

# Grand Prairie Independent School District

Annual Financial Report  
For the Fiscal Year Ended August 31, 2019



2602 South Belt Line Road  
Grand Prairie, Texas 75052

[www.gpisd.org](http://www.gpisd.org)



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# **Grand Prairie Independent School District**

Grand Prairie, Texas



Annual Financial Report  
For the Fiscal Year Ended August 31, 2019

Prepared by  
Grand Prairie Independent School District  
Business Operations Department

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# Grand Prairie Independent School District

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# Grand Prairie Independent School District

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## Certificate of Board

Grand Prairie Independent School District  
Name of School

Dallas  
County

057-910  
Co.-Dist Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) ☒ approved ☐ disapproved for the year ended August 31, 2019 at a meeting of the Board of Trustees of such school district on the 16<sup>th</sup> day of January, 2020.

  
Signature of Board Secretary

  
Signature of Board President

If the Board of Trustees disapproved of the auditors' report, the reason(s) for disapproving it is (are):

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## **Independent Auditor's Report**

The Board of Trustees of  
Grand Prairie Independent School District  
Grand Prairie, Texas

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Prairie Independent School District (District) as of and for the year ended August 31, 2019, 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**

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of August 31, 2019, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Grand Prairie Independent School District's basic financial statements. The Introductory Section, Supplementary Information, and Statistical Section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the basic financial statements.

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

The Board of Trustees of  
Grand Prairie Independent School District

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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* in considering the District's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
January 7, 2020

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## Management's Discussion and Analysis

As management of the Grand Prairie Independent School District (the District), we offer readers of the accompanying report this narrative overview and analysis of the financial activities of the District for the fiscal year ended August 31, 2019. (In reviewing this report, readers should be mindful that it is often necessary for management to make and use estimates in the preparation of financial statements. Examples of the use of such estimates may be found in amounts reported for depreciation, net taxes receivable, claims payable of the District's self-insured workers' compensation program, and net pension liability.)

### Financial Highlights

- Governmental Activities assets and deferred outflows of resources was less than liabilities and deferred inflows of resources at year-end by \$109,228,612.
- The District's total net position increased by \$16,742,270 from current operations.
- At the end of the year, unassigned fund balance of the general fund was \$79,161,382.
- As of the close of the year, the District's governmental funds had combined ending fund balances of \$101,714,294, an increase of \$16,118,497 as compared to the preceding year.
- The District entered into a capital lease to replace Apple iPads for instructional use.

### 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 comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and supplementary information in addition to the basic financial statements.

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

The *statement of net position* presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of how the financial position of the District is changing.

The *statement of activities* presents information showing how the District's net position changed during the year. Changes in net position are reported upon occurrence of the underlying event giving rise to the change, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some transactions that will not result in cash flows until future fiscal periods (e.g., uncollected taxes and incurred but unpaid workers' compensation benefits).

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 Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Extracurricular Activities, General Administration, Plant Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Issuance Costs and Fees, Payments Related to Shared Services Arrangements, Payments to Juvenile Justice Alternative Education Programs, Payments to Tax Increment Fund, and Other Intergovernmental Charges.*

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

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating near-term financing requirements.

Because the focus of governmental funds financial statements 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 effect 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 maintained forty-two individual governmental funds during the year. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and capital projects funds, which are considered to be major funds. Data from the other thirty-nine governmental funds are combined into a single, aggregated presentation titled *other governmental funds*.

The District adopts an annual revenue and appropriations budget for its general fund. Subsequent to adoption, amendments approved by the governing body are reflected in a revised budget. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as noted in the table of contents of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of students and student organizations. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs and activities. A statement of fiduciary assets and liabilities is presented as noted in the table of contents of this report.

**Notes to the Basic Financial Statements.** The notes 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 as noted in the table of contents of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report presents required supplementary information and supplementary information, including schedules required by the Texas Education Agency. Such information can be found as noted in the table of contents of this report. The required supplementary information also provides information on the District's cost-sharing multiple employer pension and OPEB plan of which the District is a participant. The required supplementary information is referenced as Exhibits E-1 through E-5, and the associated notes immediately follow the exhibits in this report.

### Government-Wide Financial Analysis

As mentioned earlier, net position may, over time, serve as an indicator of a District's changing financial position. The following table shows the net position of the District for the current and prior year.

#### GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S NET POSITION

	Governmental Activities					
	2019		2018		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Current and other assets	\$ 139,428,644	21	\$ 118,381,443	18	\$ 21,047,201	18
Capital assets, net of depreciation	523,223,057	79	535,582,941	82	(12,359,884)	(2)
Total assets	662,651,701	100	653,964,384	100	8,687,317	
Total deferred outflows of resources	83,050,426	100	36,925,974	100	46,124,452	125
Long-term liabilities outstanding	761,041,358	95	719,885,179	96	41,156,179	6
Other liabilities	36,788,581	5	32,010,615	4	4,777,966	15
Total liabilities	797,829,939	100	751,895,794	100	45,934,145	
Total deferred inflows of resources	57,100,800	100	64,965,446	100	(7,864,646)	(12)
Net position						
Net investment in capital assets	(12,148,333)	11	(21,184,539)	17	9,036,206	(43)
Restricted for grants	5,127,794	(5)	4,963,151	(4)	164,643	3
Restricted for debt service	15,356,260	(14)	11,742,837	(9)	3,613,423	31
Unrestricted	(117,564,333)	108	(121,492,331)	96	3,927,998	(3)
<b>Total net position</b>	<b>\$ (109,228,612)</b>	<b>100</b>	<b>\$ (125,970,882)</b>	<b>100</b>	<b>\$ 16,742,270</b>	

The District's investment in capital assets (e.g., land, buildings and improvements, furniture and equipment and construction in progress), less any related debt used to acquire those assets that are still outstanding totaled \$(12,148,333) of net position. 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. Net position that is restricted for debt service totals \$15,356,260 of net position, and net position restricted for grants is \$5,127,794. At the end of the current fiscal year, the District reported Unrestricted Net Position of \$(117,564,333).

**Governmental Activities.** Governmental activities increased the District's net position by \$16,742,270 from current operations. The elements giving rise to this change may be determined from the table below.

**GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S CHANGES IN NET POSITION**

	Governmental Activities					
	2019		2018		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
<b>Revenue</b>						
Program revenues:						
Charges for services	\$ 6,297,422	2	\$ 6,655,703	2	\$ (358,281)	(5)
Operating grants and contributions	88,811,513	22	23,189,659	7	65,621,854	283
General revenues:						
Property taxes, levied for general purpose	85,722,589	22	75,983,975	24	9,738,614	13
Property taxes, levied for debt service	31,045,170	8	27,556,103	9	3,489,067	13
Grants and contributions not restricted to specific programs	179,089,570	45	177,870,590	56	1,218,980	1
Investment earnings	3,302,319	1	2,338,969	1	963,350	41
(Loss) on sale of capital assets	(2,175,041)	(1)	-	-	(2,175,041)	100
Miscellaneous	3,715,335	1	4,562,977	1	(847,642)	(19)
<b>Total revenues</b>	<b>395,808,877</b>	<b>100</b>	<b>318,157,976</b>	<b>100</b>	<b>77,650,901</b>	
<b>Expenses</b>						
Instruction	202,770,887	54	134,959,818	50	67,811,069	50
Instructional resources and media services	3,683,067	1	2,253,568	1	1,429,499	63
Curriculum and staff development	10,757,071	3	4,386,325	2	6,370,746	145
Instructional leadership	5,272,472	1	3,768,255	1	1,504,217	40
School leadership	23,379,100	6	15,488,860	6	7,890,240	51
Guidance, counseling, and evaluation services	15,561,797	4	8,665,309	3	6,896,488	80
Social work services	1,097,063	-	215,590	-	881,473	409
Health services	4,069,577	1	2,645,152	1	1,424,425	54
Student transportation	7,492,887	2	5,624,890	2	1,867,997	33
Food service	20,286,396	5	14,016,627	5	6,269,769	45
Extracurricular activities	9,551,370	3	8,628,497	3	922,873	11
General administration	8,610,162	2	8,726,252	3	(116,090)	(1)
Plant maintenance and operations	26,561,650	7	25,245,157	9	1,316,493	5
Security and monitoring services	3,179,485	1	2,632,611	1	546,874	21
Data processing services	6,132,154	2	5,296,487	2	835,667	16
Community services	6,570,149	2	4,688,581	2	1,881,568	40
Interest on long-term debt	17,205,043	5	17,984,186	7	(779,143)	(4)
Issuance costs and fees	17,715	-	22,489	-	(4,774)	(21)
Facilities repair and maintenance	34,531	-	-	-	34,531	100
Payments related to shared services arrangements	881,860	-	404,608	-	477,252	118
Payments to Juvenile Justice Alternative Education Programs	46,740	-	81,924	-	(35,184)	(43)
Payments to tax increment fund	5,532,005	1	4,189,392	2	1,342,613	32
Other intergovernmental charges	373,426	-	336,507	-	36,919	11
<b>Total expenses</b>	<b>379,066,607</b>	<b>100</b>	<b>270,261,085</b>	<b>100</b>	<b>108,805,522</b>	
<b>Change in net position</b>	<b>16,742,270</b>		<b>47,896,891</b>		<b>(31,154,621)</b>	
Net position - beginning	(125,970,882)		79,721		(126,050,603)	
Cummulative effect of change in accounting principle - implement GASB 75 for OPEB <sup>(a)</sup>	-		(173,947,494)		173,947,494	
Net position - beginning, as restated	(125,970,882)		(173,867,773)		47,896,891	
<b>Net position - ending</b>	<b>\$ (109,228,612)</b>		<b>\$ (125,970,882)</b>		<b>\$ 16,742,270</b>	

<sup>(a)</sup> The restatement of the beginning net position is the result of the District implementing GASB Statement No. 75 in fiscal year 2018.



Revenues, aggregating \$395,808,877, were generated primarily from two sources. Property taxes in the amount of \$116,767,759 represent 30 percent of total revenues while grants and contributions (including those not restricted for program-specific use as well as for general operations), totaling \$179,091,570, represent 45 percent of total revenues. The remaining 25 percent is generated from investment earnings, charges for services, and miscellaneous revenues.

The primary functional expenses of the District were Instruction in the amount of \$202,770,887 which represents 54 percent of total expenses. All remaining expense categories are 7 percent or less of total expenses.

### **Financial Analysis of the District's Funds**

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

**Governmental Funds.** At the end of the fiscal year, the District's governmental funds had combined ending fund balances of \$101,714,294, an increase of \$16,118,497 from the preceding year.

The general fund is the primary operating fund of the District. At year-end, unassigned fund balance of the general fund was \$79,161,382, while total fund balance was \$79,712,182. To evaluate the general fund's liquidity, it may be helpful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned and total fund balance represents 28 percent of total general fund expenditures. The fund balance of the general fund increased \$13,751,669 during the year from current activities. The increase in fund balance was the result of conservative spending, an \$8.4 million increase in property tax revenue due to property values increasing for tax year 2018 over the prior tax year, and an increase in Federal SHARS revenue of \$2.9 million due to the District receiving 2 years of payments in the current year.

The debt service fund ending fund balance of \$15,729,273 is restricted for the payment of principal and interest on debt. The debt service fund balance increased \$3,558,394 during the year from current activities. The increase in fund balance primarily due to a \$3.1 million increase in property tax revenue due to property values increasing for tax year 2018 over the prior tax year.

The capital projects fund ending fund balance of \$1,145,045 is restricted for capital expenditures. The net decrease in fund balance during the current year in the capital projects fund was \$1,356,209. The decrease was due to capital outlay expenditures related to construction projects.

Governmental funds financial statements may be found by referring to the table of contents.

### **General Fund Budgetary Highlights**

The majority of the \$9,497,106 net increase between the originally-adopted budget and the final amended general fund budget provided funding for capital acquisitions, construction, and improvements. Amendments were approved by the governing body.

### **Capital Assets and Long-term Liabilities**

**Capital Assets.** The District's capital asset balance for governmental activities as of August 31, 2019 was \$523,223,057 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, furniture and equipment, and construction in progress. Net investment in capital assets decreased by \$12,359,884 in the current fiscal year.

Major capital asset activity during the year included the following:

**GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S CAPITAL ASSETS**  
(net of depreciation)

	Governmental Activities					
	2019		2018		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Land and improvements	\$ 23,826,072	5	\$ 23,826,072	4	\$ -	-
Buildings and improvements	472,369,267	90	481,525,565	91	(9,156,298)	(2)
Furniture and equipment	24,309,032	5	23,790,058	4	518,974	2
Construction in progress	2,718,686	1	6,441,246	1	(3,722,560)	(58)
<b>Totals</b>	<b>\$ 523,223,057</b>	<b>101</b>	<b>\$ 535,582,941</b>	<b>100</b>	<b>\$ (12,359,884)</b>	

Additional information on the District's capital assets can be found in Note 3. D. Capital Assets of the notes to the financial statements per the table of contents of this report.

**Long-Term Liabilities.** At year-end, the District had the following long-term liabilities:

**GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S LONG-TERM LIABILITIES OUTSTANDING**

	Governmental Activities					
	2019		2018		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
General obligation bonds (net)	\$ 522,471,561	68	\$ 549,383,680	76	\$ (26,912,119)	(5)
Lease payable	15,159,330	2	10,988,252	2	4,171,078	38
Note payable	-	-	679,785	-	(679,785)	(100)
Workers' compensation claims	1,130,665	-	959,364	-	171,301	18
Compensated absences	204,440	-	178,328	-	26,112	15
Net pension liability	102,808,104	14	58,494,975	8	44,313,129	76
Net OPEB liability	119,267,258	16	99,200,795	14	20,066,463	20
<b>Totals</b>	<b>\$ 761,041,358</b>	<b>100</b>	<b>\$ 719,885,179</b>	<b>100</b>	<b>\$ 41,156,179</b>	

The District's total bonded debt decreased by \$26,912,119 due to normal annual bond principal payments.

The District's general obligation debt is backed by the full faith and credit of the District and is further guaranteed by the Texas Permanent School Fund Guarantee Program.

State statutes do not limit the tax rate or amount of local tax support of school districts' bonded indebtedness. However, approval of the Attorney General of the State of Texas is required prior to the sale of bonds.

Additional information on the District's long-term debt can be found as noted in Note 3. E. Long-term Liabilities of the notes to the financial statements per the table of contents of this report.

The increase in the District's net pension liability (NPL) to \$102,808,104 at August 31, 2019 from \$58,494,975 at August 31, 2018 was primarily due to an increase of \$35 million due to changes in actuarial assumptions, and a net increase of \$14 million due to the current year recognition of pension related deferred outflows and inflows.

The following table provides the District's key pension statistics related to the TRS plan as of and for the fiscal year ended August 31, 2019:

**GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S KEY PENSION STATISTICS**

Net pension liability (NPL)	\$ 102,808,104
Pension expense	\$ 22,513,087

Additional information on the District's net pension liability can be found in the notes to the financial statements as indicated in the table of contents of this report.

The increase in the District's net OPEB liability (NOL) to \$119,267,258 at August 31, 2019 from \$99,200,795 at August 31, 2018 was primarily due to a net increase of \$9.4 million due to the current year recognition of pension related deferred outflows and inflows, and an increase of \$12.3 million from various actuarial assumptions.

