460         |
| Enrollment                | 310         | 389         | 389         | 403         | 398         |
| Smith (1966)              |             |             |             |             |             |
| Square Footage            | 80,965      | 80,965      | 80,965      | 80,965      | 80,965      |
| Capacity                  | 600         | 600         | 600         | 600         | 600         |
| Enrollment                | 412         | 528         | 528         | 543         | 543         |
| Thomas (2009)             |             |             |             |             |             |
| Square Footage            | 89,920      | 89,920      | 89,920      | 89,920      | 89,920      |
| Capacity                  | 750         | 750         | 750         | 750         | 750         |
| Enrollment                | 867         | 1,007       | 1,007       | 943         | 949         |
| Travis (1949)             |             |             |             |             |             |
| Square Footage            | 77,666      | 77,666      | 77,666      | 77,666      | 77,666      |
| Capacity                  | 680         | 680         | 680         | 680         | 680         |
| Enrollment                | 547         | 665         | 665         | 669         | 678         |
| Velasquez (2006)          |             |             |             |             |             |
| Square Footage            | 95,000      | 95,000      | 95,000      | 95,000      | 95,000      |
| Capacity                  | 740         | 740         | 740         | 740         | 740         |
| Enrollment                | 656         | 686         | 686         | 655         | 645         |
| Williams (1985)           |             |             |             |             |             |
| Square Footage            | 84,925      | 84,925      | 84,925      | 84,925      | 84,925      |
| Capacity                  | 740         | 740         | 740         | 740         | 740         |
| Enrollment                | 904         | 801         | 801         | 744         | 757         |

Source: District Records

**Table 18**  
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| <b>2012</b> | <b>2011</b> | <b>2010</b> | <b>2009</b> | <b>2008</b> |
|-------------|-------------|-------------|-------------|-------------|
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           |
| 80,176      | 80,176      | 80,176      | 80,176      | 80,176      |
| 740         | 740         | 740         | 740         | 740         |
| 589         | 571         | 566         | 494         | 503         |
| 91,321      | 91,321      | 91,321      | 91,321      | 91,321      |
| 750         | 750         | 750         | 750         | 750         |
| 823         | 767         | 905         | 810         | 695         |
| 69,500      | 69,500      | 69,500      | 69,500      | 69,500      |
| 750         | 750         | 750         | 750         | 750         |
| 601         | 577         | 571         | 537         | 756         |
| 92,210      | 92,210      | 92,210      | 92,210      | 92,210      |
| 720         | 720         | 720         | 720         | 720         |
| 635         | 643         | 615         | 657         | 601         |
| 67,160      | 67,160      | 67,160      | 67,160      | 67,160      |
| 750         | 750         | 750         | 750         | 750         |
| 603         | 686         | 692         | 751         | 706         |
| 50,000      | 50,000      | 50,000      | 50,000      | 50,000      |
| 460         | 460         | 460         | 460         | 460         |
| 421         | 207         | 255         | 274         | 294         |
| 80,965      | 80,965      | 80,965      | 80,965      | 80,965      |
| 600         | 600         | 600         | 600         | 600         |
| 550         | 561         | 608         | 659         | 667         |
| 89,920      | 89,920      | 89,920      | 89,920      | -           |
| 750         | 750         | 750         | 750         | -           |
| 816         | 774         | 703         | 597         | -           |
| 77,666      | 77,666      | 77,666      | 77,666      | 77,666      |
| 680         | 680         | 680         | 680         | 680         |
| 665         | 764         | 783         | 755         | 733         |
| 95,000      | 95,000      | 95,000      | 95,000      | 95,000      |
| 740         | 740         | 740         | 740         | 740         |
| 687         | 646         | 626         | 652         | 613         |
| 84,925      | 84,925      | 84,925      | 84,925      | 84,925      |
| 740         | 740         | 740         | 740         | 740         |
| 719         | 649         | 659         | 644         | 438         |

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