

# Comprehensive Annual Financial Report

**For the year ending  
August 31, 2001**



website: [www.laredo.k12.tx.us](http://www.laredo.k12.tx.us)

February 26, 2002

Board of Trustees  
Laredo Independent School District  
1702 Houston Street  
Laredo, Texas 78040

Dear Board Members:

We are pleased to submit to you the 2000-2001 Comprehensive Annual Financial Report for the Laredo Independent School District (the District). The report was prepared by the District's Division of Finance. The general purpose financial statements have been audited by the independent accounting firm of Padgett, Strateman, & CO., L.L.P., whose report is included herein. This examination satisfies the Texas Education Agency requirement for an annual audit of all funds of the district by an independent certified public accountant. The report submitted to the Texas Education Agency was modified to adhere to financial reporting standards required by the Government Finance Officer's Association Certificate of Achievement Program.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in respect to all material and is presented in a manner which daily sets forth the financial position and results of operations of the District. Furthermore, we believe that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial activities have been included.

***Organization of the Report***

The Comprehensive Annual Financial Report consists of four parts: **The Introductory Section** includes this transmittal letter which highlights significant aspects of financial operations during the year and, in particular, the issues faced by the District, an organizational chart; a list of principal business officials; and a list of consultants and advisors. **The Financial Section** includes the independent auditor's report, the general purpose financial statements, related notes, and supplemental financial statements with combining, individual fund and account group statements

and schedules. **The Statistical Section** includes several exhibits and tables of unaudited data depicting the financial history of the District as well as demographic and other miscellaneous statistics. Most of this data is provided for the last ten years. The Single Audit Section is provided in conformity with the provision of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133 Audits of State and Local Governments, and Non-Profit Organizations, and the Texas Education Agency. This section includes independent auditor's reports.

### ***Reporting Entity***

The District is an independent school district governed by a seven-member Board of Trustees (the Board). The District was founded in 1882. The Board has governance responsibility over all activities related to public school education within the District. The Board is not included in any other governmental reporting entity as defined by Governmental Accounting Standards Board Statement No. 14. District officials must comply with state and federal laws and regulations, but the Board has complete authority, including adoption and setting of tax rates.

This report includes financial statements of the funds and account groups required to account for those activities, organizations and functions that relate to the District and are controlled by or are dependent upon the District's governing body, the Board of Trustees. Criteria used by the District for including activities in preparing its financial statements are in conformity with Governmental Accounting Standards Board (GASB). Control by or dependent of the District was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligation of the District, the District's obligation to finance and deficits that may occur, funding and selection of governing authority, and other evidence of financial interdependence.

### **Economic Condition and Outlook**

Laredo Independent School District is located in the heart of the City of Laredo, and encompasses approximately 13 square miles. The total population for the City of Laredo is more than 193,635 of which more than 92,500 are concentrated within the District's boundaries.

Our District is an inner city district which serves the community of Laredo and Webb County; being on the border to Mexico, it is affected by traditional economic and social issues common to border regions.

Laredo, best known for its geographic location with two international bridges bordering Nuevo Laredo, Tamaulipas, Mexico and one international bridge bordering Dolores, Nuevo Leon, Mexico, is in the center of a new era. This era includes the passage of the North American Free Trade Agreement, which has enhanced trade between the United States and Mexico, provided for a growing tax base, and the attraction of new industries.

### **September 11<sup>th</sup>**

The tragedy of September 11<sup>th</sup> had an impact worldwide and being that Laredo is a major

international border, the community has seen many changes to its economy. Various sectors of our economy rely on international trade and these were affected by the new protocols being implemented after September 11<sup>th</sup>. Laredo ISD has incurred additional operating costs after the tragedy. In order to secure our schools and offices, LISD has seen an increase in security costs, training costs and human resources. Each of the industries were affected uniquely as described in each sector below.

## **The International Section**

Laredo, the Gateway to Mexico, is the largest inland port on the Texas-Mexico Border, and in 2001, 13,947,966 tons of freight crossed into Mexico via the City's four international bridges. A fifth bridge is being planned by the City and the County for 2003 in order to alleviate the traffic congestion in the inner-city. Total passenger vehicles crossing the bridges were 14,442,356 and 6,587,150 commercial trucks.

### ***The Peso Devaluation***

Although we saw record international trade in 2001, the community has rebounded from the effects of the peso devaluation that started on December 20, 1994. It takes approximately five years for the economy to recover from the effects of a devaluation.

The impact of the '94 peso devaluation did not have as adverse an effect as the 1982 peso devaluation. The primary reason for this is that the economy as a whole is more diversified. Among key factors that have made a difference are increased construction activity, increased international trade, increased tourism, and increased airfreight activity.

### ***Retail Sector***

The retail sector continued to gain strength in the City of Laredo and total sales tax receipts was up from 2000 by \$596,000 or a 3.7% increase. Total sales tax rebates to the city were \$16,513,000. After the September 11<sup>th</sup> tragedy, the City has experienced a decline of \$176,000 as of February 2002.

### ***The Tourism Sector***

Laredo is a natural place to attract visitors from Mexico and the United States. Laredo's location on the border lends itself to hosting visitors from all over the world. Known as the friendliest City in Texas, Laredo tourist attractions provide a safe and friendly atmosphere. The City offers great shopping, the Casa Blanca Lake recreational park, seasonal events such as the Washington's Birthday Celebration, Borderfest and Border Olympics, and other attractions. The hotel industry continued to show a steady increase in its occupancy rate for last year. After the September 11<sup>th</sup>, the hotel industry also saw a temporary decline in occupancy.

### ***The Construction Sector***

Construction activity continues on a steady pace in 2001. A total of 2,379 building permits were

issued for a total value of \$223,556,544. Of these permits, 2,251 were for residential and 128 for commercial. Although a majority of the developments are outside the school district boundaries, it adds to the generation of other economic activity in other sectors of the economy.

### ***The Airline Service and Airfreight Sector***

Airport activity at the Laredo International Airport increased in 2001. Total passengers enplaned were 7,234 and passengers deplaned were 66,281. Airlines serving Laredo include Continental Airlines, and American Eagle. The tourism and travel industry outlook in Laredo continues to be positive. In addition, most indicators show that through the passage of NAFTA, restrictions will be eased and increased activity will be experienced. A new 78,000 square feet passenger terminal and related improvements completed to attract other airline markets. After September 11<sup>th</sup>, the City saw a temporary decline in passengers in the months following the tragedy. However enhanced security has been in place at the airport and other facilities and it is expected for the airport activity to return to its 2000 pace.

### ***The Market Labor Report***

The employment picture of the City has been impacted by border conditions. As of August 2001, Laredo's unemployment rate was 6.28%. The total civilian labor force was 70,976 which was 2,378 more than the prior year. Total persons employed were 66,518, and total persons unemployed as of the end of the year were 4,458.

The leading employers in the City were United Independent School District with 3,675 employees, Laredo Independent School District with 3,349 employees, and the City of Laredo with 1,970 employees.

### ***The Dollar/Peso Parity Rate***

A major indicator of the state of Laredo's economy is the parity of the dollar compared to the peso. Faced with inflationary pressures, the Mexican government utilizes the currency exchange as a means to fight inflation and weak economic times. The peso was traditionally a fixed type of monetary currency until the late 1970's. The rate at that time was 12.5 pesos to the \$1. In 1982, a major peso devaluation was implemented by Mexico, and the peso was allowed to fluctuate in the market. The peso eventually fluctuated to approximately 2,300 pesos to \$1. In 1992, the Mexican government introduced a new peso concept, which allowed the last three digits of the currency to be dropped. This new initiative was started in an effort to simplify the number of pesos needed to conduct transactions. The value of the peso did not change with the new pesos, and the currency continued to fluctuate within certain boundaries. In 1994, the Mexican government again allowed its currency to float freely in the market in order to correct inflationary pressures, and the peso was devalued. Although the trend showed that Mexico has continued to follow a floating currency rate policy, it has been relatively stable since 1998. The current parity rate is nine (9.1) pesos to the \$1.

## *2000-2001 Major Initiatives*

### **For the Year**

The Texas Education Agency issues rating to the individual schools of districts in the State of Texas based on comparisons with state standards for TAAS scores, dropout rates and attendance rates. Ratings consist of Exemplary, Recognized, Acceptable and Unacceptable categories. In 2001, Laredo Independent School District had four (4) Exemplary schools, seven (7) Recognized schools, and eighteen (18) Acceptable schools. No school was issued a rating of Unacceptable. The following is a list of the 2001 individual school ratings compared to the last four years:

<u>Campus</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
R.T. Martin High	Acceptable	Acceptable	Acceptable	Acceptable	Acceptable
J. W. Nixon High	Acceptable	Acceptable	Acceptable	Acceptable	Acceptable
Dr. Leo Cigarroa High	Acceptable	Acceptable	Acceptable	Acceptable	Acceptable
L.J. Christen Middle	Recognized	Acceptable	Acceptable	Acceptable	Acceptable
Joaquin Cigarroa Middle	Acceptable	Acceptable	Acceptable	Acceptable	Acceptable
M.B. Lamar Middle	Acceptable	Acceptable	Acceptable	Acceptable	Acceptable
Memorial Middle	Acceptable	Acceptable	Acceptable	Acceptable	Acceptable
Bruni Elementary	Acceptable	Acceptable	Acceptable	Acceptable	Acceptable
Buenos Aires Elem.	<i>Recognized</i>	<i>Recognized</i>	<i>Recognized</i>	<i>Recognized</i>	<b>Exemplary</b>
D.D. Hachar Elem.	Acceptable	Acceptable	Acceptable	Acceptable	<i>Recognized</i>
Daiches Elementary	<i>Recognized</i>	Acceptable	Acceptable	Acceptable	<i>Recognized</i>
Dovalina Elementary	Acceptable	Acceptable	Acceptable	Acceptable	<b>Exemplary</b>
Farias Elementary	Acceptable	Acceptable	Acceptable	Acceptable	Acceptable
H.B. Zachry Elem.	Acceptable	<i>Recognized</i>	Acceptable	Acceptable	<i>Recognized</i>
H. Ochoa Elementary	<i>Recognized</i>	Acceptable	Acceptable	Acceptable	Acceptable
Heights Elementary	Acceptable	<i>Recognized</i>	<i>Recognized</i>	Acceptable	<i>Recognized</i>
J.C. Martin Elem.	<b>Exemplary</b>	<b>Exemplary</b>	<i>Recognized</i>	Acceptable	Acceptable
J.A. Kawas Elementary	<i>Recognized</i>	<i>Recognized</i>	Acceptable	Acceptable	Acceptable
Leyendecker Elem.	Acceptable	Acceptable	<i>Recognized</i>	Acceptable	Acceptable
Honore Ligarde Elem.	<i>Recognized</i>	<i>Recognized</i>	Acceptable	Acceptable	Acceptable
Macdonell Elementary	<b>Exemplary</b>	<b>Exemplary</b>	<b>Exemplary</b>	<b>Exemplary</b>	<b>Exemplary</b>
Milton Elementary	<b>Exemplary</b>	<b>Exemplary</b>	<b>Exemplary</b>	<b>Exemplary</b>	<b>Exemplary</b>
Alma Pierce Elementary	<i>Recognized</i>	Acceptable	Acceptable	Acceptable	<i>Recognized</i>
M.S. Ryan Elementary	<b>Exemplary</b>	<b>Exemplary</b>	<i>Recognized</i>	Acceptable	Acceptable
Tomas Sanchez Elem.	Acceptable	Acceptable	Acceptable	Acceptable	<i>Recognized</i>
Santa Maria Elem.	<i>Recognized</i>	<i>Recognized</i>	<i>Recognized</i>	<i>Recognized</i>	<b>Exemplary</b>
Santo Nino Elem.	Acceptable	Acceptable	Acceptable	Acceptable	<i>Recognized</i>
K. Tarver Elementary	Acceptable	<i>Recognized</i>	Acceptable	Acceptable	Acceptable

Overall, Laredo Independent School District received a rating of Academically Acceptable for year 2001. Laredo ISD comparison of student performance data with the State is as follows:

Tests→	Reading		Writing		Math		All Tests	
	<u>District</u>	<u>State</u>	<u>District</u>	<u>State</u>	<u>District</u>	<u>State</u>	<u>District</u>	<u>State</u>
2001	80.2%	88.9%	80.1%	87.9%	84.9%	90.2%	71.3%	82.1%
2000	76.8%	87.4%	80.4%	88.2%	80.7%	87.4%	67.9%	79.9%
1999	73.5%	86.3%	81.2%	87.9%	77.4%	85.6%	63.8%	78.1%
1998	60.3%	83.3%	69.9%	84.2%	60.2%	80.4%	49.3%	73.1%

Statistics →	Attendance Rate		Dropout Rate	
	<u>District</u>	<u>State</u>	<u>District</u>	<u>State</u>
2000	96.7%	95.6%	1.0%	1.3%
1999	96.5%	95.4%	1.1%	1.6%
1998	96.3%	95.3%	3.2%	1.6%
1997	96.3%	95.2%	3.3%	1.6%

Student Populations →	Special Education		Career and Applied Technology		Bilingual/ESL		Gifted & Talented	
	<u>District</u>	<u>State</u>	<u>District</u>	<u>State</u>	<u>District</u>	<u>State</u>	<u>District</u>	<u>State</u>
2001	13.1%	11.9%	14.7%	18.9%	57.8%	12.6%	8.3%	8.4%
2000	13.2%	12.1%	15.1%	18.6%	56.5%	12.5%	7.0%	8.4%
1999	12.8%	12.1%	13.8%	17.8%	52.5%	12.1%	6.5%	8.4%
1998	12.4%	12.0%	10.7%	17.4%	50.6%	11.9%	5.7%	8.0%

Class Of	Number of <u>Graduates</u>	Number Graduating Under the <u>Advanced Programs</u>		Number Graduating under <u>Recommended /Distinguished Achievement Program</u>
2000	1,076	4		969
1999	1,160	118		858
1998	1,178	221		670

### Major grants received:

The Texas Education Agency awarded the Laredo Independent School District the amount of \$2,902,553 to implement the expansion of the Pre-Kinder Program at the elementary level. This grant will expand the instructional time for K4 students and add new classes for additional students. A major determinant of the eligibility for this grant was the high number of students that are economically disadvantaged and bilingual students in the school district.