The following table provides the District's key pension statistics related to the TRS plan as of and for the fiscal year ended August 31, 2019:

**GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S KEY OPEB STATISTICS**

Net OPEB liability (NOL)	\$ 119,267,258
OPEB expense	\$ 8,136,767

Additional information on the District's OPEB liability can be found in Note 4.D. to the financial statements as indicated in the table of contents of this report.

**Economic and Other Factors and Fiscal Year 2018-19 Budgets and Rates**

- 2018-19 School year student enrollment is 29,250.
- District instructional staff totals 2,276 employees in 2018-19, excluding substitutes and other part-time employees, which includes 1,900 teachers and 376 teacher aides.
- The District maintains forty-one school campuses, including an in-district charter.
- The unemployment rate for the County is currently 3.3 percent, which is favorable when compared to the state's average unemployment rate of 3.4 percent during the same period.
- Property values of the District are projected to increase by 10.5 percent in the 2018-19 year.
- A maintenance and operations tax rate of \$1.17 and a debt service tax rate of \$0.425, a total rate of \$1.595 was adopted for 2018-19, resulting in no change from the prior year.

All of these factors and others were considered in preparing the District's budget for the 2019-20 fiscal year.

During the current fiscal year, fund balance in the general fund increased to \$79,712,182.

**Requests for Information**

This financial report is intended to provide a general overview of the District's finances for those with an interest in this information. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Division of Business Operations, Grand Prairie Independent School District, 2602 South Beltline Road, Grand Prairie, Texas 75052.

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## **Basic Financial Statements**

**Grand Prairie Independent School District**  
Statement of Net Position  
August 31, 2019

**Exhibit A-1**

<b>Data Control Codes</b>		<b>1 Primary Government Governmental Activities</b>
<b>ASSETS</b>		
1110	Cash and cash equivalents	\$ 11,114,108
1120	Current investments	107,521,768
1220	Property taxes receivables	3,586,113
1230	Allowance for uncollectible taxes	(1,806,700)
1240	Due from other governments	17,324,066
1290	Other receivables	1,138,489
1410	Prepaid items	550,800
	Capital assets, not being depreciated:	
1510	Land and improvements	23,826,072
1580	Construction in progress	2,718,686
	Capital Assets, net of accumulated depreciation:	
1520	Buildings and improvements	472,369,267
1530	Furniture and equipment	24,309,032
1000	Total assets	662,651,701
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
1705	Deferred outflows - pension	53,053,763
1706	Deferred outflows - OPEB	15,932,532
1710	Deferred loss on refunding	14,064,131
1700	Total deferred outflows of resources	83,050,426
<b>LIABILITIES</b>		
2110	Accounts payable	3,318,567
2140	Interest payable	853,644
2150	Payroll deductions and withholdings	2,327,717
2160	Accrued wages payable	15,329,417
2180	Due to other governments	14,957,476
2300	Unearned revenue	1,760
	Noncurrent liabilities:	
2501	Due within one year	31,144,150
2502	Due in more than one year	507,821,846
2540	Net pension liabilities	102,808,104
2545	Net OPEB liabilities	119,267,258
2000	Total liabilities	797,829,939
<b>DEFERRED INFLOWS OF RESOURCES</b>		
2605	Deferred inflows - pension	6,435,945
2606	Deferred inflows - OPEB	37,715,180
2610	Deferred gain on refunding	12,949,675
2600	Total deferred inflows of resources	57,100,800
<b>NET POSITION</b>		
3200	Net investment in capital assets	(12,148,333)
3820	Restricted for grants	5,127,794
3850	Restricted for debt service	15,356,260
3900	Unrestricted	(117,564,333)
3000	<b>TOTAL NET POSITION</b>	<b>\$ (109,228,612)</b>

The Notes to the Financial Statements are an integral part of this statement.

# Grand Prairie Independent School District

# Exhibit A-2

## Statement of Activities

For the Fiscal Year Ended August 31, 2019

Data Control Codes	Functions/Programs	1  Expenses	3  Charges for Services	4  Operating Grants and Contributions	Net (Expense)
					Revenue and Changes in Net Position
					Governmental Activities
PRIMARY GOVERNMENT					
	Governmental activities:				
0011	Instruction	\$ 202,770,887	\$ 2,108,630	\$ 37,380,497	\$ (163,281,760)
0012	Instructional resources and media services	3,683,067	10,690	165,663	(3,506,714)
0013	Curriculum and staff development	10,757,071	35,163	5,793,916	(4,927,992)
0021	Instructional leadership	5,272,472	-	609,292	(4,663,180)
0023	School leadership	23,379,100	82,440	1,002,107	(22,294,553)
0031	Guidance, counseling, and evaluation services	15,561,797	1,956	2,980,657	(12,579,184)
0032	Social work services	1,097,063	-	680,658	(416,405)
0033	Health services	4,069,577	387	170,043	(3,899,147)
0034	Student transportation	7,492,887	-	759,574	(6,733,313)
0035	Food service	20,286,396	2,737,188	15,318,291	(2,230,917)
0036	Extracurricular activities	9,551,370	1,149,598	520,313	(7,881,459)
0041	General administration	8,610,162	3,132	211,156	(8,395,874)
0051	Plant maintenance and operations	26,561,650	142,021	1,488,711	(24,930,918)
0052	Security and monitoring services	3,179,485	-	150,650	(3,028,835)
0053	Data processing services	6,132,154	11,113	358,069	(5,762,972)
0061	Community services	6,570,149	15,104	4,836,766	(1,718,279)
0072	Interest on long-term debt	17,205,043	-	15,503,290	(1,701,753)
0073	Issuance costs and fees	17,715	-	-	(17,715)
0081	Facilities repair and maintenance	34,531	-	-	(34,531)
0093	Payments related to shared services arrangements	881,860	-	881,860	-
0095	Payments to Juvenile Justice Alternative Education Programs	46,740	-	-	(46,740)
0097	Payments to tax increment fund	5,532,005	-	-	(5,532,005)
0099	Other intergovernmental charges	373,426	-	-	(373,426)
TG	Total governmental activities	379,066,607	6,297,422	88,811,513	(283,957,672)
TP	TOTAL PRIMARY GOVERNMENT	\$ 379,066,607	\$ 6,297,422	\$ 88,811,513	(283,957,672)
General revenues:					
MT	Property taxes, levied for general purposes				85,722,589
DT	Property taxes, levied for debt service				31,045,170
GC	Grants and contributions not restricted to specific programs				179,089,570
IE	Investment earnings				3,302,319
	(Loss) on sale of capital assets				(2,175,041)
MI	Miscellaneous				3,715,335
TR	Total general revenues				300,699,942
CN	Change in net position				16,742,270
NB	Net position, beginning				(125,970,882)
NE	NET POSITION, ending				\$ (109,228,612)

The Notes to the Financial Statements are an integral part of this statement.

# Grand Prairie Independent School District

## Balance Sheet - Governmental Funds

August 31, 2019

Data Control Codes		199	599
		General Fund	Debt Service Fund
	ASSETS		
1110	Cash and cash equivalents	\$ 7,184,839	\$ 253,771
1120	Current investments	87,468,511	17,335,926
1220	Property taxes receivables (delinquent)	2,601,417	984,696
1230	Allowance for uncollectible taxes (credit)	(1,302,635)	(504,065)
1240	Due from other governments	11,045,362	-
1260	Due from other funds	4,170,501	-
1290	Other receivables, net	429,421	-
1410	Prepaid items	550,800	-
1000	Total assets	112,148,216	18,070,328
1000a	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 112,148,216	\$ 18,070,328
	LIABILITIES		
2110	Accounts payable	1,525,857	-
2150	Payroll deductions and withholdings	2,327,717	-
2160	Accrued wages payable	14,186,626	-
2170	Due to other funds	-	-
2180	Due to other governments	13,097,052	1,860,424
2300	Unearned revenue	-	-
2000	Total liabilities	31,137,252	1,860,424
	DEFERRED INFLOWS OF RESOURCES		
2600	Unavailable revenue	1,298,782	480,631
	Total deferred inflows of resources	1,298,782	480,631
	FUND BALANCES		
	Nonspendable:		
3430	Prepaid items	550,800	-
	Restricted:		
3450	Grant funds	-	-
3470	Capital projects	-	-
3480	Debt service	-	15,729,273
3600	Unassigned	79,161,382	-
3000	Total fund balances	79,712,182	15,729,273
4000	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 112,148,216	\$ 18,070,328

The Notes to the Financial Statements are an integral part of this statement.



<b>699 Capital Projects Fund</b>	<b>Other Governmental Funds</b>	<b>98 Total Governmental Funds</b>
\$ 361,751	\$ 3,313,747	\$ 11,114,108
794,146	1,923,185	107,521,768
-	-	3,586,113
-	-	(1,806,700)
-	6,278,704	17,324,066
-	-	4,170,501
-	709,068	1,138,489
-	-	550,800
<u>1,155,897</u>	<u>12,224,704</u>	<u>143,599,145</u>
<u>\$ 1,155,897</u>	<u>\$ 12,224,704</u>	<u>\$ 143,599,145</u>
10,852	1,781,858	3,318,567
-	-	2,327,717
-	1,142,791	15,329,417
-	4,170,501	4,170,501
-	-	14,957,476
-	1,760	1,760
<u>10,852</u>	<u>7,096,910</u>	<u>40,105,438</u>
-	-	1,779,413
-	-	1,779,413
-	-	550,800
-	5,127,794	5,127,794
1,145,045	-	1,145,045
-	-	15,729,273
-	-	79,161,382
<u>1,145,045</u>	<u>5,127,794</u>	<u>101,714,294</u>
<u>\$ 1,155,897</u>	<u>\$ 12,224,704</u>	<u>\$ 143,599,145</u>

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**Grand Prairie Independent School District**  
Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
August 31, 2019

**Exhibit B-1R**

**TOTAL FUND BALANCES - GOVERNMENTAL FUNDS (EXHIBIT B-1)** \$ 101,714,294

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. The governmental capital assets at year-end consist of:

Governmental capital assets costs	837,058,487	
Accumulated depreciation of governmental capital assets	(313,835,430)	523,223,057

Property taxes receivable, which will be collected subsequent to year-end, but are not available soon enough to pay expenditures and, therefore, are deferred in the funds.		1,779,413
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Long-term liabilities, including bonds payable, workers' compensation, compensated absences, net pension and OPEB liability, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Liabilities at year-end related to such items consist of:

Bonds payable, at original par	(476,255,000)	
Premium on bonds payable	(46,216,561)	
Accrued interest on the bonds	(853,644)	
Capital lease liability	(15,159,330)	
Workers' compensation	(1,130,665)	
Compensated absences	(204,440)	
Net pension liability	(102,808,104)	
Net OPEB liability	(119,267,258)	(761,895,002)

Deferred gains and losses on refunding are reported as deferred inflows and outflows respectively in the statement of net position and are not reported in the funds due to not being a current financial resource available to pay for current expenditures. Deferred gains and losses consist of:

Deferred loss on refunding	14,064,131	
Deferred gain on refunding	(12,949,675)	1,114,456

Deferred outflows for pension are included in the statement of net position and are not reported in the funds due to they are not current financial resources available to pay for current expenditures.		53,053,763
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Deferred inflows for pension are included in the statement of net position and are not reported in the funds due to they are not current financial resources available to pay for current expenditures.		(6,435,945)
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Deferred outflows of resources for OPEB represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditures) until then.		15,932,532
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Deferred inflows of resources for OPEB represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.		(37,715,180)
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**TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES (EXHIBIT A-1)** \$ (109,228,612)

**Grand Prairie Independent School District**  
Statement of Revenues, Expenditures, and Changes  
in Fund Balances – Governmental Funds  
For the Fiscal Year Ended August 31, 2019

Data Control Codes		199	599
		General Fund	Debt Service Fund
REVENUES			
5700	Total local and intermediate sources	\$ 94,091,007	\$ 31,676,036
5800	State program revenues	184,652,710	15,238,393
5900	Federal program revenues	7,078,436	-
5020	Total revenues	285,822,153	46,914,429
EXPENDITURES			
	Current:		
0011	Instruction	162,922,592	-
0012	Instructional resources and media services	3,387,543	-
0013	Curriculum and staff development	3,360,400	-
0021	Instructional leadership	4,380,224	-
0023	School leadership	20,122,109	-
0031	Guidance, counseling, and evaluation services	11,245,337	-
0032	Social work services	222,790	-
0033	Health services	3,684,731	-
0034	Student (pupil) transportation	6,381,147	-
0035	Food services	176,878	-
0036	Cocurricular/extracurricular activities	5,094,771	-
0041	General administration	8,007,429	-
0051	Plant maintenance and operations	24,654,548	-
0052	Security and monitoring services	3,048,394	-
0053	Data processing services	6,558,811	-
0061	Community services	4,948,068	-
	Debt service:		
0071	Debt service - Principal on long-term debt	4,963,502	22,770,000
0072	Debt service - Interest on long-term debt	776,220	19,231,403
0073	Debt service - Bond issuance costs and fees	450	17,715
	Capital outlay:		
0081	Facilities acquisition and construction	4,149,792	-
	Intergovernmental:		
0093	Payments to member districts of SSA	-	-
0095	Payments to Juvenile Justice Alternative Education Programs	46,740	-
0097	Payments to Tax Increment Fund	4,195,088	1,336,917
0099	Other intergovernmental charges	373,426	-
6030	Total expenditures	282,700,990	43,356,035
1100	Excess (Deficiency) of revenues over (under) expenditures	3,121,163	3,558,394
OTHER FINANCING SOURCES (USES)			
7912	Proceeds from sale of assets	2,880,711	-
7913	Proceeds from capital leases	7,749,795	-
7080	Total other financing sources (uses)	10,630,506	-
1200	Net change in fund balances	13,751,669	3,558,394
0100	Fund balances, beginning	65,960,513	12,170,879
3000	FUND BALANCES, ending	\$ 79,712,182	\$ 15,729,273

The Notes to the Financial Statements are an integral part of this statement.

699 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ 36,132	\$ 5,143,430	\$ 130,946,605
-	7,355,159	207,246,262
-	31,833,079	38,911,515
36,132	44,331,668	377,104,382
-	12,772,041	175,694,633
-	19,711	3,407,254
-	5,666,969	9,027,369
-	415,294	4,795,518
-	160,429	20,282,538
-	2,483,190	13,728,527
-	670,377	893,167
-	407	3,685,138
-	465,097	6,846,244
-	18,118,623	18,295,501
-	931,219	6,025,990
-	9,575	8,017,004
-	416,090	25,070,638
-	9,973	3,058,367
-	67,081	6,625,892
-	1,079,089	6,027,157
-	-	27,733,502
-	-	20,007,623
-	-	18,165
1,392,341	-	5,542,133
-	881,860	881,860
-	-	46,740
-	-	5,532,005
-	-	373,426
1,392,341	44,167,025	371,616,391
(1,356,209)	164,643	5,487,991
-	-	2,880,711
-	-	7,749,795
-	-	10,630,506
(1,356,209)	164,643	16,118,497
2,501,254	4,963,151	85,595,797
<u>\$ 1,145,045</u>	<u>\$ 5,127,794</u>	<u>\$ 101,714,294</u>

# Grand Prairie Independent School District

## Exhibit B-2R

### Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended August 31, 2019

**TOTAL NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUND (EXHIBIT B-2)** \$ 16,118,497

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital asset additions	15,302,011	
Depreciation expense	<u>(22,606,143)</u>	(7,304,132)

The net effect of miscellaneous transactions involving capital assets (transfers, adjustments and dispositions) is a increase (decrease) to net position. (5,055,752)

Because some property taxes will not be collected for several months after the District's fiscal year end, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues increased (decreased) by this amount this year. 116,300

Issuance of long-term debt (e.g., bonds, loans, capital leases) provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.