The Texas Education Agency awarded the Laredo Independent School District the amount of \$2,247,536 to implement a class size reduction program at the elementary level. This grant will reduce the number of students per teacher and it will assist in providing instructional time to students. A major determinant of the eligibility for this grant was the high number of students that are economically disadvantaged in the school district.

## **Safety Resource Officer Program**

The safety resource officer program was continued in 2000-2001. A total of **4** sheriffs and **7** police officers were assigned to the various high schools and middle schools. The total costs of this program averaged **\$395,000**. The safe environment for LISD students is a major goal of the district, and the Board made a commitment to improve safety. Emphasis was placed at the secondary schools via this program. A grant was written for 2001-2002 to include programs at the elementary schools.

### **For the Future**

The Laredo Independent School District utilizes the site-based decision making concept as required by the State of Texas. The Educational Improvement Council of the District meets periodically to plan its school year and review curriculum and instructional programs. One of the most important tasks of this committee is the setting of the district-wide performance goals and objectives. The District has also initiated a Strategic Planning Process, which involves the participation of board members, community leader, higher education officials, teachers, administrators, parents and teachers. A series of workshops have been held to arrive at a common mission statement and vision statement of the district. Additional workshops and community meetings are held annually to update the District Plan. The goals and objectives of the District as outlined in the Strategic Plan are as follows:

**Goal I:** LISD will have total community commitment to rigorous standards and student success.

**Objective:** Develop a parent program where parents are full partners in the decisions that affect student learning.

**Objective:** Use community resources to strengthen schools, families and student learning

**Objective:** Focus on student performance and rigorous standards

**Objective:** Maintain effective and two way communication among home, school and community

**Goal II:** LISD will have a challenging and relevant curriculum and standards based instruction.

**Objective:** LISD will provide a well balanced integrated curriculum to develop the student's specific knowledge, skills, and competencies needed to be productive members of society.

**Objective:** LISD will prepare graduates for gainful employment and/or enrollment in an institution of higher learning

**Objective:** LISD will set specific yearly standards to increase student achievement in all national, state, and campus assessments

**Objective:** LISD will provide a systemic professional development program that supports the implementation of standards based curriculum, instruction, and assessments

**Goal III:** LISD will have safe and orderly schools.

**Objective:** LISD will engage in preventive programs that will result in less discipline referrals

**Objective:** LISD will implement identified research based effective safe school practices

**Objective:** LISD will identify standards for orderly campuses that are free from distractions

**Objective:** LISD will use identified research based intervention strategies and other locally



identified strategies

**Objective:** LISD will support and expect 100% consistent enforcement of Code of Conduct

**Objective:** LISD will implement a Safe and Drug Free Schools and Communities Program

**Objective:** LISD will expand instructional opportunities through an alternative educational program

**Goal IV:** LISD will have a highly effective site-based decision making process focused on student learning.

**Objective:** LISD will align Campus Improvement Plans with district goals

**Objective:** LISD will implement the Site Based Decision Making (SBDM) process at district and campus levels

**Objective:** LISD will evaluate and update the strategic plan annually

**Goal V:** LISD will maximize fiscal and human resources and utilize sound fiscal planning.

**Objective:** LISD will identify and allocate diverse sources of funding to meet all district needs

**Objective:** LISD will maintain an accountability system for all funds

**Objective:** LISD will maintain an accountability system for all human resources

**Objective:** LISD will maintain a collaborative planning process of fiscal resources in finance and instruction

### ***Financial Information***

#### **The Accounting System and Budgetary Control**

The Division of Finance is responsible for providing all District financial services including financial accounting and reporting, payroll and accounts payable disbursement functions, cash and investment management, debt management budgeting, purchasing, management information systems, fixed assets, tax office collections, and special financial and policy analyses to District management. The Chief Financial Officer, appointed by the Superintendent, has oversight responsibility of the division's operations.

The District's hardware includes a Hewlett Packard 996 minicomputer as well as numerous personal computers and system terminals. The District utilizes the Information Design Incorporated government software applications and computerized financial accounting system, which includes a system of internal accounting controls. Such controls have been designed and are continually being reevaluated to provide reasonable, but not absolute, assurance for the safeguarding of assets against loss from unauthorized use of disposition and the reliability of financial records for preparing financial statements and maintaining accountability over the District's assets.

The District also operates a student accountability system, which was developed by the District's Information Technology Department. This system services all campuses of the district. The applications being used are attendance, grades and report cards, student tracking, and all other information required by the State of Texas.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework and are believed to adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

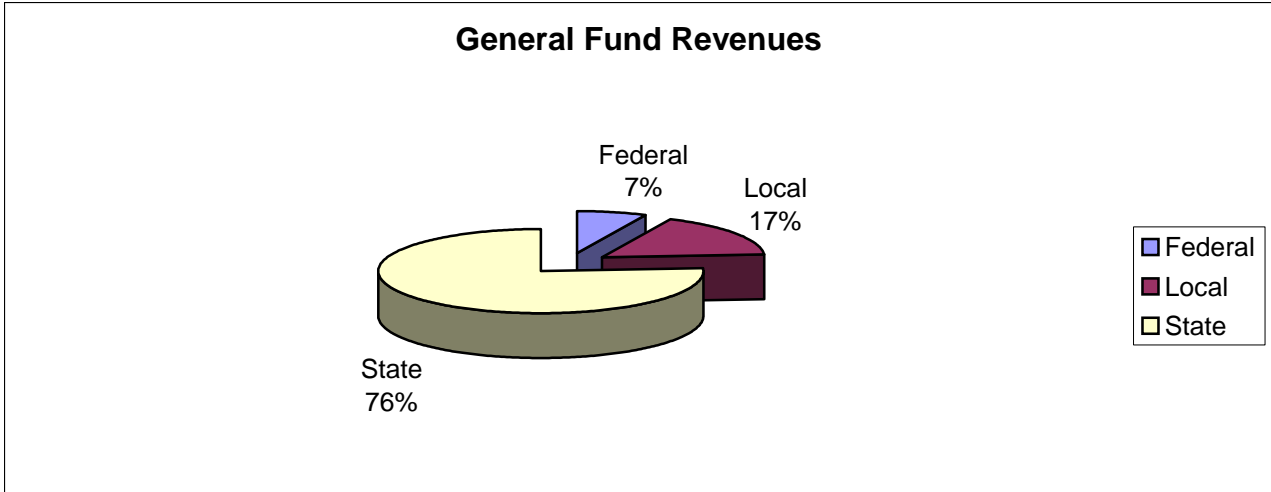
Accounting records for governmental fund types are maintained on a modified accrual basis with revenues recorded when services or goods are received and the liabilities are incurred. Accounting records for trust funds are maintained on the accrual basis.

The annual operating budget or financial plan is proposed by the Superintendent and enacted by the Board of Trustees after public discussion. The site-based decision making process, as mandated by the education code, is the cornerstone of all LISD budgetary decisions. Each campus must have an SBDM committee made up of the campus principal, teachers, and community members. Their role is to build consensus and support all efforts consistent with reaching the campus goals and objectives. SBDM committee members, department directors and community members are involved in the budgetary cycle.

Subsequent intra-function budget transfers must be approved by the Board for the General Fund Budget. For Special Revenue Funds, intra-function budget transfers are approved subject to the approval by the granting agency. A summary of all transfers is presented to the Board of Trustees. Interdepartmental transfers and any increase or decrease or operating appropriations must be approved by the Board of Trustees and the Superintendent. All departments are required to operate within their budgetary constraints. The operating budgets are amended prior to expenditure, and the accounting system provides a strong budgetary control over expenditures.

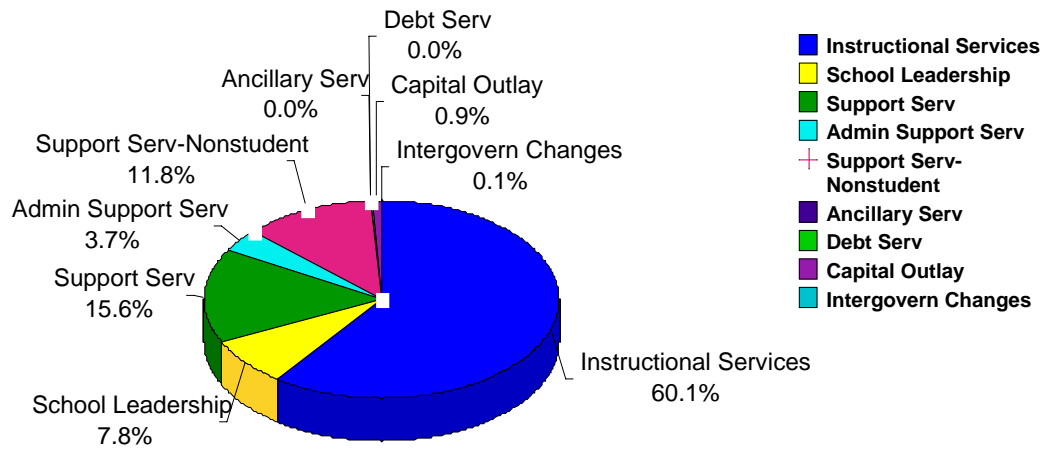
## **General Fund**

The District's General Fund is used to account for expenditures of traditional governmental services as well as financial resources other than those required to be accounted for in other funds. For the year ended August 31, 2000 total revenues were \$129,353,673. Total revenues increased \$8,493,349 or 7% as compared to fiscal year 1999 level. Total revenues and percentage of the total revenues were as follows:



Actual expenditures on a budget basis were \$6,993,950 less than the amended budget. Savings were realized as a result of prudent fiscal management, additional state aid due to increased ADA. General Fund expenditures in 2001 increased by \$1,648,491 or 1% of 2000 levels. Total expenditures for the fiscal year are summarized below:

### GENERAL FUND EXPENDITURES \$124,692,376



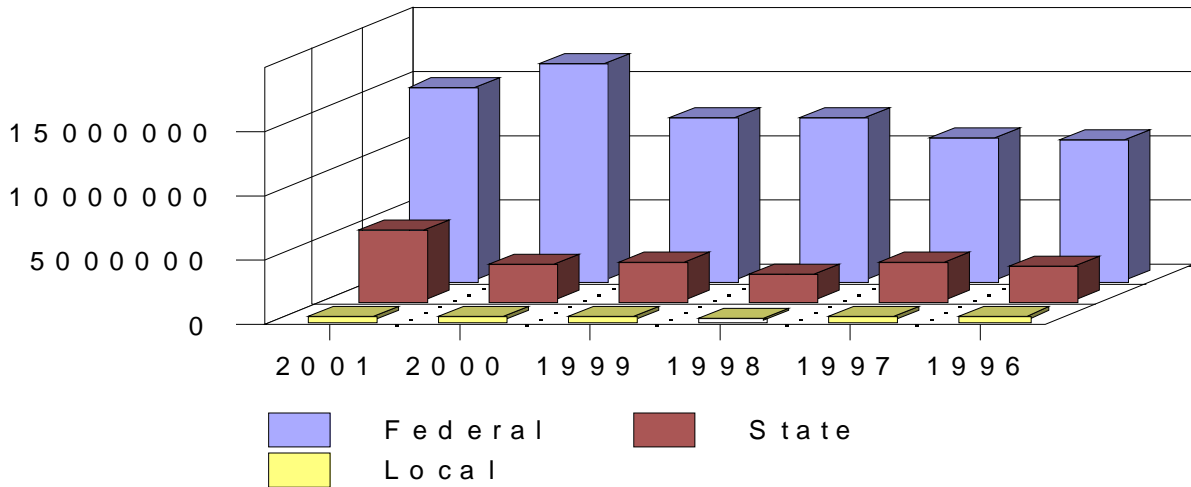
### Special Revenue Funds

The special revenue funds include the federal grants, state grants, other locally funded grants.

Collectively, **\$19,894,965** were expended from these funds in 2000. The financial statements for the grant funds in the special revenue funds are prepared in conformance with the Government Accounting Standards Board, which provides guidance for the application of generally accepted accounting principles for grants, entitlements and shared revenues received in 2001 in comparison to last four years:

	<u>2001</u>	<u>2001</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
<b>Federal</b>	\$14,987,996	\$16,822,612	\$12,636,576	\$11,046,851	\$10,905,468
<b>State</b>	5,457,342	2,770,358	2,040,152	2,854,206	2,620,569
<b>Local</b>	312,560	301,995	165,036	257,802	170,374

### S p e c i a l R e v e n u e s C o m p a r i s o n



The grant programs have an important impact on the district's ability to deliver quality education to the community. Through these grants, the district can reduce teacher/pupil ratios, provide staff development, promote parental involvement, provide access to additional technology, and provide supplemental funds to augment the district's funding levels.

### General Obligation Debt Administration

The District maintains a separate fund, the Debt Service Fund, to administer debt associated with its general obligation bonds and contractual obligations. A separate ad valorem tax is levied and collected to provide funds to retire such debt. For 2001, this tax was \$0.103090 of the total \$1.386 tax rate per \$100 assessed valuation.

The fund balance designated for debt service of August 31, 2001 was \$2,956,866 or 27% of the budget basis debt service expenditures. At year end, the District had \$80,321,639 in tax supported general obligations. The related interest for this debt as of the end of the fiscal year was \$4,546,059. In May 1999, the voters authorized a bond package totaling \$144,000,000. As of August 31, 2001, there are the following authorized and unissued general obligation bonds.

Authorized	\$144,000,000
Issued on 8-1999	\$72,000,000
Authorized, but not issued	\$72,000,000

In June 2000, the Capital Improvement Plan was revised to \$175,000,000 and it included the issuance of two QZAB Bonds. In August 2000, the District issued an \$8,000,000 Qualified zone Academy Bond for the renovation of the three high schools. This issue is a 12 year balloon note with annual sinking payments of \$88,000 per year. The interest to be paid over a 12 year period is 1.1% per annum. In August 2001, the District issued an \$8,000,000 QZAB for the purpose of financing the construction of academies for 3 middle schools and 2 high schools. Interest payments of \$87,260 will be made on a yearly basis for 12 years.

The \$72 million bond issued in August 1999 qualified for Instructional Facilities Allotment from the State of Texas at a rate of 83% of principal and interest. The remaining 17% of the principal and interest payments is to be financed through local taxes. For fiscal year 2000-2001, the tax rate was adjusted by seven cents to pay for the 17% local match. In addition, due to changes in the law, the tax rate was compressed by shifting rate from the interest and sinking rate to the maintenance and operations rate. The State approved funds to pay for existing debt and required districts to reduce the interest and sinking rate. For Laredo ISD, the reduction in the rate was 19 cents. The current .103090 interest and sinking rate is the net amount of reduction of the 19 cents and the increase of 7 cents in 1998-1999.

The District's outstanding general obligation debt is rated **A** by the Investor Rating Service companies of **Moody's, Standard & Poor's and FITCH.**

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per ADA for 2001 to 1997 are shown below. In 2000, the District again experienced an upturn in valuations and new property being added to the rolls.

	<b>FY 01</b>	<b>FY 00</b>	<b>FY 99</b>	<b>FY 98</b>	<b>FY 97</b>
Net Bonded Debt	\$73,003,135	\$76,606,756	\$80,775,194	\$10,705,006	\$16,202,723
Ratio of debt to assessed value	5.37%	5.76%	6.15%	.86%	1.26%
Debt per ADA	\$3,884	\$3,684	\$3,851	\$519	\$763
Assessed valuation (000)	\$1,359,509,407	\$1,329,307,098	\$1,313,353,144	\$1,269,001,135	\$1,281,216,267
Debt Service tax rate per \$100	\$.103090	\$.103090	\$0.103090	\$0.201290	\$0.191080

### **Capital Projects Funds**

The District maintains capital project funds to account for general governmental capital improvements, which are funded primarily through general obligation proceeds and undesignated fund balance. These projects are accounted in the capital project fund because they are assets that can be capitalized such as a new building, major renovation of a structure or other major

construction. The repair of buildings is accounted for in the general fund because these are normal routine improvements.

During 2001, a total of **\$4,182,058** was expended in the Capital Projects Fund. Among the projects under construction were the electrical upgrade, internet wiring of all schools, architect fees, and construction costs. The Capital improvement Plan was also revised in this school year, and due to sound investments and additional financing methods via QZABs, the CIP has been revised to \$175 million. This plan will be completed over the next three fiscal years. A second QZAB is set to be issued in April 2001 and the second half of the bond package is set to be issued in the Fall 2001. As of August 31, 2001, the total interest earned for constructions funds is \$4,871,271. The year end fund balance for the construction fund is \$88,738,530.

**Debt Administration:**

The ratios of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the district’s debt position to the district’s management, its community and to its investors. This data for the school district at the end of 2001 fiscal year was as follows:

	Net Bonded Debt <u>Amount</u>	Percent of debt to assessed value <u>(100% of assessed value)</u>	Percent of debt to present market value <u>market value</u>	Debt per District <u>capita</u>
2001	\$73,003,135	5.37%	1.00%	\$3,484

During the year ended August 31, 2001, the school district did not issue any public finance contractual obligations. The following tabulation presents general obligation issues that are outstanding as of August 31, 2001 with comparison to the last two fiscal years:

<u>Issue Name</u>	<u>Outstanding at August 31, 2001</u>	<u>Outstanding at August 31, 1999</u>	<u>Outstanding at August 31, 1999</u>
1986 School Building Bond	\$ 290,000	\$ 540,000	\$ 540,000
1991 Tax Refunding Bond	3,098,455	5,578,144	5,578,144
1993 Tax Refunding Bond	8,248,185	8,487,299	8,487,299
1999 School Building Bond	68,975,000		
2000 QZAB Bond	8,000,000		
Total Outstanding	<u>\$ 88,611,640</u>	<u>\$ 14,605,443</u>	<u>\$ 14,605,443</u>

**Cash Management**

Cash temporarily idle during the year was invested in demand deposits and in discount notes ranging from 7 to 90 days of maturity. The district utilizes the TASB/Lone Star Pool (the Pool), LOGIC (Local Government Investment Cooperative) and MBIA Class A Mutual Fund Pools to invest overnight idle cash. Most of the district’s cash was invested in the Lone Star Pool where the money was readily available for operations. The amount of funds invested in the pools is as follows:

Flex Repo (construction funds)	\$ 71,432,462
FNMA Discount Note (operating funds)	6,748,210
Investment Pools	22,967,414
	<hr/>
Total	\$101,168,086

The average yield earned on investments by all funds during the year were 5.5% and the amount of interest earned was \$6,401,941.

### General Fixed Assets

The general fixed assets of the school district are those fixed assets used in the performance of general governmental functions and exclude the fixed assets of the enterprise funds. As of August 31, 2001 the general fixed assets of the school district amounted to \$144,279,695. This amount represents the original cost of the assets and is considerable less than current market or replacement value. Depreciation of fixed assets is not recognized in the school district's accounting system. For fiscal year 2001, the District engaged the firm, RCI Technologies to conduct and inventory and update the subsidiary files in preparation of the implementation of GASB 34 in fiscal year 2002.

### Risk Management

In June 1996, the school district created the Risk Management Division. The school district purchases insurance for all risks. These include health insurance for all full time employees, worker's compensation for all employees, general liability and casualty insurance, school professional liability insurance for all its employees, and vehicle insurance for its drivers. The following is a summary of all premiums paid in fiscal year 2000 in comparison to 1999 and 1998 :

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
-Health insurance premium	\$5,481,518	\$6,908,044	\$7,171,500	\$5,058,874
-Worker's compensation premium	955,989	1,070,040	1,185,125	859,681
-General liability and property casualty	221,000	171,000	141,946	135,465
-Vehicle insurance premium	82,000	77,500	74,738	74,079

### Safety and Accident Prevention Program

During the 1997-1998, the District was designated a Hazardous Employer by the Texas Worker's Commission. The Board of Trustees approved the implementation and the enforcement of an accident prevention plan for the district. The plan included a management component, an analysis component a record keeping component, a training component, an inspection and audit component, accident investigation component and a plan review component.

In 1999-2000, LISD was removed from the hazardous designation list by the Texas Worker's Commission as a result of the successful reduction of worker's compensation costs, claims and improving the safety program in the school system.

During the year, the District incurred over \$740,758 in worker's compensation claim costs for 329

accidents during the year. These are 69 less claims than the year before or 17% less. Out of the 329 claims, these are broken down as follows:

Category	FY 01 Claims	FY 00 Claims	Y 99 Claims
Administration	2	12	23
Clerks	4	40	43
Teacher	26	94	105
Teacher aide	31	80	81
	FY 01	FY 00	Y 99
Category	Claims	Claims	Claims
Nurses	1	4	2
Custodial	10	74	76
Food services	7	26	35
Maintenance	10	38	33
Bus aide	3	5	2
Bus Driver	3	12	9
Other	8	9	9
Total	329	394	418

An aggressive accident prevention plan is being implemented to address this situation, and to remove the hazardous employer designation. The District will be inspected on December 1999, and it is anticipated to pass the inspection and remove the hazardous employer designation.

### **Other Information**

The Texas Education Agency required that an annual audit of the books of account, financial records, and transactions of all administrative departments of the school district be performed by an independent certified public accountant(s). The auditing firm of Padgett, Strateman, & Co. L.L.P., was selected by the school district's Board Audit Committee and approved by the Board of Trustees. In addition to meeting the requirements set forth in the state and local policies, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-133. The auditor's report on the general purpose financial statements and schedules are included in a separate report. The auditor's report related specifically to the single audit is included in the Single Audit section of the report.

### **Acknowledgments**

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Division of Finance. We would like to express special appreciation to the Accounting Staff as follows:

Jesus J. Amezcua C.P.A., Chief Financial Officer	Melissa Rangel, Staff Accountant
Rosa Maria Torres, Director of Accounting	Rosie Moncivais, Accounting Support Staff
Rene Perales, Senior Accountant	Alicia Cardenas, Accounting Support Staff



Laura McCoy, Senior Accountant  
Belinda Salazar, Staff Accountant  
Alfredo Rocha, Staff Accountant  
Adelfa Kazen, Staff Accountant

Alma Cuellar, Accounting Support Staff  
Diana Trevino, Accounting and Support Staff  
Oralia Santana, Accounting and Support Staff

We would also thank other members of the Finance Department who were committed to the preparation and presentation of this report. We would like to acknowledge the thorough, professional and timely manner in which the audit was conducted by our independent auditors, Padgett, Strateman, & Co. L.L.P.

We would like to acknowledge the President of the Board, the Finance Committee of the Board and all Board Members who have consistently supported the school district's goals of excellence in all aspect of financial management. Their support is greatly appreciated.

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Jesus J. Amezcua, CPA  
Chief Financial Officer

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Paul Cruz, Ph.D.  
Superintendent

ALL FUND TYPES AND ACCOUNT GROUPS  
 COMBINED BALANCE SHEET  
 AUGUST 31, 2001  
 With Comparative Totals for August 31, 2000

LAREDO INDEPENDENT SCHOOL DISTRICT  
 Exhibit A - 1

	GOVERNMENTAL FUND TYPES				FIDUCIARY	ACCOUNT GROUPS		____TOTALS____ (MEMORANDUM ONLY)	
	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TRUST AND AGENCY FUND	GENERAL FIXED ASSETS	GENERAL LONG TERM DEBT	AUGUST 31, 2001	AUGUST 31, 2000
<b>ASSETS:</b>									
Cash and Temporary Investments, at cost	\$19,007,924	\$2,424,989	\$2,868,841	\$79,831,795	\$1,673,027	\$0	\$0	\$105,806,576	\$95,579,791
Receivables:									
Property Taxes - Delinquent	2,759,883	0	481,857	0	434,300	0	0	3,676,040	3,779,054
Allowance for Uncollectible Taxes	(303,587)	0	(53,004)	0	(47,774)	0	0	(404,365)	(377,906)
Due From Other Governments	10,403,039	1,986,519	0	0	0	0	0	12,389,558	12,019,407
Accrued Interest	0	0	433	1,473,306	0	0	0	1,473,739	1,479,024
Due From Other Funds	1,611,597	23,134	88,013	7,960,250	109,752	0	0	9,792,746	2,421,648
Other Receivables	9,015	0	0	0	0	0	0	9,015	23,603
Inventories, at cost	911,785	0	0	0	0	0	0	911,785	1,011,404
Deferred Expenditures	246,345	0	0	0	0	0	0	246,345	216,185
Land, Buildings and Equipment:									
Land	0	0	0	0	0	5,359,973	0	5,359,973	4,306,048
Buildings and Improvements	0	0	0	0	0	80,162,474	0	80,162,474	76,033,868
Furniture and Equipment	0	0	0	0	0	44,140,118	0	44,140,118	65,878,726
Leased Property Under Capital Lease	0	0	0	0	0	1,263,962	0	1,263,962	1,263,962
Construction in Progress	0	0	0	0	0	3,478,939	0	3,478,939	2,980,636
Amounts to be Provided	0	0	0	0	0	0	98,492,762	98,492,762	95,182,265
Amounts Available	0	0	0	0	0	0	2,956,864	2,956,864	2,693,244
<b>Total Assets and Other Debits</b>	<b>\$34,646,001</b>	<b>\$4,434,642</b>	<b>\$3,386,140</b>	<b>\$89,265,351</b>	<b>\$2,169,305</b>	<b>\$134,405,466</b>	<b>\$101,449,626</b>	<b>\$369,756,531</b>	<b>\$364,490,959</b>

The accompanying notes are an integral part of this statement

**ALL GOVERNMENTAL FUND TYPES AND SIMILAR TRUST FUNDS  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 YEAR ENDED AUGUST 31, 2001  
 With Comparative Totals for year ended August 31, 2000**

**LAREDO INDEPENDENT SCHOOL DISTRICT  
 Exhibit A-2**

	GOVERNMENTAL FUND TYPES				TRUST FUNDS	TOTALS (MEMORANDUM ONLY)	
	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE FUND	CAPITAL PROJ. FUND	EXPENDABLE TRUST FUND	AUGUST 31, 2001	AUGUST 31, 2000
<b>REVENUES:</b>							
Local, Intermediate, Out-of-State	\$22,382,103	\$312,560	\$1,806,468	\$4,871,271	\$41,090	\$29,413,492	\$27,173,632
State Program Revenues	99,289,234	5,457,342	6,246,279	0	0	110,992,855	109,531,425
Federal Program Revenues	8,950,673	14,987,996	0	0	0	23,938,669	24,997,477
<b>Total Revenues</b>	<b>130,622,010</b>	<b>20,757,898</b>	<b>8,052,747</b>	<b>4,871,271</b>	<b>41,090</b>	<b>164,345,016</b>	<b>161,702,534</b>
<b>EXPENDITURES:</b>							
Current:							
Instruction and Instructional-Related Services	74,891,647	18,604,140	0	0	10,500	93,506,287	93,565,598
Instructional and School Leadership	9,700,910	1,028,319	0	0	0	10,729,229	10,461,998
Support Services - Student (Pupil)	19,486,711	2,199,861	0	0	37	21,686,609	19,766,451
Administrative Support Services	4,612,720	0	0	0	25,336	4,638,056	4,007,453
Support Services - Nonstudent Based	14,702,913	179,562	0	0	0	14,882,475	14,733,117
Ancillary Services	48,690	625,817	0	0	0	674,507	704,777
Debt Services	37,317	0	10,019,092	39,750	0	10,096,159	10,327,508
Capital Outlay	1,068,629	0	0	0	0	1,068,629	1,534,807
Facilities Acquisition and Construction	0	493,096	0	4,142,308	0	4,635,404	0
Intergovernmental Charges	142,839	9,418	0	0	0	152,257	45,591
<b>Total Expenditures</b>	<b>124,692,376</b>	<b>23,140,213</b>	<b>10,019,092</b>	<b>4,182,058</b>	<b>35,873</b>	<b>162,069,612</b>	<b>155,147,300</b>
Excess(Deficiency) of Revenues Over (Under)							
Expenditures	5,929,634	(2,382,315)	(1,966,345)	689,213	5,217	2,275,404	6,555,234
<b>Other Resources (Uses):</b>							
Bond Proceeds	0	0	0	0	0	0	72,000,000
Loan Proceeds	0	0	0	8,000,000	0	8,000,000	8,000,000
Operating Transfers In	966,721	1,834,848	2,229,967	0	0	5,031,536	7,709,595
Operating Transfers Out	(4,676,848)	(117,278)	0	(237,410)	0	(5,031,536)	(7,709,595)
<b>Total Other Resources (Uses)</b>	<b>(3,710,127)</b>	<b>1,717,570</b>	<b>2,229,967</b>	<b>7,762,590</b>	<b>0</b>	<b>8,000,000</b>	<b>80,000,000</b>
Excess (Deficiency) of Revenue and Other Resources Over Expenditures & Other Uses	2,219,507	(664,745)	263,622	8,451,803	5,217	10,275,404	86,555,234
Fund Balance - September 1 (Beginning)	14,241,418	1,235,903	2,693,244	80,286,727	53,896	98,511,188	10,194,458
Residual Equity Transfer	0	0	0	0	0	0	0
Prior Period Adjustment	1,353,321	0	0	0	0	1,353,321	1,761,496
<b>Fund Balance - August 31 (Ending)</b>	<b>\$17,814,246</b>	<b>\$571,158</b>	<b>\$2,956,866</b>	<b>\$88,738,530</b>	<b>\$59,113</b>	<b>\$110,139,913</b>	<b>\$98,511,188</b>