Debt issued:		
Capital lease		(7,749,795)

Repayment of bond principal and capital lease is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	27,053,717	
Payments to lender to pay off remainder of note payable.	<u>679,785</u>	27,733,502

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The (increase) decrease in interest reported in the statement of activities consist of the following:

Accrued interest on current interest bonds payable (increased) decreased	34,438	
Amortization of bond premium and discount	3,437,119	
Amortization of defeasance costs	<u>(668,527)</u>	2,803,030

The (increase) decrease in workers' compensation is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. (171,301)

The (increase) decrease in compensated absences is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. (26,112)

The net change in net pension liability, deferred outflows, and deferred inflows is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of the following:

Deferred outflows increased (decreased)	33,207,744	
Deferred inflows (increased) decreased	3,481,635	
Net pension liability (increased) decreased	<u>(44,313,129)</u>	(7,623,750)

The net change in net OPEB liability, deferred outflows and deferred inflows is reported in the statement of activities, but does not require the use of current financial resources and, therefore, is not reported as revenue or expenditures in the governmental funds. The net change consists of the following:

Deferred outflows increased (decreased)	14,187,546	
Deferred inflows (increased) decreased	3,780,700	
Net OPEB liability (increased) decreased	<u>(20,066,463)</u>	(2,098,217)

**CHANGE IN NET POSITION FOR GOVERNMENTAL ACTIVITIES (EXHIBIT A-2)** \$ 16,742,270

The Notes to the Financial Statements are an integral part of this statement.

**Grand Prairie Independent School District**  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Fund  
August 31, 2019

**Exhibit D-1**

<b>Control Codes</b>		<b>Agency Fund</b>
	<b>ASSETS</b>	
1110	Cash and cash equivalents	\$ 167,361
1000	<b>TOTAL ASSETS</b>	<u>\$ 167,361</u>
	<b>LIABILITIES</b>	
2190	Due to student groups	\$ 167,361
2000	<b>TOTAL LIABILITIES</b>	<u>\$ 167,361</u>

The Notes to the Financial Statements are an integral part of this statement.

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# Grand Prairie Independent School District

## Notes to the Financial Statements

### Note 1. Summary of Significant Accounting Policies

#### A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government (District). All fiduciary activities are reported only in the fund financial statements. *Governmental activities* are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions.

#### B. Reporting Entity

The Grand Prairie Independent School District (District) is governed by a seven-member board of trustees (Board), which has governance responsibilities over all activities related to public, elementary and secondary, education within the District. Members of the Board are elected by the public; have authority to make decisions; appoint management and significantly influence operations; and have primary accountability for fiscal matters; the District is not included in any other governmental reporting entity. The accompanying financial statements present the District. Additionally, no other organizations are required to be included within the District's reporting entity.

#### C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

#### D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for in another fund.

The *debt service fund* is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

The *capital projects fund* accounts for the acquisition and construction of the District's major capital facilities, other than those financed by proprietary funds.

The District reports the following Non-Major funds:

The *special revenue funds* are used to account for Food Services activities, federal and state financed programs and other local programs where unused balances are returned to the grantor at the close of specified project periods. The budget for the Food Services Fund is adopted by the Board each fiscal year.

## Grand Prairie Independent School District

### Notes to the Financial Statements

Additionally, the District reports the following fiduciary fund:

The *agency fund* accounts for assets held by the District for student organizations. The fund is custodial in nature (assets equal liabilities) and does not involve measurement or results of operations.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the governmental funds included in the governmental activities (i.e., the governmental funds) column are eliminated.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Transfers between the governmental funds included in governmental activities are eliminated.

#### **E. Change in Accounting Principle**

There are no accounting principal changes for fiscal year 2019.

#### **F. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The 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. Expenditures generally are recorded when a liability is incurred, as required 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

## **Grand Prairie Independent School District**

### **Notes to the Financial Statements**

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items, including property taxes, are considered to be measurable and available only when cash is received by the District.

The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

#### **G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

##### **1. Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, and demand or time deposits with original maturities of three months or less from the date of acquisition.

##### **2. Investments**

Investments for the District are reported at fair value (generally based on quoted market prices) except for the position in investment pools. In accordance with state law, the pools operate in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the pools qualify as a 2a7-like pool and are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. The pools are subject to regulatory oversight by the State Treasurer, although it is not registered with the SEC.

##### **3. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

##### **4. Capital Assets**

Capital assets, which include land and improvements, construction in progress, buildings and improvements, and furniture and equipment, are reported in the applicable governmental activities column in the government-wide financial statements. The District's infrastructure includes parking lots and sidewalks associated with various buildings. The cost of the infrastructure was initially capitalized with the building cost and is being depreciated over the same useful life as the building. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000, and an estimated useful life in excess of two years.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the District chose to include all such items regardless of their acquisition date or amount. The District was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the District constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation.

## Grand Prairie Independent School District

### Notes to the Financial Statements

Land and improvements and construction in progress are not depreciated. The buildings and improvements and furniture and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

<u>Capital Asset Classes</u>	<u>Lives</u>
Buildings and improvements	7-50
Furniture and equipment	3-25

#### 5. Deferred Outflows/Inflows of Resources

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

The components of the deferred outflows of resources and deferred inflows of resources in the government-wide and fund level financial statements are as follows:

	<u>Statement of Net Position</u>	<u>Balance Sheet - Governmental Funds</u>	
	<u>Governmental Activities</u>	<u>General Fund</u>	<u>Debt Service Fund</u>
Deferred outflows of resources			
Deferred outflows from pension activities	\$ 53,053,763	\$ -	\$ -
Deferred outflows from OPEB activities	15,932,532	-	-
Deferred loss on refunding	14,064,131	-	-
<b>Total deferred outflows of resources</b>	<b>\$ 83,050,426</b>	<b>\$ -</b>	<b>\$ -</b>
Deferred inflows of resources			
Deferred inflows from pension activities	\$ 6,435,945	\$ -	\$ -
Deferred inflows from OPEB activities	37,715,180	-	-
Unavailable property taxes	-	1,298,782	480,631
Deferred gain on refunding	12,949,675	-	-
<b>Total deferred inflows of resources</b>	<b>\$ 57,100,800</b>	<b>\$ 1,298,782</b>	<b>\$ 480,631</b>

Deferred outflows/inflows of resources are amortized as follows:

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

## **Grand Prairie Independent School District**

### Notes to the Financial Statements

#### **6. Pension**

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

#### **7. Other Post-Employment Benefits**

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

#### **8. Net Position Flow Assumption**

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

#### **9. Fund Balance Flow Assumptions**

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Restricted fund balance reflects resources that are externally enforceable legal restrictions imposed by parties outside of the District. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

#### **10. Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The board of trustees is the highest level of decision-making authority for the District that can, by board action or adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these amounts can only be used for the purpose intended, which requires formal Board action to establish (as noted in Board minutes or resolution), unless the Board modifies or removes the specified use by taking the same formal Board action.

## **Grand Prairie Independent School District**

### **Notes to the Financial Statements**

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The board of trustees (Board) has by resolution authorized the superintendent or his designee to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

#### **H. Revenues and Expenditures/Expenses**

##### **1. Program Revenues**

Amounts reported as 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

##### **2. Property Taxes**

Property values are determined by the Appraisal District as of January 1 of each year. Prior to September 1 of each year, the District must adopt its annual budget and as soon thereafter as practicable, shall adopt a tax rate thus creating the tax levy. Property taxes for current calendar year are levied on approximately October 1 of each year and are payable by January 31 of the following year. Property tax receivables are recorded as of the date levied. Unpaid taxes become delinquent on February 1 and a tax lien on real property is created as of July 1 of each year.

##### **3. Compensated Absences**

It is the District's policy to permit employees to accumulate earned but unused sick leave benefits. Payment for unused state sick leave days accumulated locally will be made upon retirement (in accordance with guidelines established by the Teacher Retirement System of Texas). All sick pay is accrued when incurred (employee is eligible for retirement) in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, the result of employee terminations or retirement.

Upon retirement of all employees with the District, the District pays any accumulated local leave only to employees eligible for retirement (and who submitted a written notice of intent to retire). The maximum days an employee can be paid out for local leave is 60 days, at a rate of \$20 per day (\$1,200 max per employee).

##### **4. Use of Estimates**

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

##### **5. Data Control Codes**

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

# Grand Prairie Independent School District

## Notes to the Financial Statements

### Note 2. Stewardship, Compliance, and Accountability

#### A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, *National School Breakfast and Lunch Program* special revenue fund and, debt service fund. All other governmental funds adopt project length budgets. All annual appropriations lapse at fiscal year-end. The following procedures are followed in establishing the budgetary data reflected in the financial statements.

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to September 1, the budget is legally enacted through passage of a resolution by the Board.

The appropriated budget is prepared by fund, function, and campus/department. The District's campus/department heads may make transfers of appropriations within a campus/department. Transfers of appropriations between campus/departments require the approval of the District's management. Transfers of appropriations between functions require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund. The District made several supplemental budgetary appropriations throughout the year that were not significant to a function.

#### B. Encumbrances

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as restricted, committed, or assigned fund balances as appropriate. The encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

### Note 3. Detailed Notes on All Funds

#### A. Deposits and Investments

Cash Deposits. The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the District's and the depository banks' agent bank. The pledged securities shall be in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

## Grand Prairie Independent School District

### Notes to the Financial Statements

Investments. The District's investment policy is in accordance with the Public Funds Investment Act (PFIA), the Public Funds Collateral Act, and federal and state laws. State law and District policy limits credit risk by allowing investing in 1) Obligations of the United States or its agencies which are backed by the full faith and credit of the United States, obligations of the State of Texas or its agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm (NRIRF) not less than A or its equivalent; 2) Certificates of deposit issued by a depository located in Texas which is insured by the FDIC or purchased through a broker who has an office located in Texas; 3) Repurchase agreements secured by obligations of the United States or its agencies not to exceed 90 days to maturity from the date of purchase; 4) Securities lending program if the loan is secured by pledged securities, irrevocable letters of credit, or cash and the term of the loan is one year or less; 5) Bankers acceptances with a stated maturity of 270 days or fewer which are eligible for collateral for borrowing from a Federal Reserve Bank; 6) Commercial paper that has a stated maturity of 270 days or fewer from the date of issuance is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies; 7) No-load money market mutual funds which shall be registered with the Securities and Exchange Commission which have an average weighted maturity of less than two years, investments comply with the Public Funds Investment Act and are continuously rated not less than AAA by at least one NRIRF. 8) A guaranteed investment contract (for bond proceeds only) which meets the criteria and eligibility requirements established by the Public Funds Investment Act; 9) Public funds investment pools which meets the requirements of the Public Funds Investment Act.

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

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

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



# Grand Prairie Independent School District

## Notes to the Financial Statements

The District's investments are in investment pools and are not subject to fair value measurements as presented in the table below. The District's investment balances and weighted average maturity of such investments are as follows:

	August 31, 2019	Fair Value Measurements			Percent of Total Investments	Weighted Average Maturity	Credit
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs			
Cash							
Bank deposits	\$ 11,281,469	\$ -	\$ -	\$ -			
<b>Total cash</b>	<b>\$ 11,281,469</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			
Investments measured at amortized cost							
Investment pools							
TexPool	\$ 5,426,060	\$ -	\$ -	\$ -	5.05%	36	AAAm
Texas CLASS	87,122,418	-	-	-	81.03%	52	AAAm
Lone Star	18,628	-	-	-	0.02%	27	AAAm
Investments measured at net asset value (NAV):							
Investment pools							
TexStar	1,167,220	-	-	-	1.09%	22	AAAm
Investments by fair value level							
Municipal bonds	1,414,687	1,414,687	-	-	1.32%	296	AA
Fixed income	12,372,755	12,372,755	-	-	11.51%	296	NR
<b>Total investments</b>	<b>\$ 107,521,768</b>	<b>\$ 13,787,442</b>	<b>\$ -</b>	<b>\$ -</b>			
<b>Total cash and investments</b>	<b>\$ 118,803,237</b>	<b>\$ 13,787,442</b>	<b>\$ -</b>	<b>\$ -</b>			

Portfolio Weighted Average Maturity

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Investment Pools are measured at amortized cost and are exempt for fair value reporting. The Texpool and Lone Star investment pools are external investment pools measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share, have weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions.

Texpool and Lone Star have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

**Credit Risk.** For fiscal year 2019, the District invested in Texpool, Texas CLASS, Lone Star, and TexStar. Texpool is duly chartered and administered by the State Comptroller's Office. Texas CLASS is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by Public Trust Advisors, LLC. Lone Star Investment Pool is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by First Public, LLC, formerly the Texas Association of School Boards Financial Services. TexStar is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by First Southwest Asset Management, Inc. and JPMorgan Chase. At year end, the District's investments were rated as noted in the table above. All credit ratings met acceptable levels required by legal guidelines prescribed in both the PFIA and the District's investment policy.

## Grand Prairie Independent School District

### Notes to the Financial Statements

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. The District monitors interest rate risk utilizing weighted average maturity analysis. In accordance with its investment policy, the District reduces its exposure to declines in fair values by limiting the weighted average maturity of any internally created pool to no more than 180 days, and any other individual investment not to exceed one year from the time of purchase, unless specifically authorized by the Board of Trustees.

Concentration of Credit Risk. The District's investment policy does not limit an investment in any one issuer. The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specified class of investments, specific maturity, or specific issuer.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2019, District's bank balances of \$11,281,467 were not exposed to custodial credit risk because balances were insured and collateralized with securities held by the District's agent in the District's name.

#### B. Receivables

Tax revenues of the general and debt service fund are reported net of estimated uncollectible amounts based on collection history.

#### C. Interfund Receivables and Payables

##### 1. Receivables/Payables

The composition of interfund balances as of August 31, 2019, is as follows:

Fund	Interfund Receivables	Interfund Payables
General fund	\$ 4,170,501	\$ -
Nonmajor governmental funds	-	4,170,501
<b>Totals</b>	<u>\$ 4,170,501</u>	<u>\$ 4,170,501</u>

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

##### 2. Transfers

There were no transfers for the year ended August 31, 2019.

# Grand Prairie Independent School District

## Notes to the Financial Statements

### D. Capital Assets

Capital asset activity for the year ended August 31, 2019 was as follows:

	Beginning Balance	Additions	Transfers	Retirements & Adjustments	Ending Balance
Governmental activities:					
Capital assets, not being depreciated					
Land and improvements	\$ 23,826,072	\$ -	\$ -	\$ -	\$ 23,826,072
Construction in progress	6,441,246	5,497,016	(9,219,576)	-	2,718,686
Total capital assets, not being depreciated	30,267,318	5,497,016	(9,219,576)	-	26,544,758
Capital assets, being depreciated:					
Buildings and improvements	730,425,504	-	9,219,576	-	739,645,080
Furniture and equipment	67,489,970	9,804,995	-	(6,426,316)	70,868,649
Total capital assets, being depreciated	797,915,474	9,804,995	9,219,576	(6,426,316)	810,513,729
Less accumulated depreciation for:					
Buildings and improvements	(248,899,938)	(18,375,874)	-	-	(267,275,812)
Furniture and equipment	(43,699,913)	(4,230,269)	-	1,370,564	(46,559,618)
Total accumulated depreciation	(292,599,851)	(22,606,143)	-	1,370,564	(313,835,430)
Total capital assets, being depreciated, net	505,315,623	(12,801,148)	9,219,576	(5,055,752)	496,678,299
<b>Governmental activities capital assets, net</b>	<b>\$ 535,582,941</b>	<b>\$ (7,304,132)</b>	<b>\$ -</b>	<b>\$ (5,055,752)</b>	<b>\$ 523,223,057</b>

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

Governmental activities	
11 Instruction	\$ 16,921,218
23 School leadership	668,803
31 Instructional leadership	3,315
34 Student transportation	739,508
35 Food service	408,611
36 Extracurricular activities	3,156,816
41 General administration	130,069
51 Facilities maintenance and operations	573,651
52 Security and monitoring services	4,152
<b>Total depreciation expense - governmental activities</b>	<b>\$ 22,606,143</b>

# Grand Prairie Independent School District

## Notes to the Financial Statements

### Construction Commitments

The District has active construction projects as of August 31, 2019. The projects include the construction and equipment of school facilities. At year-end, the District's active commitments with contractors are as follows:

Project	Remaining Commitment
Grand Prairie High School Additions and Renovations	\$ 169,520
South Grand Prairie High School Additions and Renovations	248,916
Austin Elementary Additions and Renovations	100,453
Bowie Elementary Additions and Renovations	40,483
Garner Fine Arts Academy Additions and Renovations	14,122
Daniels Elementary HVAC Replacement	115,856
Lee Elementary HVAC Replacement	211,460
YMLA at Kennedy Middle HVAC Replacement	35,166
Bonham Early Education Center	13,292
Districtwide Lighting and Energy Projects	30,236
Lee Elementary Roofing	13,228
<b>Total</b>	<b>\$ 992,732</b>

### E. Long-term Liabilities

The District's long-term liabilities consist of bond indebtedness, capital leases, workers' compensation claims, compensated absences, and net pension and OPEB liability. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. Other long-term liabilities are generally liquidated with resources of the general fund.

#### 1. Changes in Long-term Liabilities

Long-term liability activity for the year ended August 31, 2019, was as follows:

	Beginning Balance	Additions and (Provision Adjustment)	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable					
General obligation bonds	\$ 499,730,000	\$ -	\$ (23,475,000)	\$ 476,255,000	\$ 24,130,000
Deferred amounts:					
For issuance premiums (CIB's)	49,653,680	-	(3,437,119)	46,216,561	-
Total bonds payable, net	549,383,680	-	(26,912,119)	522,471,561	24,130,000
Leases payable	10,988,252	7,749,795	(3,578,717)	15,159,330	5,679,045
Note payable	679,785	-	(679,785)	-	-
Workers' compensation	959,364	928,104	(756,803)	1,130,665	1,130,665
Compensated absences	178,328	41,404	(15,292)	204,440	204,440
Net pension liability	58,494,975	50,605,266	(6,292,137)	102,808,104	-
Net OPEB liability	99,200,795	21,714,287	(1,647,824)	119,267,258	-
<b>Governmental activity long-term liabilities</b>	<b>\$ 719,885,179</b>	<b>\$ 81,038,856</b>	<b>\$ (39,882,677)</b>	<b>\$ 761,041,358</b>	<b>\$ 31,144,150</b>

# Grand Prairie Independent School District

## Notes to the Financial Statements

### 2. General Obligation Bonds

The District issues general obligation bonds to provide funds for the construction and equipment of school buildings (BLDG) and to refund general obligation bonds (REF).

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued as 2-31 year current interest (CIB) with various amounts of principal maturing each year. Rates may be fixed or variable.

The following is a summary of changes in the general obligation bonds for the fiscal year:

Series	Interest Rate	Original Issue	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance
<b>Bonded indebtedness</b>							
2011 (BLDG)	2.00-4.00%	45,000,000	2029	\$ 20,550,000	\$ -	\$ (2,310,000)	\$ 18,240,000
2011 (REF)	2.00-5.00%	55,805,000	2026	51,435,000	-	(4,710,000)	46,725,000
2012 (BLDG)	2.00-3.00%	8,900,000	2029	6,510,000	-	(520,000)	5,990,000
2013 (BLDG)	2.00-4.00%	13,945,000	2030	10,875,000	-	(695,000)	10,180,000
2013 (REF)	0.23-2.04%	19,245,000	2020	7,710,000	-	(3,820,000)	3,890,000
2014 (REF)	2.00-4.00%	22,535,000	2024	19,210,000	-	(425,000)	18,785,000
2015 (REF)	3.00-5.25%	127,820,000	2037	124,785,000	-	(2,995,000)	121,790,000
2016 (BLDG)	2.00-5.00%	61,895,000	2041	56,845,000	-	(2,520,000)	54,325,000
2016 (REF)	2.00-4.00%	94,640,000	2033	89,720,000	-	(2,260,000)	87,460,000
2016A (REF)	4.00-5.00%	47,440,000	2041	46,640,000	-	(1,005,000)	45,635,000
2016B (REF)	2.00-5.00%	37,975,000	2031	35,220,000	-	(1,395,000)	33,825,000
2017 (BLDG)	4.00-5.00%	17,090,000	2041	16,980,000	-	(115,000)	16,865,000
2017 (MTN)	3.00-5.00%	13,705,000	2032	13,250,000	-	(705,000)	12,545,000
Total bonded indebtedness				\$ 499,730,000	\$ -	\$ (23,475,000)	\$ 476,255,000
<b>Other direct obligations</b>							
Note payable	4.50%	816,000	2023	679,785	-	(679,785)	-
Total other obligations				679,785	-	(679,785)	-
<b>Total obligations of district</b>				<u>\$ 500,409,785</u>	<u>\$ -</u>	<u>\$ (24,154,785)</u>	<u>\$ 476,255,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Years Ending August 31,	Principal Value	Interest	Total Requirements
2020	\$ 24,130,000	\$ 18,907,578	\$ 43,037,578
2021	25,125,000	17,917,850	43,042,850
2022	25,065,000	16,884,725	41,949,725
2023	26,065,000	15,887,819	41,952,819
2024	27,155,000	14,800,319	41,955,319
2025-2029	145,540,000	57,401,956	202,941,956
2030-2034	124,005,000	29,429,300	153,434,300
2035-2039	69,385,000	8,338,600	77,723,600
2040-2041	9,785,000	495,375	10,280,375
<b>Totals</b>	<u>\$476,255,000</u>	<u>\$180,063,522</u>	<u>\$656,318,522</u>

As of August 31, 2019, the District did not have any authorized, but unissued bonds for school building or debt refunding purposes.

## Grand Prairie Independent School District

### Notes to the Financial Statements

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of: (1) the amount earned on investments purchased with bond proceeds, or (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary date of the bond issue. The District has estimated that it has no arbitrage liability as of August 31, 2019.

#### 3. Note Payable

On September 9, 2017, the District entered into a note payable with Grand Bank of Texas to finance the purchase of a building to be used by the District. The total note was \$816,000 with an additional \$98,237 in interest. The note requires a total payment of \$914,237 over 60 months, maturing on September 19, 2022. The first payment was made on October 19, 2017. Debt service payments for the note will be paid from the general fund. In July of 2019, the District paid off the entire remaining loan balance for \$705,447, including \$25,661 of interest, relinquishing the District of further liability.

#### 4. Capital Leases

In fiscal year ended August 31, 2019, the District entered into a new lease agreement as lessee for financing the acquisition of various apple computers which is payable from the general fund. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of their future minimum lease payments as of the inception date. The District entered into a similar capital lease in fiscal year 2018, and has subsequently sold off part of the apple computers. During the year, the District did a partial disposal of iPads in the amount of \$5,055,752.

The assets acquired through the capital lease from fiscal year 2018 and 2019 are as follows:

	Governmental Activities
Assets:	
Equipment	\$ 15,676,929
Less: Accumulated depreciation	(4,224,332)
<b>Total</b>	<b>\$ 11,452,597</b>

## Grand Prairie Independent School District

### Notes to the Financial Statements

The future minimum lease obligations and the net present value of these minimum lease payments as of August 31, 2019 are as follows:

Years Ending August 31,	Governmental Activities
2020	\$ 5,864,996
2021	5,864,996
2022	2,030,245
2023	2,030,245
Total minimum future lease payments	15,790,482
Less: amount representing interest	(631,152)
Present value of minimum lease payments	<u>\$ 15,159,330</u>

#### F. Revenues from Local and Intermediate Sources

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

	General	Debt Service	Capital Projects	Other Governmental Funds	Totals
Property taxes	\$ 85,626,630	\$ 31,026,031	\$ -	\$ -	\$ 116,652,661
Investment income	2,564,434	650,005	36,132	18,104	3,268,675
Food sales	-	-	-	2,654,299	2,654,299
Extracurricular activities	292,830	-	-	42,797	335,627
Other	5,607,113	-	-	2,428,230	8,035,343
<b>Totals</b>	<u>\$ 94,091,007</u>	<u>\$ 31,676,036</u>	<u>\$ 36,132</u>	<u>\$ 5,143,430</u>	<u>\$ 130,946,605</u>

#### Note 4. Other Information

##### A. Risk Management

##### 1. Property/Liability

The District is exposed to various risks of loss related to property/liability losses for which the District participates in the Texas Association of Public Schools Property and Liability Fund (Fund) for property, liability, vehicle coverage, and crime. The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund's membership, obtain competitive costs for coverages and develop a comprehensive loss control program. The District pays an annual premium to the Fund for its liability coverage and transfers the risk of loss to the Fund. The District's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and may provide, through commercial companies, reinsurance contracts. In the event that the Fund was to discontinue operations, the member districts would be responsible for any eligible claims not funded by the Fund. In addition, there were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

## Grand Prairie Independent School District

### Notes to the Financial Statements

#### 2. Health Care Coverage

During the year ended August 31, 2019, employees of the District were covered by a health insurance plan. The District paid premiums of \$350 per month per employee to the plan and employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a licensed insurer. The contract between the District and the licensed insurer is renewable annually and terms of coverage and premium costs are included in the contractual provisions.

#### 3. Workers' Compensation

The District is self-insured for workers' compensation coverage and such transactions are accounted in an internal service fund. 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 (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other nonincremental claims adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for subrogation, are another component of the claims liability estimate. An excess coverage insurance policy covers individual claims in excess of \$1,000,000. Settlements have not exceeded coverages for each of the past three fiscal years and there were no significant reductions in insurance coverage from the prior year. The workers' compensation claims liability is presented at a discounted rate of 3% in the amount of \$1,130,665.

Changes in the balances of claims liabilities during the past two years are as follows:

	Year Ended August 31, 2019	Year Ended August 31, 2018
Unpaid claims, beginning of fiscal year	\$ 959,364	\$ 936,220
Incurred claims, including incremental provision for IBNRs	928,104	681,833
Claim payments	(756,803)	(658,689)
<b>Unpaid claims, end of fiscal year</b>	<b>\$ 1,130,665</b>	<b>\$ 959,364</b>

#### B. Litigation and Contingencies

The District is a defendant in various lawsuits arising principally in the normal course of operations. In the opinion of the District's management, the potential losses, after insurance coverage, on all allegations, claims, and lawsuits will not have a material effect on the District's financial position, results of operations or liquidity.

The District participates in a number of federal and state financial assistance programs. Although the District's grant programs have been audited in accordance with the provisions of the Single Audit Act through August 31, 2019, these programs are subject to financial and compliance audits by the grantor agencies. The District is also subject to audit by the TEA of the attendance data upon which payments from the agency are based. These audits could result in questioned costs or refunds to be paid back to the granting agencies.



# **Grand Prairie Independent School District**

## Notes to the Financial Statements

### **C. Defined Benefit Pension Plan**

#### **1. Plan Description**

The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS) and 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.

#### **2. Pension Plan Fiduciary Net Position**

Detailed information about the TRS's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report (CAFR) 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.

#### **3. 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% (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 postemployment benefit changes; including automatic cost of living adjustments. Ad hoc postemployment benefit changes, including ad hoc cost of living adjustments can be granted by the Texas Legislature as previously noted in the Plan Description.

#### **4. 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.

## Grand Prairie Independent School District

### Notes to the Financial Statements

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83<sup>rd</sup> Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 through 2017. The 85<sup>th</sup> Texas Legislature, General Appropriation Act (GAA) affirmed that the employer contribution rates for plan fiscal years 2018 and 2019 would remain the same. Rates for such plan fiscal years are as follows:

	2018	2019
Member	7.7%	7.7%
Non-employer contributing entity (State)	6.8%	6.8%
Employers / District	6.8%	6.8%

The contribution amounts for the District's fiscal year 2019 are as follows:

District contributions	\$ 6,644,232
Member contributions	15,280,381
NECE on-behalf contributions (State)	6,292,137

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the GAA.

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

1. 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.
2. During a new member's first 90 days of employment.
3. 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.
4. 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.

1. 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.
2. 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.

## Grand Prairie Independent School District

### Notes to the Financial Statements

#### 5. Actuarial Assumptions

The total pension liability in the August 31, 2017 actuarial valuation rolled forward to August 31, 2018 was determined using the following actuarial assumptions:

Valuation date	August 31, 2017 rolled forward to August 31, 2018
Actuarial cost method	Individual Entry Age Normal
Asset valuation method	Market Value
Single discount rate	6.907%
Long-term expected rate	7.25%
Municipal bond rate as of August 2018	3.69%. Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."
Last year ending August 31 in the 2017 to 2116 projection period (100 years)	2116
Inflation	2.30%
Salary increases	3.05% to 9.05% including inflation
Ad hoc postemployment benefit changes	None

The actuarial methods and assumptions are based primarily on a study of actual experience for the three year period ending August 31, 2017 and adopted in July 2018.

# Grand Prairie Independent School District

## Notes to the Financial Statements

### 6. Discount Rate

The single discount rate used to measure the total pension liability was 6.907%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25% and a municipal bond rate of 3.69%. 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 sufficient to finance the benefit payments until the year 2069. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2069, and the municipal bond rate was applied to all benefit payments after that date. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TRS's target asset allocation as of August 31, 2018 are summarized below:

Asset Class	Target Allocation*	Long-Term Expected Geometric Real Rate of Return**	Expected Contribution to Long-term Portfolio Returns
Global equity:			
U.S.	18.00%	5.70%	1.04%
Non-U.S. developed	13.00%	6.90%	0.90%
Emerging markets	9.00%	8.90%	0.80%
Directional hedge funds	4.00%	3.50%	0.14%
Private equity	13.00%	10.20%	1.32%
Stable value:			
U.S. treasuries	11.00%	1.10%	0.12%
Stable value hedge funds	4.00%	3.10%	0.12%
Cash	1.00%	-0.30%	0.00%
Real return:			
Global inflation linked bonds	3.00%	0.70%	0.02%
Real assets	14.00%	5.20%	0.73%
Energy and natural resources	5.00%	7.50%	0.37%
Risk parity			
Risk parity	5.00%	3.70%	0.18%
Inflation expectation			2.30%
Volatility drag***			-0.79%
<b>Total</b>	<b>100.00%</b>		<b>7.25%</b>

\* Target allocations are based on the FY 2016 policy model

\*\* Capital market assumptions come from Aon Hewitt (2017 Q4)

\*\*\* The volatility drag resulting from the conversion between arithmetic and geometric mean returns

## Grand Prairie Independent School District

### Notes to the Financial Statements

#### 7. Discount Rate Sensitivity Analysis

The following table presents the District's proportionate share of net pension liability for TRS calculated using the discount rate of 6.907%, as well as the District's proportionate share of the respective net pension liability if it was calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (5.907%)	Current Discount Rate (6.907%)	1% Increase (7.907%)
Proportionate share of the net pension liability	\$ 155,162,081	\$ 102,808,104	\$ 60,424,454

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

At August 31, 2019, the District reported a liability of \$102,808,104 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 are as follows:

District's proportionate share of the net pension liability	\$ 102,808,104
State's proportionate share of the net pension liability associated with the District	150,437,849
<b>Total</b>	<b>\$ 253,245,953</b>

The net pension liability was measured as of August 31, 2017 and rolled forward to August 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as August 31, 2017 rolled forward to August 31, 2018. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2017 through August 31, 2018.