The accompanying notes are an integral part of this statement.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL AND DEBT SERVICE FUNDS  
Year Ended August 31, 2001**

**LAREDO INDEPENDENT SCHOOL DISTRICT  
EXHIBIT A-3**

	GENERAL FUND			DEBT SERVICE FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES:</b>						
Local, Intermediate, Out-of-State	\$20,970,782	\$22,382,103	\$1,411,321	\$1,670,945	\$1,806,468	\$135,523
State Program Revenues	99,676,668	99,289,234	(387,434)	6,236,512	6,246,279	9,767
Federal Program Revenues	8,581,500	8,950,673	369,173	0	0	0
<b>Total Revenues</b>	<b>129,228,950</b>	<b>130,622,010</b>	<b>1,393,060</b>	<b>7,907,457</b>	<b>8,052,747</b>	<b>145,290</b>
<b>EXPENDITURES:</b>						
Instruction and Instructional-Related Services	78,157,598	74,891,647	3,265,951	0	0	0
Instructional and School Leadership	9,976,254	9,700,910	275,344	0	0	0
Support Services - Student (Pupil)	21,055,850	19,486,711	1,569,139	0	0	0
Administrative Support Services	5,122,521	4,612,720	509,801	0	0	0
Support Services - Nonstudent Based	15,719,979	14,702,913	1,017,066	0	0	0
Ancillary Services	50,884	48,690	2,194	0	0	0
Debt Service	37,758	37,317	441	10,022,240	10,019,092	3,148
Capital Outlay	1,398,928	1,068,629	330,299	0	0	0
Intergovernmental Charges	166,554	142,839	23,715	0	0	0
<b>Total Expenditures</b>	<b>131,686,326</b>	<b>124,692,376</b>	<b>6,993,950</b>	<b>10,022,240</b>	<b>10,019,092</b>	<b>3,148</b>
Excess (Deficiency) Revenue Over						
(Under) Expenditures	(2,457,376)	5,929,634	8,387,010	(2,114,783)	(1,966,345)	148,438
Operating Transfers In	1,287,350	966,721	(320,629)	2,231,182	2,229,967	(1,215)
Operating Transfers Out	(4,695,552)	(4,676,848)	18,704	0	0	0
Excess (Deficiency) of Revenue and Other Resources						
Over (Under) Expenditures & Other (Uses)	(5,865,578)	2,219,507	8,085,085	116,399	263,622	147,223
Fund Balance - September 1 (Beginning)	14,241,418	14,241,418	0	2,693,244	2,693,244	0
Prior Period Adjustment	1,353,321	1,353,321	0	0	0	0
<b>Fund Balance - August 31 (Ending)</b>	<b>\$9,729,161</b>	<b>\$17,814,246</b>	<b>\$8,085,085</b>	<b>\$2,809,643</b>	<b>\$2,956,866</b>	<b>\$147,223</b>

The accompanying notes are an integral part of this statement.

**LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED AUGUST 31, 2001**

**Note A - Reporting Entity**

The Board of School Trustees, a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of Laredo Independent School District (the "District"). Because members of the Board of Trustees (the "Board") are elected by the public, they have the authority to make decisions, appoint administrators and managers, and significantly influence operations; and they have the primary accountability for fiscal matters. The District is not included in any other governmental "reporting entity" as defined by Governmental Accounting Standards Board (GASB), Statement No. 14, "The Financial Reporting Entity". There are no component units included within the reporting entity.

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

**Note B - Summary of Significant Accounting Policies**

The accounting policies of Laredo Independent School District substantially comply with the rules prescribed in the Texas Education Agency's Financial Accounting System Resource Guide (the "Resource Guide"). The accounting policies included in the Resource Guide conform to generally accepted accounting principles applicable to governmental units.

1. The District accounts for its activities in two types of funds – Governmental and Fiduciary – and two account groups. It utilizes the fund and account group codes specified in the Resource Guide.

- a. Governmental fund types include the following:

The General Fund (GF). The District accounts for financial resources used for general operations in this fund. It is an annual appropriated budgeted fund, and any fund balances are considered resources available for current operations. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund.

Special Revenue Funds (SRF's). The District uses these funds to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and State financial assistance often is accounted for in a Special Revenue Fund. In many SRF's, unused balances are returned to the grantor at the close of specified project periods. The District budgets SRF's on a project rather than on an annual appropriated basis and uses project accounting for them in order to maintain integrity for the various sources of funds.

Debt Service Fund (DSF). The District accounts for revenues collected to pay interest on, and retire long-term debt -- including bonds, long-term mortgage notes, etc. -- in the Debt Service Fund. The DSF is an annual appropriated budgeted fund.

Capital Projects Funds (CPF's). The District accounts for proceeds from long-term debt financing (including the sale of bonds) and revenues and expenditures related to authorized construction and other capital asset acquisitions in these funds. The board approves project budgets, not annual appropriated budgets.

**Laredo Independent School District  
Notes to the Financial Statements**

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

- b. Fiduciary fund types include the following:

Governmental Expendable Trust Funds (GETs). The District uses these funds to account for resources received from federal and state agencies or from local sources and for expenditures in programs in which one or more other school districts cooperate. The District acts as fiscal manager for these funds. Federally funded grants accounted for in this fund-type are presented in the same manner as grants in the Special Revenue Fund and the separate projects are identified in the Federal Financial assistance section of this report. The District does not budget for these funds.

Agency Funds (AFs). The District uses Agency Funds, which are custodial in nature, to account for clearing accounts and the activities of student groups. The student activity organizations exist with the explicit approval of, and are subject to revocation by, the District's Board of Education. These funds have no revenue, expenditures, or equity, and the District does not budget them.

2. The District accounts for property and equipment and long-term liabilities of the governmental and similar trust funds through the account groups -- the General Fixed Asset Group ("GFAAG") and the General Long-Term Debt Account Group ("GLTDAG"). Fixed assets are recorded at historical cost or estimated market value, if donated. Fixed assets in the GFAAG are not depreciated. Interest costs are not capitalized.
3. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund Types and Expendable Trust Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund Types, the Expendable Trust Funds, and Agency Funds. This basis of accounting recognizes revenues in the accounting period in which they become available and measurable, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-term Debt, which is recognized when due. In accounting for Foundation School Program revenues, the revenues are accrued for the days of instruction for academic year 2002, occurring prior to the end of fiscal year 2001. These revenues have been recognized since the revenue will be received within sixty days of the end of fiscal year 2001.

In prior years, the District followed a budgetary basis of accounting for Foundation School Program revenues. These revenues were accrued for the days of instruction for the current academic year that occurred prior to the end of previous fiscal year. In addition, for budgetary purposes (as presented on Exhibit A-3), the District had fully accrued Foundation School Program revenues under Model 401 to reflect cash that was received in fiscal year 2002, which was generated by attendance in academic year 2001.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the state are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

**Laredo Independent School District  
Notes to the Financial Statements**

**Note B - Summary of Significant Account (continued)**

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 deferred revenues until earned.

- The official annual appropriated budget was prepared for adoption for only the General Fund, and Debt Service Fund, by August 2000. The operating budget includes operating expenditures and the means of financing them. After ten days of public notice and prior to September 1, 2000, the budget was formally adopted by the Board of Trustees at a duly advertised public meeting prior to the expenditure of funds. Once a budget is approved, it can be amended at the function and fund level only by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. Emergency appropriations are allowed to meet on emergency affecting life, health, property, or the public peace of the District through an emergency ordinance if there are available in various funds. Various transfers of appropriations were prepared during 2001 for the General Fund. The amended budget is presented in the general purpose financial statements. Various supplementary appropriations were necessary during the year to record amendments to various grant funds. The amendments had no negative effect on the original budgeted revenues and appropriations. Such amendments are made before the fact, are reflected in the official minutes of the Board and are not made after fiscal year end as required by law. Each budget is controlled by the respective budget coordinator at the revenue and expenditure function/object level. All budget appropriations lapse at year-end. The following amendments were necessary during the year:

	Original Budget	Increase (Decrease)	Amended Budget
General fund	\$ 126,753,656	\$ 4,932,670	\$ 131,686,326
Debt service fund	<u>9,931,740</u>	<u>90,500</u>	<u>10,022,240</u>
	<u>\$ 136,685,396</u>	<u>\$ 5,023,170</u>	<u>\$ 141,708,566</u>

The District has also included unofficial budgets for certain governmental and fiduciary fund types as supplemental information. The district uses such unofficial information for management control purposes.

- Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget. End-of-year outstanding encumbrances that were provided for in the subsequent year's budget are:

General fund	\$ 1,337,040
Special Revenue funds	929,343
Capital Projects fund	<u>9,546,675</u>
	<u>\$ 11,813,058</u>

- Inventories of supplies on the balance sheet are carried at cost, which is determined principally by the average cost method, while Inventories for food service commodities are recorded at market values as supplied by the United States Department of Agriculture (USDA). Inventories are considered expenditures or expenses as they are consumed. Supplies are used for almost all functions of activity, while food commodities are used only in the food service program. Although commodities are received at no cost, their fair market value is supplied by the USDA and recorded as inventory and deferred revenue when

**Note B - Summary of Significant Account (continued)**

**Laredo Independent School District  
Notes to the Financial Statements**

received. When requisitioned, inventory and deferred revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount.

7. Data Control codes refer to the account code structure prescribed by the TEA in the Resource Guide.
8. Deferred revenue accounted for on the balance sheet of the General Fund relates to uncollected property taxes less the amount for doubtful accounts and the remainder relates to monies received from Deer Park ISD for the sale of weighted average daily attendance and various other sources.
9. Total columns on the financial statements are indicated "Memorandum Only" because they are only summations. They do not present financial positions or results of operations in conformity with generally accepted accounting principles. Such data does not represent consolidated information.
10. Assets in the general fixed assets account group are not depreciated.
11. During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.
12. The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amount.
13. Temporary investments are carried at cost since such amounts approximate amortized cost and fair value.

**Note C - Deposits, Securities and Investments**

**Deposits**

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

At August 31, 2001, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$2,880,539 and the bank balance was \$5,689,607. The District also had \$2,600 in petty cash. The District's cash deposits at August 31, 2001 and during the year were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank. The deposits were collateralized in accordance with Texas Law, and the Texas Education Agency maintains copies of all safekeeping receipts in the name of the District.

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

- a. Name of the bank: NBC Bank
- b. The amount of bond and/or the market value of securities pledged as of the date of the highest combined balance on deposit was: \$16,000,000.

**Note C - Deposits, Securities and Investments (continued)**

- c. The largest combined balances of cash, savings, and time deposit accounts amounted to \$14,633,431 and occurred during the month of September 2001.



**Laredo Independent School District  
Notes to the Financial Statements**

- d. Total amount of FDIC coverage at the time of the largest combined balance was \$100,000.

Cash deposits held at financial institutions can be categorized according to three levels of risk. These levels of risk are:

- Category 1 Deposits, which are insured or collateralized with securities held by the District or by its agent in the District's name.
- Category 2 Deposits, which are collateralized with securities, held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 Deposits which are not collateralized.

Based on these three levels of risk, all of the District's cash deposits are classified as category 1.

**Investments**

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: safety of principal and liquidity, portfolio diversification, allowable investments, acceptable risk levels, expected rates of return, maximum allowable stated maturity of portfolio investments, maximum average dollar-weighted maturity allowable based on the stated maturity date for the portfolio, investment staff quality and capabilities, and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in obligations of the U.S. Treasury, certain U.S. agencies, the state of Texas, certificates of deposit, certain municipal securities, money market savings accounts, repurchase agreements, bankers acceptances, mutual funds, investment pools, guaranteed investment contracts, and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

Similar to cash deposits, investments held at a financial institution can be categorized according to three levels of risk. These three levels of risk are:

- Category 1 Investments that are insured, registered or held by the District or its agent in the District's name.
- Category 2 Investments that are uninsured and unregistered held by the counter party's trust department or agent in the District's name.
- Category 3 Uninsured and unregistered investments held by the counter party, its trust department, or its agent, but not in the District's name.

Based on these three levels of risk, all of the District's investments are classified as Category 1.

**Note C - Deposits, Securities and Investments (continued)**

The District's temporary investments, which were recorded at cost, at August 31, 2001, were as follows:

**Laredo Independent School District  
Notes to the Financial Statements**

	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Category</u>
Flex Repurchase Agreement	\$ 71,432,462	\$ 71,432,462	1
Federal Home Loan Disc. Note	<u>6,768,210</u>	<u>6,772,392</u>	1
	78,200,672	78,204,854	
Investments not subject to categorization:			
Investment Pools	<u>22,967,414</u>	<u>22,985,836</u>	
Total Temporary Investments	<u>\$ 101,168,086</u>	<u>\$ 101,190,690</u>	

Investment Pools: TexPool Investment Fund and Lone Star Investment Fund have been organized in conformity with the Interlocal cooperation Act, chapter 791 of the Texas Government Code, and the Public Funds Investment Act, chapter 2256 of the Texas Government code. The funds are 2a7-like pools, though not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless have a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

**Note D - Due From Other Governments**

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the state through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of August 31, 2001 are summarized below. All federal grants shown below are passed through the Texas Education Agency and are reported on the combined financial statements as Due From Other Governments.