At August 31, 2018, the employer's proportion of the net pension liability was 0.001867797%, which was an increase of 0.00038378% from its proportionate share of 0.001829419% measured as of August 31, 2017.

#### 9. Changes since the Prior Actuarial Valuation

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

- The total pension liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.
- Demographic assumptions including post-retirement mortality, termination rates, and rates of retirement were updated based on the experience study performed for TRS for the period ending August 31, 2017.
- Economic assumptions including rates of salary increase for individual participants was updated based on the same experience study.
- The discount rate changed from 8.0% as of August 31, 2017 to 6.907% as of August 31, 2018.
- The long-term assumed rate of return changed from 8.0% to 7.25%.
- The change in the long-term assumed rate of return combined with the change in the single discount rate was the primary reason for the increase in the net pension liability.

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

## Grand Prairie Independent School District

### Notes to the Financial Statements

For the fiscal year ended August 31, 2019, the District recognized pension expense of \$22,513,087 and revenue of \$14,889,337 for support provided by the state.

At August 31, 2019, the District reported the deferred outflows of resources for contribution made after the measurement date and its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experience	\$ 640,821	\$ 2,522,505
Changes of assumptions	37,067,273	1,158,353
Difference between projected and actual investment earnings	-	1,950,710
Changes in proportion and differences between District contributions and proportionate share of contributions (cost-sharing plan)	8,701,437	804,377
District contribution after measurement date	6,644,232	-
<b>Totals</b>	<b>\$ 53,053,763</b>	<b>\$ 6,435,945</b>

\$6,644,232 reported as deferred outflows of resources related to pensions resulting from District contributions paid subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2020. Other amounts reported as deferred outflows of resources (deferred inflows of resources) related to pensions will be recognized in pension expense as follows:

Years Ending August 31,	
2020	\$ 10,712,688
2021	6,607,566
2022	5,506,219
2023	6,734,083
2024	6,218,183
Thereafter	4,194,847
<b>Total</b>	<b>\$ 39,973,586</b>

#### D. Defined Other Post-Employment Benefit Plan

##### 1. Plan Description

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

##### 2. OPEB Plan Fiduciary Net Position

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

## Grand Prairie Independent School District

### Notes to the Financial Statements

#### 3. Benefits Provided

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

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

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

TRS-Care Plan Premium Rates  
Effective January 1, 2018 - December 31, 2018

	Medicare	Non-medicare
Retiree*	\$ 135	\$ 200
Retiree and spouse	529	689
Retiree* and children	468	408
Retiree and family	1,020	999

\* or surviving spouse

#### 4. Contributions

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

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

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

	2019	2018
Active employee	0.65%	0.65%
Non-employer contribution entity (State)	1.25%	1.25%
Employers / District	0.75%	0.75%
Federal / Private funding remitted by employers	1.25%	1.25%

## Grand Prairie Independent School District

### Notes to the Financial Statements

The contribution amounts for the District's fiscal year 2019 are as follows:

District contributions	\$	1,702,723
Member contributions		1,289,254
NECE on-behalf contributions (State)		1,647,824

In addition, the State of Texas contributed \$759,414, \$596,643 and \$570,944 in 2019, 2018, and 2017, respectively, for on-behalf payments for Medicare Part D.

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

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$182.6 million in fiscal year 2018. The 85th Texas Legislature, House Bill 30 provided an additional \$212 million in one-time, supplemental funding for the fiscal year 2018-19 biennium to continue to support the program. This was also received in fiscal year 2018 bringing the total appropriations received in fiscal year 2018 to \$394.6 million.

#### 5. Actuarial Assumptions

A change was made in the measurement date of the total OPEB liability for this fiscal year. The actuarial valuation was performed as of August 31, 2017. Update procedures were used to roll forward the total OPEB liability to August 31, 2018. This is the first year using the roll forward procedures.

The actuarial valuation of TRS-Care is similar to the actuarial valuations performed for the pension plan, except that the OPEB valuation is more complex. All of the demographic assumptions, including mortality and most of the economic assumptions used in this OPEB valuation were identical to those used in the respective TRS pension valuation.

The active mortality rates were based on 90% of the RP-2014 Employee Mortality Tables for males and females, with full generational mortality using Scale BB. The Post-retirement mortality rates were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published scale (U-MP).



## Grand Prairie Independent School District

### Notes to the Financial Statements

The total OPEB liability in the August 31, 2017 actuarial valuation rolled forward to August 31, 2018 was determined using the following actuarial assumptions:

Valuation date	August 31, 2017, rolled forward to August 31, 2018
Actuarial cost method	Individual Entry Age Normal
Inflation	2.30%
Discount rate	3.69%. Sourced from fixed Income municipal bonds with 20 years to maturity that include only federal tax-exempt municipal bonds as reported in Fidelity Index's "20- Year Municipal GO AA Index" as of August 31, 2018.
Aging factors	Based on plan specific experience
Election rates	Normal Retirement: 70% participation prior to age 65 and 75% after age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected annual salary increases**	3.05% to 9.05%, including inflation
Healthcare trend rates	Initial medical trend rates of 107.74 percent and 9.00 percent for Medicare retirees and an initial medical trend rate of 6.75 percent for non-Medicare retirees. Initial prescription drug trend rate of 11.00 percent for all retirees. The first year trend increase for the Medicare Advantage (medical) premiums reflects the anticipated return of the Health Insurer Fee (HIF) in 2020.
Ad hoc postemployment benefit changes	None

In this valuation, the impact of the Cadillac Tax has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

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

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

# Grand Prairie Independent School District

## Notes to the Financial Statements

### 6. Discount Rate

A single discount rate of 3.69% was used to measure the total OPEB liability. There was an increase of 0.27% in the discount rate since the previous year. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

### 7. Sensitivity of the Net OPEB Liability

#### Discount Rate

The following table presents the District's proportionate share of net OPEB liability for TRS-Care if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.69%).

Sensitivity of the Net OPEB Liability  
to the Single Discount Rate Assumptions

1% Decrease (2.69%)	Current Discount Rate (3.69%)	1% Increase (4.69%)
\$ 141,969,014	\$ 119,267,258	\$ 101,308,705

#### Healthcare Cost Trend Rates

The following table presents the District's proportionate share of net OPEB liability using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher than the assumed health-care cost trend rate:

Sensitivity of the Net OPEB Liability to  
the Healthcare Cost Trend Rate Assumptions

1% Decrease (7.50%)	Current Healthcare Cost Trend Rate (8.50%)	1% Increase (9.50)
\$ 99,053,400	\$ 119,267,258	\$ 145,889,346

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

At August 31, 2019, the District reported a liability of \$119,267,258 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 119,267,258
State's proportionate share of the net OPEB liability associated with the District	166,012,813
<b>Total</b>	<b>\$ 285,280,071</b>

## Grand Prairie Independent School District

### Notes to the Financial Statements

The net OPEB liability was measured as of August 31, 2017 and rolled forward to August 31, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2017 through August 31, 2018.

At August 31, 2019 the employer's proportion of the collective Net OPEB Liability was 0.002388646% which was an increase of 0.000107447% from its proportion measured as of August 31, 2018 of from the 0.002281199%.

#### 9. Changes since the Prior Actuarial Valuation

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

- Adjustments were made for retirees that were known to have discontinued their health care coverage in fiscal year 2018. This change increased the total OPEB liability.
- The health care trend rate assumption was updated to reflect the anticipated return of the Health Insurer Fee (HIF) in 2020. This change increased the total OPEB liability.
- Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017. This changed increased the total OPEB liability.
- The discount rate was changed from 3.42% as of August 31, 2017 to 3.69% as of August 31, 2018. This change lowered the total OPEB liability \$2.3 billion.
- Change of benefit terms since the prior measurement date made effective September 1, 2017 by the 85th Texas Legislature.

For the fiscal year ended August 31, 2019, the District recognized OPEB expense of \$8,136,767 and revenue of \$6,038,550 for support provided by the State.

At August 31, 2019, the District reported the District's contributions paid after the measurement date and its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other postemployment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 6,329,070	\$ 1,882,212
Changes of assumptions	1,990,247	35,832,968
Net difference between projected and actual earnings on pension plan investments	20,858	-
Changes in proportion and differences between District contributions and proportionate share of contributions (cost-sharing plan)	5,889,634	-
District contributions after measurement date	1,702,723	-
<b>Totals</b>	<b>\$ 15,932,532</b>	<b>\$ 37,715,180</b>

## Grand Prairie Independent School District

### Notes to the Financial Statements

\$1,702,723 reported as deferred outflows of resources related to OPEB resulting from District contributions paid subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended August 31, 2020. Other amounts reported as deferred outflows of resources (deferred inflows of resources) related to OPEB will be recognized in OPEB expense as follows:

Years Ending August 31,		
2020	\$	(3,961,409)
2021		(3,961,409)
2022		(3,961,409)
2023		(3,965,353)
2024		(3,967,609)
Thereafter		(3,668,182)
<b>Total</b>	<b>\$</b>	<b>(23,485,371)</b>

#### E. Joint Ventures – Shared Service Agreement

##### Irving Regional School Program for the Deaf

The District participates in the Regional Day School for the Deaf with Irving Independent School District acting as the fiscal agent and the District as a member district. The District's portion of expenditures for the year ended August 31, 2019, totaled \$328,593. The District does not account for the revenues or expenditures for this program and does not disclose them in these financial statements. The District neither has a joint ownership interest in capital assets purchased by the fiscal agent, Irving Independent School District, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal contingencies that would give rise to a future additional benefit or burden to the District. The fiscal agent manager is responsible for all financial activities of the Shared Service Arrangements.

##### Greenville Independent School District Autism and Dyslexia Grant

The District entered into a shared service agreement with Greenville Independent School District on August 1, 2018 to provide school day and afterschool services for eligible students with Autism Spectrum Disorder (ASD) ages 3-9 and eligible students with dyslexia. The District's portion of expenditures for the year ended August 31, 2019 under the agreement totaled \$553,267.

#### F. Nonmonetary Transactions

During 2019, the District received textbooks purchased by the State of Texas for the benefit of the District for a purchase price of \$5,546,661. The District received the textbooks as part of state funding for textbook allotment. The textbooks have been recorded in the amount of \$5,546,661 in a special revenue fund as both state revenues and expenditures, which represent the amount of consideration given by the State of Texas.

## **Required Supplementary Information**

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# Grand Prairie Independent School District

# Exhibit E-1

## Required Supplementary Information Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund For the Fiscal Year Ended August 31, 2019

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 92,235,835	\$ 91,976,631	\$ 94,091,007	\$ 2,114,376
5800	State program revenues	175,782,098	183,000,086	184,652,710	1,652,624
5900	Federal program revenues	3,250,000	6,205,000	7,078,436	873,436
5020	Total revenues	271,267,933	281,181,717	285,822,153	4,640,436
EXPENDITURES					
	Current:				
0011	Instruction	155,008,094	166,676,992	162,922,592	3,754,400
0012	Instructional resources and media services	3,024,218	3,465,033	3,387,543	77,490
0013	Curriculum and staff development	3,775,741	3,846,411	3,360,400	486,011
0021	Instructional leadership	4,515,530	4,560,762	4,380,224	180,538
0023	School leadership	20,457,184	20,709,193	20,122,109	587,084
0031	Guidance, counseling, and evaluation services	11,949,572	11,566,950	11,245,337	321,613
0032	Social work services	261,743	275,693	222,790	52,903
0033	Health services	3,865,518	3,798,818	3,684,731	114,087
0034	Student transportation	5,678,921	8,637,419	6,381,147	2,256,272
0035	Food services	100,000	260,000	176,878	83,122
0036	Extracurricular activities	5,657,206	5,663,512	5,094,771	568,741
0041	General administration	7,769,454	8,432,522	8,007,429	425,093
0051	Plant maintenance and operations	27,762,093	28,435,830	24,654,548	3,781,282
0052	Security and monitoring services	2,465,591	3,875,412	3,048,394	827,018
0053	Data processing services	7,269,430	7,865,069	6,558,811	1,306,258
0061	Community services	4,880,525	5,285,986	4,948,068	337,918
	Debt service:				
0071	Debt service - Principal on long-term debt	1,357,385	5,240,162	4,963,502	276,660
0072	Debt service - Interest on long-term debt	25,000	778,270	776,220	2,050
0073	Debt service - Bond issuance costs and fees	-	450	450	-
	Capital outlay:				
0081	Facilities acquisition and construction	100,000	4,729,611	4,149,792	579,819
	Intergovernmental:				
0095	Payments to Juvenile Justice Alternative Education Programs	85,000	95,000	46,740	48,260
0097	Payments to Tax Increment Fund	4,794,728	4,204,728	4,195,088	9,640
0099	Other intergovernmental charges	465,000	475,000	373,426	101,574
6030	Total expenditures	271,267,933	298,878,823	282,700,990	16,177,833
1100	Excess (Deficiency) of revenues over (under) expenditures	-	(17,697,106)	3,121,163	20,818,269
OTHER FINANCING SOURCES:					
7912	Proceeds from sale of assets	-	-	2,880,711	2,880,711
7913	Proceeds from capital leases	-	8,200,000	7,749,795	(450,205)
7080	Total other financing sources	-	8,200,000	10,630,506	2,430,506
1200	Net change in fund balance	-	(9,497,106)	13,751,669	23,248,775
0100	Fund balance, beginning	65,960,513	65,960,513	65,960,513	-
3000	FUND BALANCE, ending	\$ 65,960,513	\$ 56,463,407	\$ 79,712,182	\$ 23,248,775

The Notes to the Required Supplementary Information are an integral part of this statement.

## Grand Prairie Independent School District

### Required Supplementary Information

#### Schedule of the District's Proportionate Share of the Net Pension Liability of a Cost-Sharing Multiple-Employer Pension Plan Teacher Retirement System of Texas (TRS) For the Last Five Fiscal Years

	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.18677974%	0.18294190%
District's proportionate share of the net pension liability	\$ 102,808,104	\$ 58,494,975
State's proportionate share of the net pension liability associated with the District	<u>150,437,849</u>	<u>89,768,017</u>
<b>Total</b>	<u><u>\$ 253,245,953</u></u>	<u><u>\$ 148,262,992</u></u>
District's covered payroll	\$ 196,241,863	\$ 190,689,340
District's proportionate share of the net pension liability as a percentage of its covered payroll	52.39%	30.68%
Plan fiduciary net position as a percentage of the total pension liability	73.74%	82.17%

Note: GASB 68, 81, 2, a, requires that the information on this schedule be data from the period corresponding with the period covered as of the measurement date of August 31, 2018 - the period from September 1, 2017 - August 31, 2018.