<u>Fund</u>	<u>State Entitlements</u>	<u>Federal Grants</u>	<u>Other</u>	<u>Total</u>
General	\$ 10,275,601	\$ -	\$ 127,438	\$ 10,403,039
Special Revenue	<u>1,868,994</u>	<u>27,270</u>	<u>90,255</u>	<u>1,986,519</u>
	<u>\$ 12,144,595</u>	<u>\$ 27,270</u>	<u>\$ 217,693</u>	<u>\$ 12,389,558</u>

**Note E - Property Taxes**

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period and those expected to be collected during a 60-day period after the close of the school fiscal year.

**Note F - Delinquent Taxes Receivable**

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectibles within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

**Laredo Independent School District  
Notes to the Financial Statements**

**Note G - Interfund Receivables and Payables**

Interfund balances at August 31, 2001, consisted of the following individual fund receivables and payables:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General fund	\$ 1,611,597	\$ 8,269,928
Special Revenue funds:		
ESEA Dwight D. Eisenhower	-	351
Title I Disadvantaged Children	-	576
IDEA part - B Deaf	294	-
Summer Food Service Program	-	164,791
Career & Technology Grant	-	798
Gear Up	360	-
Visually Impaired	198	-
Texas Successful School Program	-	315
Pre kinder Expansion Grant	22,282	-
Debt Service fund	88,013	243
Capital Projects fund	7,960,250	-
Trust and Agency funds:		
Payroll fund	109,524	1,247,948
Accounts Payable fund	<u>228</u>	<u>107,796</u>
	<u>\$ 9,792,746</u>	<u>\$ 9,792,746</u>

**Note H - General Fixed Assets**

Activity in the general fixed assets account group for the District for the year ended August 31, 2001 was as follows:

**Laredo Independent School District  
Notes to the Financial Statements**

	<u>Balance 9/1/00</u>	<u>Additions</u>	<u>Retirements &amp; Transfers</u>	<u>Balance 8/31/01</u>
Land	\$ 4,306,048	\$ 1,053,925	\$ -	\$ 5,359,973
Buildings and Improvements	76,033,868	4,128,606	-	80,162,474
Construction in Progress	2,980,636	3,478,939	2,980,636	3,478,939
Furniture and Equipment	65,878,726	5,113,803	26,852,411	44,140,118
Property Under Capital Lease	<u>1,263,962</u>	<u>-</u>	<u>-</u>	<u>1,263,962</u>
	<u>\$ 150,463,240</u>	<u>\$ 13,775,273</u>	<u>\$ 29,833,047</u>	<u>\$ 134,405,466</u>

**Note I - Deferred Revenue**

Deferred revenue at August 31, 2001 consisted of the following:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Trust &amp; Agency Funds</u>	<u>Totals</u>
Net tax revenue	\$ 2,456,296	\$ -	\$ 428,852	\$ 386,527	\$ 3,271,675
Food service commodities	312,870	-	-	-	312,870
Escrow refunds	34,275	-	-	-	34,275
TANIF	-	27,032	-	-	27,032
Gear Up Grant	-	174	-	-	174
Regional Day School for the Deaf	-	91,582	-	-	91,582
Non-Educational Community	-	2,541	-	-	2,541
Pregnancy, Education, and Parenting Prog.	-	2,264	-	-	2,264
Pregnancy, Education, and Parenting Prog.-CCMS	-	62,745	-	-	62,745
Pre-kindergarten Grant	-	981,489	-	-	981,489
UTSA Health Center Math & Science	-	2,328	-	-	2,328
Med Prep Fund	-	1,267	-	-	1,267
Dr. M.A. Hochman Grant	-	2,498	-	-	2,498
Local Grants	-	3,736	-	-	3,736
South Texas Schools To Careers	<u>-</u>	<u>158</u>	<u>-</u>	<u>-</u>	<u>158</u>
	<u>\$ 2,803,441</u>	<u>\$ 1,177,814</u>	<u>\$ 428,852</u>	<u>\$ 386,527</u>	<u>\$ 4,796,634</u>

**Note J - Loans**

The District accounts for short-term debts through the appropriate funds. Short-term debts include notes made in accordance with the provisions of the Texas Education Code.

A loan of \$2,550,000 was issued on December 1, 1996, for the purchase of capital equipment as authorized by Texas Local Government Code Section 271. The loan has an interest rate of 4.25% and an original term of 4 years. The final principal and interest payment will be made in the fiscal year ending August 31, 2002.

**Note J - Loans (continued)**

A loan of \$2,800,000 was issued on April 1, 1998, for the purchase of capital equipment as authorized by Texas Local Government Code Section 271. The loan has an interest rate of 4.85% and an original term of 4 years. The final principal and interest payment will be made in the fiscal year ending August 31, 2002.

**Laredo Independent School District  
Notes to the Financial Statements**

A loan of \$4,255,000 was issued on September 2, 1998, for the purchase of capital equipment as authorized by Texas Local Government Code Section 271. The loan has an interest rate of 5.06% and an original term of 10 years. The final principal and interest payment will be made in the fiscal year ending August 31, 2008.

A Qualified Zone Academy Limited maintenance Tax Note of \$8,000,000 was entered into on August 23, 2000 for the purpose of financing the construction of academies for 3 LISD high schools. Interest payments of \$88,000 will be made on a yearly basis for 12 years with one principal payment of 8,000,000 due at maturity – August 23, 2012.

A Qualified Zone Academy Limited Maintenance Tax Note of \$8,000,000 was entered into on August 30, 2001 for the purpose of financing the construction of academies for 3 middle schools and 2 high schools. Interest payments of \$87,760 will be made on a yearly basis for 12 years with one principal payment of \$8,000,000 due at maturity on August 30, 2013.

The following is a summary of loan transactions of the District for the year ending August 31, 2001:

<u>Description</u>	<u>Fund Payable From</u>	<u>Balance Outstanding September 1, 2000</u>	<u>Issued Current Year</u>	<u>Retired During Year</u>	<u>Balance Outstanding August 31, 2001</u>
Loan - December 1, 1996	Operating Fund	\$ 1,365,000	\$ -	\$ 665,000	\$ 700,000
Loan - April 1, 1998	Operating Fund	1,490,000	-	730,000	760,000
Loan - September 2, 1998	Operating Fund	3,580,000	-	370,000	3,210,000
Note - August 23, 2000	Operating Fund	8,000,000	-	-	8,000,000
Note - August 30, 2001	Operating Fund	-	<u>8,000,000</u>	-	<u>8,000,000</u>
		<u>\$ 14,435,000</u>	<u>\$ 8,000,000</u>	<u>\$ 1,765,000</u>	<u>\$ 20,670,000</u>

Interest paid on loans during the year was \$363,682.

The following is a schedule of the required payments of these loans:

<u>Year Ending August 31.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 1,850,000	\$ 363,640	\$ 2,213,640
2003	410,000	308,079	718,079
2004	435,000	286,701	721,701
2005	460,000	264,057	724,057
2006	480,000	240,275	720,275
Thereafter	<u>17,035,000</u>	<u>1,195,324</u>	<u>18,230,324</u>
	<u>\$ 20,670,000</u>	<u>\$ 2,658,076</u>	<u>\$ 23,328,076</u>

**Note K - Bonds**

Bonded indebtedness of the district is reflected in the General Long Term Debt Account Group, and current requirements for principal and interest expenditures are accounted for in the Debt Service Fund. Total principal amount of Tax Bond indebtedness cannot exceed 10 percent of the taxable assessed valuation of property in the school district.

**Laredo Independent School District  
Notes to the Financial Statements**

The following is a summary of bond transactions of the district for the year ended August 31, 2001:

Description	Original Amount	Interest Rates	Balance Outstanding September 1, 2000	Issued Current Year	Retired During Year	Balance Outstanding August 31, 2001
School Building Bonds - Series - 1986	\$ 1,615,000	7.70%-7.75%	\$ 290,000	\$ -	\$ 290,000	\$ -
Unlimited Tax Refunding Bonds - Series - 1991	7,300,000 *	5.70%-6.60%	2,835,000	-	1,380,000	1,455,000
Unlimited Tax Refunding Bonds - Series - 1991 Capital Appreciation	815,000 *	6.90%	1,537,376	106,079	-	1,643,455
Unlimited Tax Refunding Bonds - Series - 1993	7,859,391 *	3.00%-5.95%	5,805,000	-	275,000	5,530,000
Unlimited Tax Refunding Bonds - Series - 1993 Capital Appreciation	1,188,644 *	5.85%	1,806,193	106,593	-	1,912,786
Unlimited Tax Refunding Bonds - Series - 1993 Capital Appreciation	496,558 *	5.95%	759,788	45,611	-	805,399
Unlimited Tax Refunding Bonds - Series - 1999	<u>72,000,000</u>	5.50%-6.75%	<u>70,370,000</u>	<u>-</u>	<u>1,395,000</u>	<u>68,975,000</u>
	<u>\$ 91,274,593</u>		<u>\$ 83,403,357</u>	<u>\$ 258,283</u>	<u>\$ 3,340,000</u>	<u>\$ 80,321,640</u>

\* Capital Appreciation Bonds

Interest paid on bonded indebtedness during the current year was \$4,546,059.

**Note K - Bonds (continued)**

Debt service requirements for bonds outstanding at August 31, 2001 are as follows:

**Laredo Independent School District  
Notes to the Financial Statements**

<u>Year Ending August 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 3,555,000	\$ 4,325,235	\$ 7,880,235
2003	2,907,868	4,976,308	7,884,176
2004	3,686,223	4,185,486	7,871,709
2005	4,180,000	3,745,559	7,925,559
2006	2,218,013	5,731,370	7,949,383
Thereafter	<u>63,774,535</u>	<u>36,487,707</u>	<u>100,262,242</u>
	<u>\$ 80,321,639</u>	<u>\$ 59,451,665</u>	<u>\$ 139,773,304</u>

The last principal and interest payment for the above general obligations will be paid in fiscal year ending August 31, 2024, for the 1999 Bonds Issue. The highest principal and interest payment will be paid in fiscal year ending August 31, 2006 for a total amount of \$7,949,382.

Capital appreciation bonds in the amount of \$4,361,639 included in the above maturities reflect the total amount of accreted interest to be paid on those bonds maturing in the respective years and does not include interest accruing but not paid in years prior to maturity.

**Note L - Property Under Capital Lease**

A summary of changes in capital lease obligations is as follows:

<u>Purpose</u>	<u>Issued Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding September 1, 2000</u>	<u>Issued Current Year</u>	<u>Retired During Year</u>	<u>Balance Outstanding August 31, 2001</u>
Paper Cutter	01/17/96	11.50%	\$ 2,262	\$ -	\$ 2,262	\$ -
Telephone Equipment	01/01/98	7.61% - 7.63%	<u>34,890</u>	<u>-</u>	<u>34,890</u>	<u>-</u>
			<u>\$ 37,152</u>	<u>\$ -</u>	<u>\$ 37,152</u>	<u>\$ -</u>

**Note M - Commitments Under Operating Leases**

The Laredo Independent School District entered into an operating lease with Dell Financial Services L.P. for the lease of computers. A master agreement for the lease of 4,666 computers was executed on July 31, 1998. As computers are delivered, a lease schedule is executed and debt service payment schedules are followed. Dell Computer has delivered 4,060 computers, one server, 230 laptops and 17 Microsoft Office 2000 programs which were installed at various elementary and secondary schools and departments. Rental expense under this lease was \$3,244,352 for the year ended August 31, 2001.

**Note M - Commitments Under Operating Leases(continued)**

The Laredo Independent School District has begun its \$144M capital improvement bond program. Due to the construction of new schools, 2 portable campuses have been constructed for Santa Maria Elementary and Farias Elementary Schools. The district is leasing portable buildings from Resun Leasing, Inc. The land where the portable

**Laredo Independent School District  
Notes to the Financial Statements**

campuses were built on is being leased from Mercy Hospital and the City of Laredo. Additional portable buildings have been leased from Resun Leasing, Inc. for restrooms at Daiches Elementary School. The rental expense for leases under the construction program was \$5,951 for Mercy Hospital, \$12,523 the City of Laredo, and \$7,680 for Resun Leasing, Inc. for August 31, 2001.

The following is a schedule of future minimum rental payments required under operating leases that have initial or noncancelable lease terms in excess of one year as of August 31, 2001:

Year Ending August 31,	Dell Financial	Mercy Hospital	City of Laredo	Resun Leasing, Inc.	Rental Amounts
2002	\$ 2,663,554	\$ 23,804	\$ 50,094	\$ 971,616	\$ 3,709,068
2003	2,354,453	21,821	50,094	1,005,866	3,432,234
2004	1,612,044	-	12,524	33,950	<u>1,658,518</u>
					<u>\$ 8,799,820</u>

**Note N - Accumulated Unpaid Vacation and Sick Leave Benefits**

The payment of accrued sick leave will apply to those employees who retire under the Teacher Retirement System while they are employed by the District. Since payment of this sick leave is contingent on an employee's future service, this liability is not accrued. Compensation for any other type of absence does not accumulate including vacations.

**Note O - Defined Benefit Pension Plan**

The following disclosures regarding the District's participation in the Teacher Retirement System of Texas are presented below:

**Plan Description**

The Laredo Independent School District contributes to the Teacher Retirement System of Texas (the "TRS"), a cost-sharing multiple-employer defined benefit pension plan.

TRS administers retirement and disability annuities and death and survivor benefits to employees and beneficiaries of employees of the public school system of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. TRS also administers proportional retirement benefits and service credit transfers under Texas Government Code, Title 8, Chapter 803 and Chapter 805, respectively. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS publications heading.

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

**Funding Policy**

State law provides for fiscal years 2001, 2000, and 1999 a state contribution rate of 6.0% and a member contribution rate of 6.4%. In certain instances, the District is required to make all or a portion of the state's 6.0% contribution. Contribution requirements are not actuarially determined but are legally established each biennium pursuant to the following state funding policy: (1) The state constitution requires the legislature to establish a member contribution rate



**Laredo Independent School District  
Notes to the Financial Statements**

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 of all members of TRS during the fiscal year, and (2) A state statute prohibits benefit improvements or contribution reductions 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. State contributions for fringe benefits and salaries to TRS made on behalf of the Laredo Independent School District’s employees for the years ended August 31, 2001, 2000, and 1999 were \$5,262,434, \$5,368,792 and \$5,246,079 respectively. The Laredo Independent School District paid additional state contributions for the years ended August 31, 2001, 2000, and 1999 in the amount of \$1,037,320, \$1,002,972 and \$972,268 respectively, on the portion of the employees’ salaries that exceeded the statutory minimum.