Note: Ten years of data is not available.



<u>2017</u>	<u>2016</u>	<u>2015</u>
0.18611450%	0.18376600%	0.13153600%
\$ 70,329,904	\$ 64,958,694	\$ 35,135,085
<u>103,609,317</u>	<u>95,800,077</u>	<u>78,026,611</u>
<u>\$ 173,939,221</u>	<u>\$ 160,758,771</u>	<u>\$ 113,161,696</u>
\$ 182,621,265	\$ 168,938,887	\$ 156,154,049
38.51%	38.45%	22.50%
78.00%	78.43%	83.25%

## Grand Prairie Independent School District

Required Supplementary Information

Schedule of the District's Contributions to the Teacher Retirement System

Pension Plan (TRS)

For the Last Five Fiscal Years

	<u>2019</u>	<u>2018</u>
<b>TRS</b>		
Contractually required contributions	\$ 6,644,232	\$ 5,995,769
Contributions in relation to the contractually required contributions	<u>(6,644,232)</u>	<u>(5,995,769)</u>
<b>Contribution deficiency (excess)</b>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 196,241,863	\$ 196,241,763
Contributions as a percentage of covered payroll	3.39%	3.06%

Note: GASB 68, Paragraph 81.2.b requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2017 - August 31, 2018.

Note: Ten years of data is not available.

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 5,913,329	\$ 5,441,379	\$ 5,717,003
<u>(5,913,329)</u>	<u>(5,441,379)</u>	<u>(5,717,003)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 190,689,340	\$ 182,621,265	\$ 168,938,867
3.10%	2.98%	3.38%

**Grand Prairie Independent School District****Exhibit E-4**

## Required Supplementary Information

Schedule of the District's Proportionate Share of the Net OPEB Liability  
of a Cost-Sharing Multiple-Employer OPEB Plan (TRS)  
For the Last Two Fiscal Years

	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.2388646%	0.2281199%
District's proportionate share of net OPEB liability	\$ 119,267,258	\$ 99,200,795
State's proportionate share of the net OPEB liability associated with the District	<u>166,012,813</u>	<u>148,372,592</u>
<b>TOTALS</b>	<u><b>\$ 285,280,071</b></u>	<u><b>\$ 247,573,387</b></u>
District's covered payroll	\$ 198,439,712	\$ 190,689,340
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	60.10%	52.02%
Plan fiduciary net position as a percentage of the total OPEB liability	1.57%	0.91%

Note: GASB 75, Paragraph 97 requires that the information on this schedule be data from the period corresponding with the period covered as of the measurement date of August 31, 2018 the period from September 1, 2017 - August 31, 2018.

Note: Ten years of data is not available.

**Grand Prairie Independent School District****Exhibit E-5**

## Required Supplementary Information

## Schedule of the District's Contributions to the OPEB Plan (TRS)

## For the Last Two Fiscal Years

	<u>2019</u>	<u>2018</u>
<b>Teacher Retirement System</b>		
Contractually required contributions	\$ 1,702,723	\$ 1,729,459
Contributions in relation to the contractually required contributions	<u>(1,702,723)</u>	<u>(1,729,459)</u>
<b>CONTRIBUTIONS (DEFICIENCY) EXCESS</b>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 198,439,712	\$ 196,241,763
Contribution as a percentage of covered payroll	0.86%	0.88%

Note: GASB 75, Paragraph 97 requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2017 - August 31, 2018.

Note: Ten years of data is not available.

## **Grand Prairie Independent School District**

### Notes to the Required Supplementary Information

#### **Note 1. Budget**

##### **A. Budgetary Information**

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the general fund, debt service fund, and the National School Breakfast and Lunch Program special revenue fund. The Texas Education Code requires the budget to be prepared not later than August 20 and adopted by August 31 of each year. The budgets are prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles.

The following procedures are followed in establishing the budgetary data reflected in the fund financial schedules:

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to September 1, the budget is formally approved and adopted by the Board.

The appropriated budget is prepared by fund and function. The District's campus/department heads may make transfers of appropriations within a campus or department. Transfers of appropriations between campuses or departments require the approval of the District's management. Increasing any one of the functional spending categories, or revenues object accounts and other resources require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund. All annual appropriations lapse at fiscal year-end.

##### **B. Variances with Final Budget**

The District's general fund budget differs from the original budget due to budget revisions that were made during the fiscal period:

1. Amendments approved shortly after the beginning of the new fiscal year period for amounts restricted, committed, or assigned in the prior year,
2. Amendments in early and late spring to revise estimates for local and state revenues based on the latest information on student attendance numbers and tax collections, and
3. Amendments during the year for unexpected occurrences.

The significant increase in appropriations were as follows:

- Instruction budget increased \$11.7 million primarily due to account for the new Apple capital lease.
- Student transportation increased \$2.9 million primarily due to human resources recommended market adjustments for wages for transportation employees.
- Security and monitoring increased \$1.4 million primarily due to equipment purchases that were not approved until after the original budget was approved.
- Debt service principal increased \$3.9 million primarily due to add current year Apple capital lease principal payment to the budget.
- Facilities acquisition and construction increased \$4.6 million primarily due to various capital projects being approved by the Board over the course of the year.

## **Supplementary Information**

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## **Combining and Individual Fund Financial Statements**

## **Grand Prairie Independent School District**

### **Fund Descriptions**

#### **Nonmajor Governmental Funds – Special Revenue Funds**

The Special Revenue Funds are used to account for financial resources restricted to or committed for specific purposes by a grantor. These funds may be locally, state, or federally funded.

Programs accounted for in the Special Revenue Funds include:

#### **ESEA, Title X, Part C – Education for the Homeless Children and Youth**

This fund classification is used to account, on a project basis, for funds granted for a variety of staff development and supplemental services, including in-service training, counseling, psychological services and tutoring.

#### **ESEA, Title I, Part A – Improving Basic Programs**

This fund classification is used to account, on a project basis, for funds 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.

#### **ESEA, Title I, Part C – Education of Migratory Children**

This fund classification is used to account on a project basis for funds granted for programs benefiting children of migrant agriculture or agriculture-related workers and children of migrant fishermen.

#### **IDEA – Part B, Formula**

This fund classification is used to account, on a project basis, for funds granted to operate educational programs for children with disabilities.

#### **IDEA – Part B, Preschool**

This fund classification is used to account, on a project basis, for funds granted for preschool children with disabilities.

#### **National School Breakfast and Lunch Program**

This fund classification is used for programs using federal reimbursement revenues originating from the United States Department of Agriculture (USDA). The funds are used exclusively for allowable child nutrition program purposes.

#### **Career and Technical – Basic Grant**

This fund classification is used to account, on a project basis, for funds granted to provide Career and Technical education to develop new and/or improve Career and Technical education programs for paid and unpaid employment.

#### **ESEA, Title II, Part A – Teacher and Principal Training and Recruiting**

This fund classification is used to provide financial assistance to increase student academic achievement through improving teacher and principal quality and increase the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools; and, to hold schools accountable for improving student academic achievement.

#### **ESEA, Title III, Part A – English Language Acquisition and Enhancement**

This fund classification is used to account, on a project basis, for funds granted to improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.

## **Grand Prairie Independent School District**

### **Fund Descriptions**

#### **Nonmajor Governmental Funds – Special Revenue Funds – Continued**

##### **School Redesign Grant**

The purpose of this grant is to assist districts with a supported approach to planning and/or implementing school redesign plans in Title I low-performing schools, providing an opportunity for districts to create new and improved learning environments that substantially increase student achievement.

##### **Improving Academic Achievement (Summer School LEP)**

This fund classification is used to account for funds to provide summer school instruction for Limited English Proficient (LEP) students.

##### **Other Federal Grants**

This fund includes the following grants:

###### Indian Education Act Title V

This fund classification is used to account for funds on a project basis for funds granted for programs benefiting children of native Indians from the Office of Indian Education.

###### Title IV, Part A

This fund is to increase the capacity of state education agencies, local education agencies, campuses, and communities to meet the following three goals:

1. Provide all students access to a well-rounded education
2. Improve academic outcomes by maintaining safe and healthy students
3. Improve the use of technology to advance student academic achievement

###### Emergency Impact Aid

This grant supplies funds to eligible school districts for the cost of educating disaster-displaced students during the 2017-2018 school year.

##### **State Supplemental Visually Impaired (SSVI)**

This fund classification is used to account for funds to support the education needs of students who have visual impairments.

##### **Advanced Placement Incentives**

This fund classification is 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, and is used to reward students, teachers, and campuses for high achievement. Campuses are awarded money for each student who scores three or above on an AP examination or four or above on an IB examination.

##### **State Textbook Fund**

This fund classification is used to account, on a project basis, for state funds awarded to school districts under the textbook allotment.

##### **Jet Voucher TWC Fund**

The purpose of this grant will serve to expand the successful workforce-training model into the Grater Dallas Region in the subjects of Electrical Technology Certifications.

## **Grand Prairie Independent School District**

### **Fund Descriptions**

#### **Nonmajor Governmental Funds – Special Revenue Funds – Continued**

##### **Other State Grants**

This fund includes the following grants:

###### *Educator Excellence Grants*

The goal of the Educator Excellence Innovation Program grant is to improve educator effectiveness in Texas public schools through the funding of innovative practices that target the entire timeline of a teacher's career. Grant awardees will improve student performance by fostering open, supportive, and collaborative campus cultures that allow teachers to seek and attain growth within their fields.

###### *Grow Your Own Grant*

This fund is to assist eligible applicants increase the quality and diversity of the teaching force, especially in small and/or rural districts, by following appropriate pathways.

###### *Academy Stipends*

The Texas Legislature has appropriated funding to pay stipends to eligible teachers who successfully complete academies. A teacher who successfully completes an academy will be eligible to receive a \$350 stipend, minus applicable income taxes and payroll deductions. (Mathematics, Literacy Achievement, Reading to Learn)

##### **Services to Students with Autism / Dyslexia Services**

This fund classification is used to account for state funds awarded to the school district for services for students with autism and for dyslexia services.

##### **Campus Activity Funds**

This fund classification is used to account for transactions related to a campus or principals' activity funds.

##### **Crime Stopper**

This fund classification is used to account for funds received through donations which flow through the City of Grand Prairie and are used to reward students for any tips or information regarding criminal activity.

##### **Scholarship Fund**

This fund classification is used to account for funds received through donations for the purpose of college scholarships for graduating seniors of the district.

##### **Meadows Foundation Grant**

This fund classification is used to account, on a project basis, for campuses that submit and get approved charitable projects. The funds are donated from the Meadows Foundation.

## **Grand Prairie Independent School District**

### **Fund Descriptions**

#### **Nonmajor Governmental Funds – Special Revenue Funds – Continued**

##### **Commit**

To help cradle career network members build capacity to dramatically improve outcomes for every child, from cradle to career. Strengthen and improve financial aid completion rates through the use of results based leadership techniques, disaggregated data, continuous improvement tools and coaching.

##### **Fund Raisers**

Funds generated from campus/departments through local community events to purchase various item for student activities, etc.

##### **Target Field Trip Grant**

Target stores award Field Trips grants to K-12 schools nationwide. It's become increasingly difficult for schools to fund learning opportunities outside the classroom. To help them out, Target has launched the Field Trip Grants.

##### **Camp Invention Program**

This fund classification is used to account, on a project basis, for Camp Invention, a STEM summer camp to ensure student success through engaging learning experiences, collaborative leadership, and a focus on maximizing student achievement.

##### **HoltCat Caterpillar Foundation**

A partnership between the Caterpillar Foundation and eligible secondary/post-secondary schools. To strengthen curriculum and faculty development, and to increase the pool of qualified service technicians in the industry.

##### **Texas Retired Teacher Foundation**

Awarded to Texas public school teachers who, on a daily basis, demonstrate commitment to public education and Texas children through the creation of programs, events or other learning platforms.

##### **Project Lead the Way Grant**

This fund classification is used to account, on a project basis, for rigorous STEM and college readiness environment that promotes lifelong learning and success.

##### **Foundation for the Education of Young Women**

This fund classification is used to account, on a project basis, a college-preparatory academy for young women in grades six through twelve. These funds are to assist the school to nurture the intellectual curiosity and creativity of young women and to address their developmental needs. Its mission is to cultivate dynamic, participatory learning, enabling students to experience great academic success at many levels, especially in the fields of math, science and technology.

##### **Gen YOUTH Foundation**

This fund classification is used to account, on a project basis, for local instructional initiatives at the campus level; each project unique in its own creation.

##### **Early Head Start Program**

This fund classification is used to account, on a project basis, for services to enhance and support early learning setting; provide new, full-day, center based comprehensive services that meet the needs of working families; and prepare children for the transition into preschool.

##### **Dart Foundation**

This fund classification is used to account for a project at the campus level involving a 3D printer allowing students to literally draw in the air as instructionally driven.

## **Grand Prairie Independent School District**

### **Fund Descriptions**

#### **Nonmajor Governmental Funds – Special Revenue Funds – Continued**

##### **Lockheed Martin Grant**

This fund classification is used to account, on a project basis, several activities including the Project Lead the Way Aerospace Program.

##### **Donations**

Funds donated from various local sources/business/community to further enhance the education of our students.

##### **Texas Parks and Wildlife Grant**

To assist in the development of our students into young women who are more confident, possess strong character, and demonstrate self-reliance.

##### **Partners in Education**

This fund classification is used to account for donations received by the District to be used for various expenditures not covered by local funds including, but not limited to, students in need, items needed for the district, and various incentives for students and staff.

##### **Lowes Grant**

This fund classification is used to account for school improvement projects to help improve the community. Each school campus that receives this grant will be funded to help the local community. There is a preference for funding that has a permanent impact such as facility enhancement as well as landscaping/clean up type projects. These projects are to encourage parent involvement and build stronger community spirit.

##### **Education Foundation Grants**

A local foundation that awards financial support to various campuses that submit a proposal to support educators in Grand Prairie ISD striving to improve student achievement.