**Note P - Health Care Coverage and Risk Management Activities**

Health coverage was provided by PacifiCare health insurance. The District paid premiums of \$190.00 per month per employee during this period for professional employees and \$203.49 for para-professional employees and employees, at their option, authorized payroll withholdings to pay premiums for dependents. Plans were authorized by Article 3.51-2, Texas Insurance Code and were documented by contractual agreement.

Latest financial statements for PacifiCare Health Insurance are available for the year ended December 31, 2000 with the State of Texas Board of Insurance, Austin, Texas and are public records.

For fiscal year 2000-2001, the District purchased health insurance for the full time employees. Full time employees are those employees, which work at least 20 hours per week. The health insurance plan was a fully insured preferred provider plan with various features such as co-pays, deductibles, in-net work and out-of-network benefits and other. The insurance premium increased from prior year due to high usage of the plan by the employees.

The District’s 2000-01 Maintenance of Effort is as follows:

	<u>Amount</u>
Total Annual Premium for health care 2000-01	\$ 5,481,518
Life Insurance	<u>(62,692)</u>
	<u>\$ 5,418,826</u>

The District purchased property and casualty insurance, vehicle insurance and worker’s compensation insurance from Allianz Company, Company of the West and Western Indemnity respectively.

**Note P - Health Care Coverage and Risk Management Activities (continued)**

Below are the various premium paid in each of the risks insured for the last three years:

**Laredo Independent School District  
Notes to the Financial Statements**

	<u>00-01</u>	<u>99-00</u>	<u>98-99</u>
Employee Health Insurance	\$ 5,481,518	\$ 6,908,049	\$ 7,171,500
Vehicle Insurance	-	77,500	74,738
Property and Casual Insurance	-	171,000	141,946
Worker's Compensation Insurance	1,009,556	1,070,040	1,185,125

As of August 31, 2001 the district did not have any outstanding claim liabilities as required by GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the claim liability can be reasonably estimated. Claim liabilities are calculated considering the recent claim settlement trends including frequency and amount of payouts. Premiums and liabilities incurred for 2000-2001 were as follows:

	<u>Premiums</u>	<u>Claims</u>
Building Contents, and Blanket Coverage Insurance	\$ 128,755	\$ 1,935
Boiler and Machinery Insurance	7,455	-
School Board and Professional Liability Insurance	34,790	10,020
Automobile Insurance	77,500	71,881

Insurance settlements on the above mentioned policies did not exceed insurance coverage for each of the last three fiscal years.

**Note Q - Litigation and Contingent Liabilities**

At August 31, 2001, Laredo Independent School District was a defendant in several lawsuits. These suits are varied in nature and address such areas as personal injury, complaints, and contracts. In the opinion of the school attorney, the outcome of most of these cases is favorable and any resulting liability will not materially affect the school district's financial position.

**Note R - General Fund Federal Source Revenues**

**Laredo Independent School District  
Notes to the Financial Statements**

<u>Program or Source</u>	<u>CFDA Number</u>	<u>Amount</u>	<u>Total Grant or Entitlement</u>
General Fund:			
PL81-874 (Impact Aid)	84.041	\$ 9,121	\$ 9,121
ROTC	12.999	133,417	133,417
Medicaid		301,471	301,471
MAC Program		106,883	106,883
Indirect Cost:			
ESEA TitleVII Emergency Immigrant Program	84.162	3,220	178,003
Safe and Drug Free Schools	84.186A	1,839	124,540
ESEA Title II Dwight Eisenhower	84.281A	5,822	409,975
ESEA Title I Part A Disadvantaged Children	84.010A	170,892	10,240,496
ESEA Title I Part C Migrant	84.011	4,710	266,220
IDEA B-Formula	84.027	34,348	2,056,006
IDEA B-Preschool	84.173	545	50,442
IDEA B-Deaf	84.027	272	30,639
IDEA B-Preschool Deaf	84.027	35	6,274
ESEA Title VI Innovative Education	84.298	3,427	204,455
Vocational Education Applied Career & Technology	84.048A	5,175	524,549
Class Size Reduction	84.340A	27,177	2,247,536
National Science Foundation	47.049	<u>8,951</u>	<u>1,029,519</u>
Total General Fund		<u>817,305</u>	<u>17,919,546</u>
Food Service Fund:			
National School Lunch Program	10.555	7,563,091	8,535,294
USDA Commodities	10.555	<u>570,277</u>	<u>500,000</u>
Total Food Service Fund		<u>8,133,368</u>	<u>9,035,294</u>
<b>TOTAL</b>		<u>\$ 8,950,673</u>	<u>\$ 26,954,840</u>

**Note S - Revenues from Local and Intermediate Sources**

**Laredo Independent School District  
Notes to the Financial Statements**

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

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Trust & Agency Funds	Totals
Property taxes	\$ 16,484,172	\$ -	\$ 1,366,311	\$ -	\$ 25,336	\$ 17,875,819
Penalties, interest, and other tax-related income	614,488	-	83,884	-	-	698,372
Investment income	1,163,599	9,636	356,273	4,871,271	1,163	6,401,942
Food sales	103,205	-	-	-	-	103,205
Co-curricular student activities	185,566	-	-	-	-	185,566
Other	<u>3,831,073</u>	<u>302,924</u>	<u>-</u>	<u>-</u>	<u>14,591</u>	<u>4,148,588</u>
	<u>\$ 22,382,103</u>	<u>\$ 312,560</u>	<u>\$ 1,806,468</u>	<u>\$ 4,871,271</u>	<u>\$ 41,090</u>	<u>\$ 29,413,492</u>

**Note T – Arbitrage Liability**

The Laredo Independent School District issued a \$72 million Unlimited Tax School Building and Refunding Series 1999. The Internal Revenue Service Code Section 148(f)(2), the district must rebate any excess of investment earnings or bond proceeds if the yield of those earnings exceeds the effective yield or the related tax exempt bonds that the school district issued. The arbitrage liability as of August 31, 2001 is \$457,987.

**Note U - Prior Period Adjustment**

The General Fund beginning fund balance was adjusted by \$1,353,321 in order to reflect the final TEA funding for fiscal year 1999-2000.

**Note V – Subsequent Events**

On September 20, 2001 the Laredo Independent School District approved the construction contract to Leyendecker Construction Company for the new replacement school at Santa Maria Elementary School in the amount of \$4,830,700, for the new replacement school at Farias Elementary School in the amount of \$4,926,997, for the new replacement school Sanchez-Ochoa Elementary School in the amount of \$5,132,719 and for new classroom, gymnasiums, cafeteria and renovations to A.T. Dovalina Elementary School in the amount of \$2,801,900. The construction projects will utilize the Rolling Owner Control Insurance Program (ROCIP) which is a program designed to segregate the insurance cost from the construction contract with the intent of reducing the total insurance cost for the construction projects. A separate contract for insurance coverage has been issued to McGriff, Seibels & Williams of Texas Inc. in the amount of \$5,434,293.

On September 27, 2001 the Board approved the issuance of \$72,000,000 Unlimited Tax School Building and Refunding Series 2001. These bonds will complete the second phase of the capital improvement program. The bond proceeds were received in October 2001. The funding for these bonds is 83% state IFA grant and 17% local taxes.

On November 15, 2001 the Board approved a maintenance agreement and purchase contract with Lexmark Inc. for the acquisition of 1,170 printers and scanners to be used at all campuses. The contract amount totals to \$1,179,994 plus \$588,234 for the maintenance service agreement.

**General Governmental Expenditures  
By Function (1)**

**Laredo Independent School District  
Table 1**

Function	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Instr & Related Services	\$58,494,586	\$61,046,032	\$66,106,144	\$72,314,612	\$77,202,717	\$78,449,877	\$83,383,699	\$88,855,667	\$93,565,598	\$93,506,287
Instr & School Leadership	7,729,175	8,280,988	8,728,776	9,727,721	7,897,626	10,252,438	10,978,086	10,916,864	10,461,998	10,729,229
Supp Serv - Student (2&4)	14,348,244	8,135,903	8,838,733	10,134,616	9,670,507	10,260,559	11,792,614	20,228,865	19,766,451	21,686,609
Admin. Supp Services	2,959,197	3,634,618	3,902,439	3,730,458	4,121,629	4,198,490	4,123,578	4,369,011	4,007,453	4,638,056
Supp Serv-Nonstudent	11,495,359	12,430,991	12,741,708	14,890,471	14,733,580	15,137,545	15,140,333	18,119,296	14,733,117	14,882,475
Ancillary Services	495,477	559,763	613,746	583,779	595,860	648,454	650,003	647,398	704,777	674,507
Debt Service	2,772,614	3,370,380	3,197,822	3,071,264	2,769,572	2,574,025	2,905,324	4,864,834	10,327,508	10,096,159
Capital Outlay	1,010,389	6,354,094	7,259,382	5,077,608	1,477,242	4,221,858	4,237,103	6,218,452	1,534,807	5,704,033
Intergover Charges (3)	0	0	0	0	0	59,311	201,108	208,405	45,591	152,257
<b>TOTAL</b>	<b>\$99,305,041</b>	<b>\$103,812,769</b>	<b>\$111,388,750</b>	<b>\$119,530,529</b>	<b>\$118,468,733</b>	<b>\$125,802,557</b>	<b>\$133,411,848</b>	<b>\$154,428,792</b>	<b>\$155,147,300</b>	<b>\$162,069,612</b>

**NOTES**

- (1) Expenditures of all governmental fund types of the District are included. These consist of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Expendable Trust Funds.
- (2) Prior to fiscal year 1993, the Food Service Program was accounted for as a General Fund Type. Beginning in fiscal year 1993, the Food Service Program is accounted for as a Proprietary Fund.
- (3) The Intergovernmental charges category was established beginning in fiscal year 1997.
- (4) Beginning in year 1999, the Food Services Program will no longer be accounted for as a Proprietary Fund. The Food Services Program is now accounted for as a General Fund.

**SOURCE:**

L.I.S.D. Division of Finance

**General Governmental Revenues  
By Source (1)  
Last Ten Fiscal Years**

**Laredo Independent School District  
Table 2**

Source	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>Revenue from Local, Intermediate, &amp; Out of State Source:</b>										
Local real & property taxes (2)	\$3,026,576	\$2,717,391	\$11,897,941	\$12,600,297	\$13,992,214	\$16,320,406	\$15,816,727	\$16,357,726	\$17,297,930	\$18,548,856
Local revenue	47,738	39,589	33,275	0	12,630	30,778	0	0	0	0
Co-curricular, enterprising serv	538,118	132,026	114,126	151,498	155,404	118,858	178,087	360,188	415,807	377,096
Other revenue from local sources (5)	932,779	1,218,089	1,146,436	11,481,301	3,163,625	2,518,806	5,806,738	4,007,969	9,003,038	9,911,092
Revenue from intermediate sources	8,477,049	10,021,164	1,971,282	1,288,617	899,385	685,422	730,673	472,296	456,857	576,448
<b>Total</b>	<b>\$13,022,260</b>	<b>\$14,128,259</b>	<b>\$15,163,060</b>	<b>\$25,521,713</b>	<b>\$18,223,258</b>	<b>\$19,674,270</b>	<b>\$22,532,225</b>	<b>\$21,198,179</b>	<b>\$27,173,632</b>	<b>\$29,413,492</b>
<b>Revenue From State Sources:</b>										
Per capita and foundation	\$78,939,885	\$86,872,195	\$76,313,395	\$80,046,750	\$87,117,974	\$83,017,220	\$87,168,383	\$91,312,106	\$96,323,829	\$97,023,045
Instructional Facilities Allotment	0	0	0	0	0	0	0	0	0	6,246,279
Teacher Retirement System on Behalf (3)	0	0	0	0	4,566,046	4,619,863	5,025,706	5,246,079	5,368,792	5,262,434
Other state programs	225,567	1,160,171	633,618	534,422	1,917,303	2,633,978	2,430,440	1,099,783	7,391,859	1,147,188
Other governmental agencies	30,863	69,200	579,091	63,727	76,349	95,978	30,807	74,308	446,945	1,313,909
<b>Total</b>	<b>\$79,196,315</b>	<b>\$88,101,566</b>	<b>\$77,526,104</b>	<b>\$80,644,899</b>	<b>\$93,677,672</b>	<b>\$90,367,039</b>	<b>\$94,655,336</b>	<b>\$97,732,276</b>	<b>\$109,531,425</b>	<b>\$110,992,855</b>
<b>Revenue From Federal Sources:</b>										
Federally distributed	\$355,551	\$304,614	\$305,580	\$335,910	\$399,330	\$1,724,270	\$834,725	\$2,134,419	\$1,806,383	\$2,267,996
Elementary and Secondary Education Act	8,325,473	8,958,085	8,988,446	9,258,749	9,658,785	8,358,632	9,279,077	9,793,851	13,292,758	10,931,789
Individuals w/Disabilities Education Act	604,262	625,254	877,809	841,897	881,814	810,060	1,063,163	1,268,969	1,902,892	1,914,291
Vocational Education - non foundation	448,760	313,058	384,162	349,554	362,280	343,575	442,241	474,270	403,053	355,866
Other state distributed federal prog (4&6)	6,141,187	437,726	410,810	1,121,414	458,202	5,227	24,081	6,738,087	7,592,391	8,468,727
<b>Total</b>	<b>\$15,875,233</b>	<b>\$10,638,737</b>	<b>\$10,966,807</b>	<b>\$11,907,524</b>	<b>\$11,760,411</b>	<b>\$11,241,764</b>	<b>\$11,643,287</b>	<b>\$20,409,596</b>	<b>\$24,997,477</b>	<b>\$23,938,669</b>
<b>TOTAL</b>	<b>\$108,093,808</b>	<b>\$112,868,562</b>	<b>\$103,655,971</b>	<b>\$118,074,136</b>	<b>\$123,661,341</b>	<b>\$121,283,073</b>	<b>\$128,830,848</b>	<b>\$139,340,051</b>	<b>\$161,702,534</b>	<b>\$164,345,016</b>

**NOTES**

- (1) Revenues for all governmental fund types of the District are included. These consist of the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Expendable Trust Funds.
- (2) In 1992 and 1993, the Webb County Education District, of which Laredo Independent School District was a member, levied a portion of the local tax assessment. In those year, revenue received is recorded as revenue from intermediate sources.
- (3) Beginning in 1996, the District is required to record revenue from "On-Behalf" payments of matching teacher retirement paid for active members of the District in accordance with GASB Statement No. 24.
- (4) Prior to fiscal year 1993, the Food Service Program was accounted for as a General Fund Type. Beginning in fiscal year 1993, the Food Service Program is accounted for as a Proprietary Funds.
- (5) Includes Chapter 41 Partnerships as follows: Highland Park ISD, FY 95 & FY 96.
- (6) Beginning in 1999, the Food Service Program will no longer be accounted for as a Proprietary Fund. The Food Service Program is now accounted for as a General Fund.