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# Grand Prairie Independent School District

Combining Balance Sheet

Nonmajor Governmental Funds – Special Revenue Funds

August 31, 2019

Data Control Codes		206	211	212	224
		ESEA Title X, Part C - Education for the Homeless Children and Youth	ESEA, Title I, Part A - Improving Basic Programs	ESEA, Title 1, Part C - Education of Migratory Children	IDEA Part B, Formula
	<b>ASSETS</b>				
1110	Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
1120	Current investments	-	-	-	-
1240	Due from other governments	7,138	1,117,347	-	757,073
1290	Other receivables, net	-	-	-	-
1000	<b>TOTAL ASSETS</b>	<u>\$ 7,138</u>	<u>\$ 1,117,347</u>	<u>\$ -</u>	<u>\$ 757,073</u>
	<b>LIABILITIES</b>				
2110	Accounts payable	\$ -	\$ 37	\$ -	\$ 1,124
2160	Accrued wages payable	-	401,351	-	338,573
2170	Due to other funds	7,138	715,959	-	417,376
2300	Unearned revenue	-	-	-	-
2000	Total liabilities	7,138	1,117,347	-	757,073
	<b>FUND BALANCES</b>				
	Restricted:				
3450	Grant funds	-	-	-	-
3000	Total fund balances	-	-	-	-
4000	<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 7,138</u>	<u>\$ 1,117,347</u>	<u>\$ -</u>	<u>\$ 757,073</u>



225	240	244	255	263	276
IDEA - Part B Preschool	National School Breakfast and Lunch Program	Career and Technical - Basic Grant	ESEA, Title II, Part A - Teacher and Principal Training and Recruiting	ESEA Title III Part A English Language Acquisition and Enhancement	School Redesign Grant
\$ -	\$ 2,069,854	\$ -	\$ -	\$ -	\$ -
-	1,183,397	-	-	-	-
11,781	781,148	20,756	141,179	136,013	49,874
-	686,247	-	799	-	-
<u>\$ 11,781</u>	<u>\$ 4,720,646</u>	<u>\$ 20,756</u>	<u>\$ 141,978</u>	<u>\$ 136,013</u>	<u>\$ 49,874</u>
\$ -	\$ 1,010,449	\$ -	\$ 4,389	\$ -	\$ -
5,839	291,626	-	-	27,795	27,105
5,942	277,750	20,756	137,589	108,218	22,769
-	-	-	-	-	-
11,781	1,579,825	20,756	141,978	136,013	49,874
-	3,140,821	-	-	-	-
-	3,140,821	-	-	-	-
<u>\$ 11,781</u>	<u>\$ 4,720,646</u>	<u>\$ 20,756</u>	<u>\$ 141,978</u>	<u>\$ 136,013</u>	<u>\$ 49,874</u>

# Grand Prairie Independent School District

## Combining Balance Sheet

### Nonmajor Governmental Funds – Special Revenue Funds

August 31, 2019

		288	289	385	397
Data Control Codes		Improving Academic Achievement (Summer School LEP)	Other Federal Grants	State Supplemental Visually Impaired (SSVI)	Advanced Placement Incentives
ASSETS					
1110	Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 4,250
1120	Current investments	-	-	-	-
1240	Due from other governments	-	74,523	-	-
1290	Other receivables, net	-	-	-	-
1000	TOTAL ASSETS	\$ -	\$ 74,523	\$ -	\$ 4,250
LIABILITIES					
2110	Accounts payable	\$ -	\$ -	\$ -	\$ -
2160	Accrued wages payable	-	16,812	-	-
2170	Due to other funds	-	57,711	-	-
2300	Unearned revenue	-	-	-	-
2000	Total liabilities	-	74,523	-	-
FUND BALANCES					
3450	Restricted: Grant funds	-	-	-	4,250
3000	Total fund balances	-	-	-	4,250
4000	TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 74,523	\$ -	\$ 4,250

410	427	429	459	461	477
State Textbook Fund	JET Voucher TWC Fund	Other State Grants	Services to Students with Autism / Dyslexia Services	Campus Activity Funds	Crime Stopper
\$ -	\$ -	\$ -	\$ -	\$ 564,576	\$ -
-	-	-	-	739,788	-
2,967,242	69,599	-	145,031	-	-
-	-	-	-	-	-
<u>\$ 2,967,242</u>	<u>\$ 69,599</u>	<u>\$ -</u>	<u>\$ 145,031</u>	<u>\$ 1,304,364</u>	<u>\$ -</u>
\$ 745,039	\$ -	\$ -	\$ -	\$ 19,025	\$ -
-	-	-	20,126	1,486	-
2,204,789	69,599	-	124,905	-	-
-	-	-	-	-	-
2,949,828	69,599	-	145,031	20,511	-
17,414	-	-	-	1,283,853	-
17,414	-	-	-	1,283,853	-
<u>\$ 2,967,242</u>	<u>\$ 69,599</u>	<u>\$ -</u>	<u>\$ 145,031</u>	<u>\$ 1,304,364</u>	<u>\$ -</u>

# Grand Prairie Independent School District

Combining Balance Sheet

Nonmajor Governmental Funds – Special Revenue Funds

August 31, 2019

		478	480	481	482
Data Control Codes		Scholarship Fund	Meadows Foundation Grant	Commit	Fund Raisers
	<b>ASSETS</b>				
1110	Cash and cash equivalents	\$ 10,000	\$ -	\$ 82,294	\$ 256,183
1120	Current investments	-	-	-	-
1240	Due from other governments	-	-	-	-
1290	Other receivables, net	-	-	-	2,480
1000	<b>TOTAL ASSETS</b>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ 82,294</u>	<u>\$ 258,663</u>
	<b>LIABILITIES</b>				
2110	Accounts payable	\$ -	\$ -	\$ -	\$ 710
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	-	-	-	-
2300	Unearned revenue	-	-	-	1,760
2000	Total liabilities	-	-	-	2,470
	<b>FUND BALANCES</b>				
	Restricted:				
3450	Grant funds	10,000	-	82,294	256,193
3000	Total fund balances	10,000	-	82,294	256,193
4000	<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ 82,294</u>	<u>\$ 258,663</u>

483	484	486	487	489	490
Target Field Trip Grant	Camp Invention Program	HoltCat Caterpillar Foundation	Texas Retired Teacher Foundation	Project Lead the Way Grant	Foundation for the Education of Young Women
\$ -	\$ 1,465	\$ 28,416	\$ 500	\$ 35,957	\$ 16,438
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 1,465</u>	<u>\$ 28,416</u>	<u>\$ 500</u>	<u>\$ 35,957</u>	<u>\$ 16,438</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,465	28,416	500	35,957	16,438
-	1,465	28,416	500	35,957	16,438
<u>\$ -</u>	<u>\$ 1,465</u>	<u>\$ 28,416</u>	<u>\$ 500</u>	<u>\$ 35,957</u>	<u>\$ 16,438</u>

# Grand Prairie Independent School District

Combining Balance Sheet

Nonmajor Governmental Funds – Special Revenue Funds

August 31, 2019

		491	492	493	494
<b>Data Control Codes</b>		<b>Gen YOUth Foundation</b>	<b>Early Head Start Program</b>	<b>Dart Foundation</b>	<b>Lockheed Martin Grant</b>
<b>ASSETS</b>					
1110	Cash and cash equivalents	\$ -	\$ 64,617	\$ -	\$ 14,446
1120	Current investments	-	-	-	-
1240	Due from other governments	-	-	-	-
1290	Other receivables, net	-	19,542	-	-
1000	<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 84,159</u>	<u>\$ -</u>	<u>\$ 14,446</u>
<b>LIABILITIES</b>					
2110	Accounts payable	\$ -	\$ 1,085	\$ -	\$ -
2160	Accrued wages payable	-	12,078	-	-
2170	Due to other funds	-	-	-	-
2300	Unearned revenue	-	-	-	-
2000	Total liabilities	-	13,163	-	-
<b>FUND BALANCES</b>					
Restricted:					
3450	Grant funds	-	70,996	-	14,446
3000	Total fund balances	-	70,996	-	14,446
4000	<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ -</u>	<u>\$ 84,159</u>	<u>\$ -</u>	<u>\$ 14,446</u>

495	496	497	498	499	Total
Donations	Texas Parks and Wildlife Grant	Partners in Education	Lowes Grant	Education Foundation Grants	Nonmajor Funds (See Exhibit B-1)
\$ 128,060	\$ 1,214	\$ 23,558	\$ -	\$ 11,919	\$ 3,313,747
-	-	-	-	-	1,923,185
-	-	-	-	-	6,278,704
-	-	-	-	-	709,068
<u>\$ 128,060</u>	<u>\$ 1,214</u>	<u>\$ 23,558</u>	<u>\$ -</u>	<u>\$ 11,919</u>	<u>\$ 12,224,704</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,781,858
-	-	-	-	-	1,142,791
-	-	-	-	-	4,170,501
-	-	-	-	-	1,760
-	-	-	-	-	7,096,910
<u>128,060</u>	<u>1,214</u>	<u>23,558</u>	<u>-</u>	<u>11,919</u>	<u>5,127,794</u>
<u>128,060</u>	<u>1,214</u>	<u>23,558</u>	<u>-</u>	<u>11,919</u>	<u>5,127,794</u>
<u>\$ 128,060</u>	<u>\$ 1,214</u>	<u>\$ 23,558</u>	<u>\$ -</u>	<u>\$ 11,919</u>	<u>\$ 12,224,704</u>

# Grand Prairie Independent School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –  
Nonmajor Governmental Funds – Special Revenue Funds  
For the Fiscal Year Ended August 31, 2019

Data Control Codes		206	211	212	224
		ESEA Title X, Part C - Education for the Homeless Children and Youth	ESEA, Title I, Part A - Improving Basic Programs	ESEA, Title 1, Part C - Education of Migratory Children	IDEA Part B, Formula
<b>REVENUES</b>					
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	78,869	7,933,285	3,864	5,416,934
5020	Total revenues	78,869	7,933,285	3,864	5,416,934
<b>EXPENDITURES</b>					
Current:					
0011	Instruction	-	2,788,542	-	2,740,510
0012	Instructional resources and media services	-	6,332	-	-
0013	Curriculum and staff development	-	3,698,561	-	-
0021	Instructional leadership	-	168,097	-	-
0023	School leadership	-	25,562	-	-
0031	Guidance, counseling, and evaluation services	-	8,844	-	1,975,140
0032	Social work services	78,869	445,540	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	92,406	-	372,691
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	6,281	-	-
0051	Plant maintenance and operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data processing services	-	52,800	-	-
0061	Community services	-	640,320	3,864	-
Intergovernmental:					
0093	Payments to shared services arrangements	-	-	-	328,593
6030	Total expenditures	78,869	7,933,285	3,864	5,416,934
1200	Net change in fund balances	-	-	-	-
0100	Fund balances, beginning	-	-	-	-
3000	<b>FUND BALANCES, ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



225	240	244	255	263	276
IDEA - Part B Preschool	National School Breakfast and Lunch Program	Career and Technical - Basic Grant	ESEA, Title II, Part A - Teacher and Principal Training and Recruiting	ESEA Title III Part A English Language Acquisition and Enhancement	School Redesign Grant
\$ -	\$ 2,833,643	\$ -	\$ -	\$ -	\$ -
-	89,159	-	-	-	-
64,545	15,571,834	274,828	913,745	987,226	49,874
64,545	18,494,636	274,828	913,745	987,226	49,874
64,545	-	27,215	1,314	393,059	23,212
-	-	-	-	-	-
-	-	-	885,973	555,011	24,069
-	-	-	2,598	19,331	-
-	-	-	23,860	250	-
-	-	247,613	-	8,192	-
-	-	-	-	-	-
-	-	-	-	-	-
-	18,118,587	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	416,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,593
-	-	-	-	11,383	-
-	-	-	-	-	-
64,545	18,534,587	274,828	913,745	987,226	49,874
-	(39,951)	-	-	-	-
-	3,180,772	-	-	-	-
\$ -	\$ 3,140,821	\$ -	\$ -	\$ -	\$ -

# Grand Prairie Independent School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –  
Nonmajor Governmental Funds – Special Revenue Funds  
For the Fiscal Year Ended August 31, 2019

		288	289	385	397
Data Control Codes		Improving Academic Achievement (Summer School LEP)	Other Federal Grants	State Supplemental Visually Impaired (SSVI)	Advanced Placement Incentives
REVENUES					
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	3,920	22,800
5900	Federal program revenues	26,285	511,790	-	-
5020	Total revenues	26,285	511,790	3,920	22,800
EXPENDITURES					
Current:					
0011	Instruction	26,285	92,882	3,920	-
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and staff development	-	-	-	30,530
0021	Instructional leadership	-	91,703	-	-
0023	School leadership	-	652	-	-
0031	Guidance, counseling, and evaluation services	-	169,084	-	-
0032	Social work services	-	145,968	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	521	-	-
0041	General administration	-	-	-	-
0051	Plant maintenance and operations	-	90	-	-
0052	Security and Monitoring Services	-	9,973	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	917	-	-
Intergovernmental:					
0093	Payments to shared services arrangements	-	-	-	-
6030	Total expenditures	26,285	511,790	3,920	30,530
1200	Net change in fund balances	-	-	-	(7,730)
0100	Fund balances, beginning	-	-	-	11,980
3000	FUND BALANCES, ending	\$ -	\$ -	\$ -	\$ 4,250

410	427	429	459	461	477
State Textbook Fund	JET Voucher TWC Fund	Other State Grants	Services to Students with Autism / Dyslexia Services	Campus Activity Funds	Crime Stopper
\$ -	\$ -	\$ -	\$ -	\$ 1,329,717	\$ -
5,563,936	69,599	302,562	1,303,183	-	-
-	-	-	-	-	-
5,563,936	69,599	302,562	1,303,183	1,329,717	-
5,546,661	69,599	9	494,287	310,091	1,875
-	-	145	-	11,243	-
-	-	253,870	161,239	36,983	-
-	-	27,500	94,325	-	-
-	-	23,312	-	86,708	-
-	-	-	-	2,057	-
-	-	-	-	-	-
-	-	-	-	407	-
-	-	-	-	-	-
-	-	-	-	36	-
-	-	-	-	901,124	-
-	-	-	-	3,294	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	11,688	-
-	-	-	65	15,886	-
-	-	-	553,267	-	-
5,546,661	69,599	304,836	1,303,183	1,379,517	1,875
17,275	-	(2,274)	-	(49,800)	(1,875)
139	-	2,274	-	1,333,653	1,875
\$ 17,414	\$ -	\$ -	\$ -	\$ 1,283,853	\$ -

# Grand Prairie Independent School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –  
Nonmajor Governmental Funds – Special Revenue Funds  
For the Fiscal Year Ended August 31, 2019

		478	480	481	482
Data Control Codes		Scholarship Fund	Meadows Foundation Grant	Commit	Fund Raisers
<b>REVENUES</b>					
5700	Local and intermediate sources	\$ -	\$ -	\$ 16,000	\$ 220,552
5800	State program revenues	-	-	-	-
5900	Federal program revenues	-	-	-	-
5020	Total revenues	-	-	16,000	220,552
<b>EXPENDITURES</b>					
Current:					
0011	Instruction	-	-	-	589
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and staff development	-	4	-	5,000
0021	Instructional leadership	-	-	11,740	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling, and evaluation services	-	-	37,529	920
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	14,894
0041	General administration	-	-	-	-
0051	Plant maintenance and operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	200	-	13,869
Intergovernmental:					
0093	Payments to shared services arrangements	-	-	-	-
6030	Total expenditures	-	204	49,269	35,272
1200	Net change in fund balances	-	(204)	(33,269)	185,280
0100	Fund balances, beginning	10,000	204	115,563	70,913
3000	<b>FUND BALANCES, ending</b>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ 82,294</u>	<u>\$ 256,193</u>

483	484	486	487	489	490
Target Field Trip Grant	Camp Invention Program	HoltCat Caterpillar Foundation	Texas Retired Teacher Foundation	Project Lead the Way Grant	Foundation for the Education of Young Women
\$ 1,400	\$ 13,800	\$ 28,000	\$ 500	\$ 20,000	\$ 38,656
-	-	-	-	-	-
-	-	-	-	-	-
1,400	13,800	28,000	500	20,000	38,656
1,400	-	11,749	-	20,749	3,644
-	-	-	-	-	-
-	-	-	-	12,286	-
-	-	-	-	-	-
-	-	-	-	85	-
-	-	-	-	-	33,811
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	12,600	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	130	-
-	-	-	-	-	-
1,400	12,600	11,749	-	33,250	37,455
-	1,200	16,251	500	(13,250)	1,201
-	265	12,165	-	49,207	15,237
\$ -	\$ 1,465	\$ 28,416	\$ 500	\$ 35,957	\$ 16,438