**SOURCE:**

L.I.S.D. Division of Finance

**General Governmental Expenditures  
By Function (1)-Per Average Daily Attendance  
Last Ten Fiscal Years**

**Laredo Independent School District  
Table 3**

Function	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Average Daily Attendance	22,051	22,145	22,101	21,995	21,648	21,229	21,005	20,975	20,853	22,524
Instr & Related Services	2,653	2,757	2,991	3,288	3,566	3,695	3,970	4,236	4,487	4,151
Instr & School Leadership	349	374	395	442	365	483	523	520	502	476
Supp Serv - Student (2&4)	648	367	400	461	447	483	561	964	948	963
Admin. Supp Services	134	164	177	170	190	198	196	208	192	206
Supp Serv-Nonstudent	519	561	577	677	681	713	721	864	707	661
Ancillary Services	22	25	28	27	28	31	31	31	34	30
Debt Service	125	152	145	140	128	121	138	232	495	448
Capital Outlay	46	287	328	231	68	199	202	296	74	253
Intergover Charges (3)	0	0	0	0	0	3	10	10	2	7
<b>TOTAL</b>	<b>4,496</b>	<b>4,688</b>	<b>5,040</b>	<b>5,434</b>	<b>5,473</b>	<b>5,926</b>	<b>6,351</b>	<b>7,363</b>	<b>7,440</b>	<b>7,195</b>

**NOTES**

- (1) Expenditures of all governmental fund types of the District are included. These consist of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Expendable Trust Funds.
- (2) Prior to fiscal year 1993, the Food Service Program was accounted for as a General Fund Type. Beginning in fiscal year 1993, the Food Service Program is accounted for as a Proprietary Fund.
- (3) The Intergovernmental charges category was established beginning in fiscal year 1997.
- (4) Beginning in year 1999, the Food Services Program will no longer be accounted for as a Proprietary Fund. The Food Services Program is now accounted for as a General Fund.

**SOURCE:**

L.I.S.D. Division of Finance

**General Governmental Revenues  
By Source - Per Average Daily Attendance  
Last Ten Fiscal Years**

**Laredo Independent School District  
Table 4**

<u>Source</u>	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
<b>Average Daily Attendance (1)</b>	22,051	22,145	22,101	21,995	21,648	21,229	21,005	20,975	20,853	22,524
Local real & property taxes (2)	\$137	\$123	\$538	\$573	\$646	\$769	\$753	\$780	\$830	\$824
Other local revenue	453	515	148	587	195	158	320	231	474	482
<b>Total Revenue from Local, Intermediate, &amp; Out of State Source</b>	\$591	\$638	\$686	\$1,160	\$842	\$927	\$1,073	\$1,011	\$1,303	\$1,306
Per capita and foundation	\$3,580	\$3,923	\$3,453	\$3,639	\$4,024	\$3,911	\$4,150	\$4,353	\$4,619	\$4,308
Teacher Retirement System on Behalf (3)	0	0	0	0	211	218	239	250	257	234
Other state programs	12	56	55	27	92	129	117	56	376	387
<b>Total Revenue From State Sources (4&amp;5)</b>	\$3,592	\$3,978	\$3,508	\$3,667	\$4,327	\$4,257	\$4,506	\$4,659	\$5,253	\$4,928
<b>Federal Sources</b>	\$720	\$480	\$496	\$541	\$543	\$530	\$554	\$973	\$1,199	\$1,063
<b>TOTAL</b>	<b>\$4,902</b>	<b>\$5,097</b>	<b>\$4,690</b>	<b>\$5,368</b>	<b>\$5,712</b>	<b>\$5,713</b>	<b>\$6,133</b>	<b>\$6,643</b>	<b>\$7,754</b>	<b>\$7,296</b>

- NOTES**
- (1) Revenues for all governmental fund types of the District are included. These consist of the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Expendable Trust Funds.
  - (2) In 1992 and 1993, the Webb County Education District, of which Laredo Independent School District was a member, levied a portion of the local tax assessment. In those years, revenues received is recorded as revenue from intermediate sources.
  - (3) Beginning in 1996, the District is required to record revenue from "On-Behalf" payments of matching teacher retirement paid for active members of the District in accordance with GASB Statement No. 24.
  - (4) Prior to fiscal year 1993, the Food Service Program was accounted for as a General Fund Type. Beginning in fiscal year 1993, the Food Service Program is accounted for as a Proprietary Fund.
  - (5) Beginning in 1999, the Food Service Program will no longer be accounted for as a Proprietary Fund. The Food Service Program is now accounted for as a General Fund.

**SOURCE:**  
L.I.S.D. Division of Finance



**Appraisal Roll and Property Value Table  
Last Ten Years**

**Laredo Independent School District  
Table 5**

Tax Year (1)	Fiscal Year	Real Property				Personal Property			
		Appraised & Assessed Value (2)	Exemptions (2)	Cap Loss (6)	Taxable Value	Appraised & Assessed Value	Exemptions (2)	Cap Loss (6)	Taxable Value
1992	1992-1993	1,136,495,611	237,996,814	N/A	898,498,797	200,282,930	0	N/A	200,282,930
1993	1993-1994	1,199,152,414	245,586,001	N/A	953,566,413	211,461,000	0	N/A	211,461,000
1994	1994-1995	1,334,123,915	343,705,005	N/A	990,418,910	212,981,519	0	N/A	212,981,519
1995	1995-1996	1,426,728,455	351,683,195	N/A	1,075,045,260	208,430,636	0	N/A	208,430,636
1996	1996-1997	1,515,992,302	360,060,123	N/A	1,155,932,179	211,848,890	0	N/A	211,848,890
1997 (5)	1997-1998	1,542,060,098	488,768,529	N/A	1,053,291,569	215,709,566	0	N/A	215,709,566
1998	1998-1999	1,599,017,395	504,850,409	278,180	1,093,888,806	219,186,158	0	N/A	219,186,158
1999	1999-2000	1,665,964,331	561,939,788	330,150	1,103,694,393	228,116,930	0	N/A	228,116,930
2000	2000-2001	1,681,814,695	568,566,923	36,006	1,113,211,766	247,828,421	0	N/A	247,828,421
2001	2001-2002	1,723,343,398	592,479,666	73,521	1,130,790,211	256,727,464	0	N/A	256,727,464

Tax Year (1)	Fiscal Year	Webb County Appraisal District Certified Control Total Values				Webb County Appraisal District Certified Exemption Values			
		Appraised & Assessed Value (2)	Exemptions (2)	Cap Loss (6)	Taxable Value	Partial Exemptions	Agricultural Value Lost	Cap Loss (6)	Totally Exempt Values
1992	1992-1993	1,336,778,541	237,996,814	N/A	1,098,781,727	99,308,309	2,553,273	N/A	136,135,232
1993	1993-1994	1,410,613,414	245,586,001	N/A	1,165,027,413	102,526,903	2,535,558	N/A	140,523,540
1994	1994-1995	1,547,105,434	343,705,005	N/A	1,203,400,429	105,200,870	2,489,820	N/A	236,014,315
1995	1995-1996	1,635,069,091	351,683,195	N/A	1,283,385,896	107,395,990	2,445,810	N/A	241,841,395
1996	1996-1997	1,727,841,192	360,060,123	N/A	1,367,781,069	112,274,575	2,621,420	N/A	245,164,128
1997 (5)	1997-1998	1,757,769,664	488,768,529	N/A	1,269,001,135	222,012,461	2,619,930	N/A	264,136,138
1998	1998-1999	1,818,203,553	504,572,229	278,180	1,313,353,144	228,974,591	2,840,790	278,180	272,756,848
1999	1999-2000	1,891,246,886	561,609,638	330,150	1,329,307,098	230,843,843	2,839,470	330,150	327,926,325
2000	2000-2001	1,928,133,696	568,566,923	36,006	1,359,530,767	234,640,748	2,869,060	36,006	331,057,115
2001	2001-2002	1,983,673,302	592,479,666	73,521	1,391,120,115	232,622,874	2,868,530	73,521	356,988,262

**NOTES:**

- (1) The tax year starts on October 1 and ends on September 30 of the following year.
- (2) Includes all taxable values plus all partial exemptions plus agricultural value lost and totally exempt values.
- (3) Includes all partial exemptions, totally exempt values and agricultural value lost.
- (4) Totally exempt property was not required to be part of the certified values.
- (5) Beginning with tax year 1997, the legislature enacted a law allowing senior citizens over 65 years of age to be granted a prorated amount of the over 65 exemption date qualified to end of tax year. Beginning with tax year 1997, the legislature enacted a law increasing the homestead amount from \$5,000 to \$15,000.
- (6) Beginning with tax year 1998, the legislature enacted a law limiting the increase of property value to 10% per year from its last appraisal.
- (7) In tax year 2000 the Webb County Appraisal District included by error the "non-certified" values. Total were adjusted to reflect only the actual "certified values".

**SOURCE**

L.I.S.D. Tax Office

**Property Tax Levies and Collections Table  
Last Ten Years**

**Laredo Independent School District  
Table 6**

Property Tax Rates:

Tax Year	Fiscal Year	Laredo Independent School District	United Independent School District	Laredo Community College	City of Laredo	Webb Cty and Road/Bridge
1992	92-93	0.97540	1.387600	0.171100	0.510100	0.332200
1993	93-94	1.10020	1.387600	0.169100	0.510100	0.327890
1994	94-95	1.10020	1.382800	0.164790	0.551601	0.349500
1995	95-96	1.16520	1.382800	0.159860	0.551601	0.349500
1996	96-97	1.21500	1.382800	0.152900	0.526766	0.366378
1997	97-98	1.18500	1.379090	0.156600	0.539930	0.389952
1998	98-99	1.22500	1.414090	0.158000	0.539930	0.389952
1999	99-00	1.32605	1.438480	0.164200	0.569218	0.535531
2000	00-01	1.38600	1.426871	0.170000	0.576358	0.454952
2001	01-02	1.42600	1.426870	0.216647	0.576358	0.445223

Original Tax Levies:

Tax Year	Fiscal Year	Laredo Independent School District	United Independent School District	Laredo Community College	City of Laredo	Webb Cty and Road/Bridge
1992	92-93	9,770,989	27,507,349	4,287,423	11,541,844	10,925,978
1993	93-94	12,253,142	31,816,450	4,723,221	12,447,151	12,024,558
1994	94-95	12,600,941	34,533,211	5,047,103	14,007,583	12,348,149
1995	95-96	14,134,734	38,000,660	5,328,054	16,464,305	15,816,123
1996	96-97	15,597,657	39,451,743	5,676,550	19,090,616	17,015,633
1997	97-98	14,295,066	41,025,925	6,085,735	20,550,142	19,133,916
1998	98-99	15,224,088	44,271,136	6,568,987	21,995,250	20,194,005
1999	99-00	16,697,681	47,253,707	7,329,145	24,784,224	22,862,130
2000	00-01	17,854,904	51,042,026	8,185,875	27,165,182	26,098,416
2001	01-02	18,828,677	57,959,460	11,215,837	29,221,694	28,877,392

**NOTES**

- (1) The Webb County Education District was in existence only for tax years 1991-1992.
- (2) The Property Tax Code was enacted by the 66th Texas Legislature in 1979.
- (3) Appraisal districts began appraisal of property with the 1982 tax year.
- (4) All property must be assessed at 100% of appraised value. Assessment ratios are prohibited.

**SOURCE:**

L.I.S.D. Tax Office

**Property Tax Levies and Collections Table  
Last Ten Years**

**Laredo Independent School District  
Table 7**

Tax Year	Fiscal Year	Tax Rate (1)	Original Tax Levy	Early Payment Discounts	Net Supplement & Adjustments To Tax Levy	Adjusted Total Tax Levy (2)	Current Year Tax Collections (3)	Percent of Current Taxes Collected
1992	92-93	0.97540	9,770,989	(141,755)	(103,798)	9,525,436	8,576,980	90.04%
1993	93-94	1.10020	12,253,142	(188,964)	(194,864)	11,869,314	10,798,318	90.98%
1994	94-95	1.10020	12,600,941	(205,812)	(77,241)	12,317,888	11,280,756	91.58%
1995	95-96	1.16520	14,134,734	(226,384)	(106,879)	13,801,471	12,455,873	90.25%
1996	96-97	1.21500	15,597,657	(240,764)	(33,551)	15,323,342	14,270,245	93.13%
1997	97-98	1.18500	14,295,066	0	(128,997)	14,166,069	13,559,076	95.72%
1998	98-99	1.22500	15,224,088	0	(80,970)	15,143,118	14,312,047	94.51%
1999	99-00	1.32605	16,697,681	0	(145,622)	16,552,059	15,677,007	94.71%
2000	00-01	1.38600	17,854,904	0	(16,234)	17,838,670	16,985,143	95.22%
2001	01-02	1.42600	18,828,677	0	0	18,828,677	0	0.00%

Tax collection is in progress as of this month for the current tax year →

**NOTES**

- (1) Tax rates are at 100% of assessed value.
- (2) Tax Levy has been adjusted to account for supplements, adjustments, and for discounts
- (3) Current year tax collections are for the period of October 1 to September 30 of the following year.