# Grand Prairie Independent School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –  
Nonmajor Governmental Funds – Special Revenue Funds  
For the Fiscal Year Ended August 31, 2019

		491	492	493	494
<b>Data Control Codes</b>		<b>Gen YOUth Foundation</b>	<b>Early Head Start Program</b>	<b>Dart Foundation</b>	<b>Lockheed Martin Grant</b>
	<b>REVENUES</b>				
5700	Local and intermediate sources	\$ -	\$ 532,515	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	-	-	-	-
5020	Total revenues	-	532,515	-	-
	<b>EXPENDITURES</b>				
	Current:				
0011	Instruction	1,302	97,300	804	2,476
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and staff development	-	-	-	-
0021	Instructional leadership	-	-	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling, and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	191	-	-	232
0041	General administration	-	-	-	-
0051	Plant maintenance and operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	364,219	-	-
	Intergovernmental:				
0093	Payments to shared services arrangements	-	-	-	-
6030	Total expenditures	1,493	461,519	804	2,708
1200	Net change in fund balances	(1,493)	70,996	(804)	(2,708)
0100	Fund balances, beginning	1,493	-	804	17,154
3000	<b>FUND BALANCES, ending</b>	<u>\$ -</u>	<u>\$ 70,996</u>	<u>\$ -</u>	<u>\$ 14,446</u>

495	496	497	498	499	
Donations	Texas Parks and Wildlife Grant	Partners in Education	Lowes Grant	Education Foundation Grants	Total Nonmajor Funds (See Exhibit B-2)
\$ 48,904	\$ -	\$ 18,243	\$ -	\$ 41,500	\$ 5,143,430
-	-	-	-	-	7,355,159
-	-	-	-	-	31,833,079
48,904	-	18,243	-	41,500	44,331,668
4,836	1,571	-	115	41,500	12,772,041
1,991	-	-	-	-	19,711
388	3,055	-	-	-	5,666,969
-	-	-	-	-	415,294
-	-	-	-	-	160,429
-	-	-	-	-	2,483,190
-	-	-	-	-	670,377
-	-	-	-	-	407
-	-	-	-	-	465,097
-	-	-	-	-	18,118,623
-	1,157	-	-	500	931,219
-	-	-	-	-	9,575
-	-	-	-	-	416,090
-	-	-	-	-	9,973
-	-	-	-	-	67,081
26,839	-	1,250	147	-	1,079,089
-	-	-	-	-	881,860
34,054	5,783	1,250	262	42,000	44,167,025
14,850	(5,783)	16,993	(262)	(500)	164,643
113,210	6,997	6,565	262	12,419	4,963,151
<u>\$ 128,060</u>	<u>\$ 1,214</u>	<u>\$ 23,558</u>	<u>\$ -</u>	<u>\$ 11,919</u>	<u>\$ 5,127,794</u>

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## **Agency Fund**

The District's agency fund is used to account for assets held by the District as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Grand Prairie Independent School District**  
Statement of Changes in Assets and Liabilities  
Fiduciary Fund  
For the Fiscal Year Ended August 31, 2019

**Exhibit H-1**

<b>Data Control Codes</b>		<b>Beginning Balance September 1, 2018</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance August 31, 2019</b>
	<b>ASSETS</b>				
1110	Cash and cash equivalents	\$ 159,198	\$ 379,509	\$ (371,346)	\$ 167,361
1120	Current investments	309,293	6,710	(316,003)	-
1000	<b>TOTAL ASSETS</b>	<u>\$ 468,491</u>	<u>\$ 386,219</u>	<u>\$ (687,349)</u>	<u>\$ 167,361</u>
	<b>LIABILITIES</b>				
2170	Due to other funds	\$ -	\$ 4,758	\$ (4,758)	\$ -
2190	Due to student groups	468,491	381,461	(682,591)	167,361
2000	<b>TOTAL LIABILITIES</b>	<u>\$ 468,491</u>	<u>\$ 386,219</u>	<u>\$ (687,349)</u>	<u>\$ 167,361</u>

## **Compliance Schedules**

Compliance schedules are required by Texas Education Agency and are not required disclosures in the Comprehensive Annual Financial Report.

# Grand Prairie Independent School District

## Schedule of Delinquent Taxes Receivable

For the Fiscal Year Ended August 31, 2019

Years Ended August 31,	1	2	3
	Tax Rates		Actual Taxable Value For School Tax Purposes
	Maintenance	Debt Service	
2010 and prior years	Various	Various	Various
2011	1.0400	0.4250	\$ 4,784,353,678
2012	1.0400	0.4250	4,734,829,420
2013	1.0400	0.4250	4,598,635,222
2014	1.0400	0.4250	4,801,502,799
2015	1.0400	0.4250	5,175,669,488
2016	1.1700	0.4250	5,243,894,357
2017	1.1700	0.4250	5,901,543,746
2018	1.1700	0.4250	6,520,938,970
2019 (School year audit)	1.1700	0.4250	7,290,227,263
1000 Totals			

9000 - Portion of row 1000 for taxes paid into Tax Increment Zone under Chapter 311, Tax Code

Exhibit I-1

10 Beginning Balance September 1, 2018	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance August 31, 2019
\$ 642,609	\$ -	\$ 42,164	\$ 12,665	\$ (72,270)	\$ 515,510
151,907	-	8,674	3,545	(23,814)	115,874
140,323	-	8,313	3,397	(22,849)	105,764
160,168	-	10,824	4,423	(13,216)	131,705
238,925	-	55,655	22,744	(4,357)	156,169
259,760	-	57,325	23,426	28,747	207,756
389,208	-	102,899	37,378	(651)	248,280
524,231	-	143,513	52,131	7,689	336,276
1,188,120	-	338,220	122,858	(211,398)	515,644
-	113,004,891	82,215,883	29,864,756	328,883	1,253,135
<u>\$ 3,695,251</u>	<u>\$ 113,004,891</u>	<u>\$ 82,983,470</u>	<u>\$ 30,147,323</u>	<u>\$ 16,764</u>	<u>\$ 3,586,113</u>
		\$ 4,195,088	\$ 1,336,917		

**Grand Prairie Independent School District**  
 Budgetary Comparison Schedule  
 National School Breakfast and Lunch Program  
 For the Fiscal Year Ended August 31, 2019

**Exhibit I-2**

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
	<b>REVENUES</b>				
5700	Local and Intermediate Sources	\$ 3,471,151	\$ 2,671,151	\$ 2,833,643	\$ 162,492
5800	State program revenues	95,000	85,000	89,159	4,159
5900	Federal program revenues	14,868,314	14,893,314	15,571,834	678,520
5020	Total revenues	18,434,465	17,649,465	18,494,636	845,171
	<b>EXPENDITURES</b>				
	Current:				
0035	Food service	18,434,465	18,160,090	18,118,587	41,503
0051	Plant maintenance and operations	-	416,000	416,000	-
6030	Total expenditures	18,434,465	18,576,090	18,534,587	41,503
1100	Excess (Deficiency) of revenues over (under) expenditures	-	(926,625)	(39,951)	886,674
1200	Net change in fund balance	-	(926,625)	(39,951)	886,674
0100	Fund balance, beginning	3,180,772	3,180,772	3,180,772	-
3000	<b>FUND BALANCE, ending</b>	<u>\$ 3,180,772</u>	<u>\$ 2,254,147</u>	<u>\$ 3,140,821</u>	<u>\$ 886,674</u>

# Grand Prairie Independent School District

# Exhibit I-3

Budgetary Comparison Schedule

Debt Service Fund

For the Fiscal Year Ended August 31, 2019

Data Control Codes		1	2	3	Variance with Final Budget
		Budgeted Amounts		Actual	Positive (Negative)
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 31,448,352	\$ 30,648,352	\$ 31,676,036	\$ 1,027,684
5800	State program revenues	12,596,005	13,396,005	15,238,393	1,842,388
5020	Total revenues	44,044,357	44,044,357	46,914,429	2,870,072
EXPENDITURES					
	Debt service:				
0071	Principal on long-term debt	22,770,000	22,770,000	22,770,000	-
0072	Interest on long-term debt	19,231,403	19,231,403	19,231,403	-
0073	Issuance costs and fees	250,000	250,000	17,715	232,285
	Intergovernmental:				
0097	Payments to tax increment fund	1,792,954	1,792,954	1,336,917	456,037
6030	Total expenditures	44,044,357	44,044,357	43,356,035	688,322
1100	Excess (Deficiency) of revenues over (under) expenditures	-	-	3,558,394	3,558,394
1200	Net change in fund balance	-	-	3,558,394	3,558,394
0100	Fund balance, beginning	12,170,879	12,170,879	12,170,879	-
3000	FUND BALANCE, ending	\$ 12,170,879	\$ 12,170,879	\$ 15,729,273	\$ 3,558,394

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## **Federal Awards Section**

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

To the Board of Trustees  
Grand Prairie Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Prairie Independent School District (the District), as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 7, 2020.

**Internal Control over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

The Board of Trustees  
Grand Prairie Independent School District

**Purpose of this Report**

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

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
January 7, 2020

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

To the Board of Trustees  
Grand Prairie Independent School District

**Report on Compliance for Each Major Federal Program**

We have audited Grand Prairie Independent School District's (the District) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2019. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of finding and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2019.

The Board of Trustees  
Grand Prairie Independent School District

**Report on Internal Control over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
January 7, 2020

## Grand Prairie Independent School District

Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended August 31, 2019

### Section 1. Summary of Auditor's Results

#### Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	___X___ No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes	___X___ None reported
Noncompliance which is material to the financial statements noted?	_____ Yes	___X___ No

#### Major Programs

Internal controls over major federal programs:

Material weakness(es) identified?	_____ Yes	___X___ No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes	___X___ None reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that were required to be reported in accordance with Uniform Guidance?	_____ Yes	___X___ No
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Identification of major programs:

10.553, 10.555 – Child Nutrition Cluster  
84.010A – Title I, Part A  
84.365A – Title III, Part A

Dollar threshold used to distinguish between Type A and Type B programs:	\$968,167
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Auditee qualified as a low-risk auditee?	_____ Yes	___X___ No
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## **Grand Prairie Independent School District**

Schedule of Findings and Questioned Costs

For the Fiscal Year Ended August 31, 2019

### **Section 2. Financial Statement Findings**

None

### **Section 3. Federal Awards Findings**

None



# **Grand Prairie Independent School District**

Summary of Prior Year Audit Findings

For the Fiscal Year Ended August 31, 2019

## **Section 4. Schedule of Prior Audit Findings and Questioned Costs**

None

**Grand Prairie Independent School District**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year Ended August 31, 2019**

**Exhibit K-1**

<b>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Total Federal Expenditures</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
Direct programs			
Indian Education Act, Title V	84.060A	S060A181185	\$ 9,102
Passed through State Department of Education			
ESEA, Title I, Part A - Improving Basic Programs*	84.010A	19610101057910	6,819,794
ESEA, Title I, Part A - Improving Basic Programs*	84.010A	20610101057910	309,015
School Redesign Grant*	84.010A	186101207110004	765,102
School Transformation Fund*	84.010A	19610427110009	195,268
Total Title I, Part A			8,089,179
Special Education Cluster (IDEA)			
IDEA - Part B, Formula	84.027A	186600010579106000	514,794
IDEA - Part B, Formula	84.027A	196600010579106000	5,086,167
IDEA - Part B, Preschool	84.173A	186610010579106000	18,597
IDEA - Part B, Preschool	84.173A	196610010579106000	47,789
Total Special Education Cluster (IDEA)			5,667,347
Career and Technical - Basic Grant	84.048A	19420006057910	260,043
Perkins Reserve Grant	84.048A	184200547110007	27,215
Total Career and Technical - Basic Grant			287,258
Title III, Part A - English Language Acquisition*	84.365A	18671001057910	33,365
Title III, Part A - English Language Acquisition*	84.365A	19671001057910	916,699
Title III, Part A - Immigrant*	84.365A	18671003057910	4,495
Title III, Part A - Immigrant*	84.365A	19671003057910	64,530
Total Title III, Part A			1,019,089
ESEA, Title II, Part A - Teacher and Principal Training	84.367A	19694501057910	789,202
Principal Preparation Grants	84.367A	186945677110009	104,222
Principal Preparation Grants	84.367A	196945677110005	54,733
Total Title II, Part A			948,157
School Redesign Implementation	84.377A	176107367110002	49,874
Title IV, Part A	84.424A	19680101057910	434,920
Improving Academic Achievement, Summer School LEP	84.369A	69551802	26,285
Emergency Impact Aid to LEAs	84.938C	51271901	84,787
Texas Education Homeless Children & Youth (TEHCY)	84.196A	194600057110033	80,550
Passed through Region X Education Service Center			
Title I, Part C - Migrant Education Program	84.011A	19615001057950	3,864
Total U.S. Department of Education			16,700,412
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Passed through the State Department of Agriculture			
Child and Adult Care Food Program	10.558	00280	478,805
Child Nutrition Cluster*			
Passed through the State Department of Agriculture			
National School Lunch Program - Non-Cash Assistance	10.555	00280	1,248,186
Passed through the State Department of Education			
National School Lunch Program - Cash Assistance	10.555	71301801	9,707,210
National School Breakfast Program	10.553	71401701	4,048,038
National School Lunch Program	10.555	71301801	66,660
National School Breakfast Program	10.553	71401701	22,935
Total Child Nutrition Cluster			15,093,029
Total U.S. Department of Agriculture			15,571,834
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 32,272,246</b>

\* Denotes major federal program

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

## Grand Prairie Independent School District

### Notes to the Schedule of Expenditures of Federal Awards For the Fiscal Year Ended August 31, 2019

The District uses the fund types specified in Texas Education Agency's Financial Accountability System Resource Guide. Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All federal grant funds were accounted for in a Special Revenue Fund which is a Governmental Fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned.

The District participates in numerous state and federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2019, may be impaired. In the opinion of the District, there are not significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying financial statements for such contingencies.

The following table reconciles total expenditures per the schedule of expenditures of federal awards (Exhibit K-1) to the federal program revenues per Exhibit B-2:

Total expenditures of federal awards per Exhibit K-1	\$ 32,272,246
General fund - federal revenue	
SHARS	5,856,474
MAC	142,114
E-Rate	465,038
ROTC	175,643
	<hr/>
<b>Total federal revenues per Exhibit B-2</b>	<b><u><u>\$ 38,911,515</u></u></b>

The District has elected not to use the 10% de minimis indirect cost rate.

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## **Other Information**

**Grand Prairie Independent School District**  
Schedule of Required Responses to Selected  
School FIRST Indicators (Unaudited)  
For the Fiscal Year Ended August 31, 2019

**Exhibit L-1**

<b>Data Control Codes</b>		<b>Responses</b>
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF4	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes
SF8	Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	Yes
SF10	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end?	\$ -
SF11	Net pension assets (1920) at fiscal year-end	\$ -
SF12	Net pension liabilities (2540) at fiscal year-end	\$ 102,808,104
SF13	Pension expense (6147) at fiscal year-end, excluding on-behalf pension expense (6144)	\$ 7,623,750