**SOURCE:**

L.I.S.D. Tax Office

**Property Tax Levies and Collections  
Last Ten Years**

**Laredo Independent School District  
Table 8**

Tax Year	Fiscal Year	Tax Rate (1)	Original Tax Levy (2)	Total Tax Collections as of 9-30-01	Percent of Total Tax Collections To Tax Levy	Levy Bal. As Of 9/30/2001
1992-01	92-93	0.14130	1,480,874	1,456,580	98.36%	24,294
1992-11	92-93	0.84830	8,290,115	8,166,090	98.50%	124,025
1993	93-94	1.10020	12,253,142	12,056,651	98.40%	196,491
1994	94-95	1.10020	12,600,941	12,411,591	98.50%	189,350
1995	95-96	1.16520	14,134,734	13,878,784	98.19%	255,950
1996	96-97	1.21500	15,597,657	15,325,328	98.25%	272,329
1997	97-98	1.18500	14,295,066	14,098,677	98.63%	196,389
1998	98-99	1.22500	15,224,088	14,963,283	98.29%	260,805
1999	99-00	1.32605	16,697,681	16,284,766	97.53%	412,915
2000	00-01	1.38600	17,854,904	17,001,337	95.22%	853,567
2001	01-02	1.42600	18,828,677	18,458,334	98.03%	370,343

**NOTES:**

- (1) Tax rates are at 100% of assessed value.
- (2) Original tax levy has not been adjusted for asupplements, adjustments, nor discounts.

**SOURCE:**

L.I.S.D. Tax Office

**Computation Of Legal Debt Margin  
Year Ended August 31, 2001**

**Laredo Independent School District  
Table 9**

Assessed Valuation of 2000 Tax Roll		\$1,359,509,407
Debt Limit - 10 Percent of Assessed Valuation		135,950,941
General Obligation Bonds Outstanding at Aug 31, 2001	\$4,670,000	
Less Amount Available in Debt Service Fund at Aug 31, 2001	<u>(2,956,865)</u>	
Applicable Debt		<u>(1,713,135)</u>
Legal Debt Margin at August 31, 2001		<u><u>\$134,237,805</u></u>

**SOURCE:**

L.I.S.D. Division of Finance

**Ratio of Annual Debt Service  
Expenditures for General Bonded Debt  
To Total General Expenditures (1)**

**Laredo Independent School District  
Table 10**

Year Ended August 31	Debt Service Expenditures		Total	Total General Expenditures	Ratio of Debt Service To General Expenditures
	Principal	Interest (2)			
1992	900,000	1,495,284	2,395,284	99,305,041	2.41%
1993 (3)	8,835,000	1,214,950	10,049,950	103,812,769	9.68%
1994 (3)	3,595,000	1,041,190	4,636,190	111,388,750	4.16%
1995	1,365,000	979,783	2,344,783	119,530,529	1.96%
1996	1,450,000	902,900	2,352,900	118,468,733	1.99%
1997	1,497,937	858,651	2,356,588	125,802,557	1.87%
1998	1,585,000	779,623	2,364,623	133,411,848	1.77%
1999	1,710,000	682,143	2,392,143	154,428,792	1.55%
2000	3,445,000	4,426,108	7,871,108	155,067,308	5.08%
2001	3,340,000	4,546,057	7,886,057	162,044,272	4.87%

**NOTES**

- (1) Expenditures of all governmental fund types of the District are included. These consist of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Fund, & Expendable Trust Funds.
- (2) Interest amounts shown above do not include fiscal agent or other debt service related fees.
- (3) In 1993, the District issued the Unlimited Tax Refunding Bond, Series 1993, refunding \$8,060,000 of principal for the 1986 Unlimited Tax Schoolhouse Bond issue. In 1994, the District issued the Unlimited Tax Refunding Bond, Series 1994, refunding \$1,850,000 of principal for the 1979 Unlimited Tax Schoolhouse Bond issue.

**SOURCE:**

L.I.S.D. Division of Finance

**Ratio of Annual Debt Service  
Expenditures for General Bonded Debt  
To Total General Expenditures (1)**

**Laredo Independent School District  
Table 11**

Taxing Jurisdiction	Gross Debt	Percent Applicable (1)	Overlapping Funded Debt
City of Laredo	143,091,000	94.74%	135,567,000
County of Webb	41,998,500	68.69%	28,847,772
Laredo Community College	13,500,505	7.00%	945,000
Total			165,359,772
Laredo Independent School District	170,007,963	100.00%	170,007,963
Total Direct and Overlapping Debt			

**Ratio of Net General Bonded Debt  
To Net Bonded Debt Per Average Daily Attendance  
Last Ten Fiscal Years**

**Laredo Independent School District  
Table 12**

Year Ended August 31	Average Daily Attendance	Assesd Value For Operations & Debt Service (1)	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Average Daily Attendance
1992	22,051	1,020,196,674	21,736,421	1,495,484	20,240,937	1.98%	918
1993	22,145	1,041,716,207	22,095,801	2,239,436	19,856,365	1.91%	897
1994	22,101	1,079,345,210	21,152,708	2,370,521	18,782,187	1.74%	850
1995	21,995	1,119,869,951	19,989,303	1,128,125	18,861,178	1.68%	858
1996	21,648	1,184,701,768	18,752,941	903,074	17,849,867	1.51%	825
1997	21,229	1,281,216,267	17,457,105	1,254,382	16,202,723	1.26%	763
1998	21,005	1,269,001,135	12,455,000	1,549,994	10,905,006	0.86%	519
1999	20,975	1,313,353,144	82,745,000	1,969,806	80,775,194	6.15%	3851
2000	20,853	1,329,307,098	79,300,000	2,693,244	76,606,756	5.76%	3674
2001	20,954	1,359,509,407	75,960,000	2,956,865	73,003,135	5.37%	3484

**NOTE**

(1) Assessed valuation after adjustments to tax levy.

**SOURCE:**

L.I.S.D. Division of Finance



**Demographics - Growth Indicators**  
**August 31, 2001**

**Laredo Independent School District**  
**Table 13**  
**(Continued)**

Fiscal Year	Growth Indicators (1)					Postal Receipts (2)
	Electric	Gas	Telephone	Water	Sewer	
1992	44,729	21,602	56,761	32,345	30,170	5,247,347
1993	46,740	21,853	60,245	33,296	31,820	5,427,607
1994	49,290	22,155	63,447	35,083	33,929	5,878,719
1995	49,734	22,283	67,672	35,930	34,018	6,400,000
1996	50,118	22,348	71,364	36,633	35,595	6,600,000
1997	50,624	22,438	72,636	38,140	38,477	6,858,000
1998	53,568	22,993	83,231	39,500	39,700	7,238,886
1999	56,207	23,227	59,605	43,774	42,604	7,667,601
2000	58,882	23,402	93,189	44,685	43,839	8,270,103
2001	59,471	23,347	94,121	37,000	35,595	8,795,255

**NOTES**

(1) Amount represents number of active customer accounts.

(2) Represents total revenue collected.

**SOURCE:**

LISD Finance Department of Respective Entities

**Property Value and Consturction  
Last Ten Fiscal Periods**

**Laredo Independent School District  
Table 14**

Fiscal Periods	Commercial Construction (A)		Residential Construction (A)		Bank Deposits (B)	Property Values (A)			
	Number Of Units	Value	Number Of Units	Value		Personal Property Assessed Value	Real Property Assessed Value	Exemptions (1)	Total Assessed Value
1992	334	53,196,633	1,411	47,180,210	2,827,699,000	260,460,697	2,109,059,556	106,857,921	2,262,662,332
1993	331	66,772,856	1,881	55,822,000	3,218,288,548	305,301,255	2,246,662,136	111,824,045	2,440,139,346
1994	402	73,363,051	2,671	77,947,392	3,076,679,000	341,374,498	2,571,212,941	167,261,292	2,745,326,147
1995	408	64,921,340	2,212	79,639,141	3,412,665,604	370,075,550	2,825,543,214	180,849,404	3,014,769,360
1996	93	59,472,840	992	48,025,832	3,505,201,896	459,476,794	3,053,349,790	230,381,621	3,282,444,963
1997	124	42,394,754	1,375	57,373,240	10,699,847,515	507,719,560	3,364,750,495	247,072,879	3,625,397,176
1998	112	51,367,892	1,267	54,369,877	7,365,482,455	536,133,110	3,431,864,302	291,281,333	3,806,075,234
1999	256	90,378,945	3,795	99,046,353	5,423,001,128	646,284,869	3,656,234,140	228,796,548	4,073,722,461
2000	127	92,165,116	2,229	129,177,997	5,446,511,889	708,441,411	4,502,897,540	418,707,728	4,354,083,033
2001	128	93,086,767	2,251	130,469,777	2,750,977,523	715,525,825	4,547,926,515	422,894,805	4,397,623,863

**NOTE**

(1) Total exemptions include Homestead, Beteran Agricultural exemptions. Homestead valuations increased in 1983 from \$3,000 to \$7,500 to \$10,000 in 1986, and to \$20,000 in 1987. Veteran's valuation range from \$1,500 to \$3,000 based on disability percentage. Agricultre valuations represent land used for ranching and farming.

**SOURCE:**

- (A) City of Laredo, Texas
- (B) Commerce Bank, N.A.
  - Falcon National Bank
  - International Bank of Commerce
  - Laredo National Bank
  - NBC Bank
  - South Texas National Bank

**Principal Taxpayers**

**Laredo Independent School District  
Table 15**

Taxpayer	Type of Business	2001 Assessed Valuation Real & Personal Property	Percentage Of Total Assessed Valuation
AEP Central Power & Light Co.	Electric Utility	21,719,830	1.09%
Soutwestern Bell Telephone	Telephone Co.	21,343,730	1.08%
Paragon Cable	Telecommunications	11,983,340	0.60%
H.E.Butt Grocery Co.	Grocery Store	10,533,900	0.53%
The Laredo National Bank	Bank	10,136,200	0.51%
La Posada Hotel	Hotel	8,949,090	0.45%
BIA Acquisition	Hotel/Joint Venture	7,112,980	0.36%
International Bank of Commerce	Bank	6,961,950	0.35%
The Pilsbury Company	Import/Export	5,244,370	0.26%
Go-Dan Industries	Import/Export	5,223,370	0.26%
		109,208,760	5.51%
Total Assessed Value within LISD's Jurisdiction:		1,983,673,302	

**SOURCE:**  
L.I.S.D. Tax Office

**PRINCIPAL EMPLOYERS  
AUGUST 31, 2001**

**LAREDO INDEPENDENT SCHOOL DISTRICT  
TABLE 16**

Employer	Product or Service	Number of Employees
United Independent School District	Education	3,675
Laredo Independent School District	Education	3,349
Mercy Hospital of Laredo	Medical Services	3,000
City of Laredo	City	2,100
H.E.B Grocery Store	Grocery Store	1,247
Webb County	County	1,165
Laredo Community College	Education	1,012
U.S. Border Patrol	Immigration	1,007
McDonald Restaurant	Fast Food	800
Texas A&M International University	Education	696
APC Homemaker Service	Medical Services	636
Columbia Doctors Hospital	Medical Services	571
The Laredo National Bank	Financial Services	541
International Bank of Commerce	Financial Services	500
Wal-Mart	Retail	496
U.S. Department of Treasury	Government	414
Laredo Medical Group	Medical Services	400
Border Region MHMR	Health Center	325
TSI Equipment	Transportation	280

**SOURCE:**

Laredo Development Foundation

Laredo Independent School District is located within the City limits of the City of Laredo. The following statistics will provide the reader with an outlook of the district and the environment surrounding the district with regards to transportation, public safety, public works, education, recreation and civic organization.

<b>General</b>
----------------

Form of Government: Board/Superintendent

Terms of Office: President - 1 yr term (2 terms maximum)  
Board Members - 3 yr staggered terms  
Superintendent - Appointed by Board of Trustees

The Board, at a public meeting held on Sept. 16, 1999 passed a resolution converting the method of electing school trustees from "At Large" to "Single Member Trustees Districts" and ordered that this change become effective for the May, 2000, trustee election.

Date Founded: 1889

# of District Employees as of 8/31/01: 3,349

# of Campuses as of 8/31/01: 28 plus two Magnet School & 1 Alternative School

<b>Elections</b>
------------------

Number of Registered Voters: 48,337

# of Votes cast in Last Board Election: 3,427

% of Registered Voters voting in Last  
Board Election: 7%

<b>Transportation</b>
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Airports

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Number of Airplanes	1
Name of Airport:	Laredo International Airport - Flights daily to and from San Antonio, Houston, Dallas, and Mexico City
Schedule Airplane Flights:	16 during weekdays
* Per Day Departing:	10 during weekends
* Per Day Arriving :	10 during weekends
Passengers Enplaning:	70,234 per year
Passengers Deplaned:	66,281 per year

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Bridges

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Number of Bridges:	4
Names of Bridges:	International Bridge #1, Juarez-Lincoln International Bridge #2 International Solidarity/Laredo/Colombia Bridge, World Trade Bridge
Bridge Crossings:	
Commercial:	361,112
Non-Commercial:	6,587,150
Passenger:	14,442,356
Pedestrian:	3,374,321
Tons of Frieght:	13,947,966

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Railroads

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Number of Railroads:	2
Names of Railroads:	Texas-Mexican Railroad & Union Pacific Railroad

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Highways

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Number of Highways:	6
Names of Major Highways:	IH 35, US HWY 59, US HWY 81, US HWY 83, TX HWY 359, BOB Bullock Loop

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Bus Lines

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Name of Interstate Bus Lines:	Greyhound Lines & Autobuses Latinos de Greyhound, El Conejo, Valley Transit, and Sendor
Name of Local Bus Lines:	Laredo Municipal Transit System, El Aguilar Rural Transit

**Miscellaneous Statistics**  
**August 31, 2001**

**Laredo Independent School District**  
**Table 17**  
**(Continued)**

Bus Lines (cont...)

Number of Adult Passengers:	2,546,750
# of Elderly & Handicaped Paid:	334,000
# of Elderly & Handicaped Free:	501,000
Number of Students:	167,000
Number of Children Paid:	334,000
Number of Children Free:	208,750
Number of Charter Passengers:	12,950
Number of Service Miles:	1,365,000
Number of Charter Miles:	5,550
Number of Employees:	12.5 (Amin)
	121 (Oper)
	37 (Maint)

**Public Safety**

Police Protection

Number of Stations:	1
# of Neighborhood Policing Stations:	9
Number of Sworn Officers:	236
Number of Vehicular Patrol Units:	60
Employees per 1,000 Population:	1.5
Number of Law Violations:	13,752
Number of Physical Arrests:	7,386
Number of Traffic Violations:	40,288

Fire Protection

Number of Stations:	12
Number of Hydrants:	7,000
Number of Fire Pumps:	12
Number of Aerial Trucks:	2
Number of Ambulances:	7
Number of Crash Trucks:	1
Number of Haz-Mat Trucks:	1
Number of Firefighters:	278
Number of EMS Paramedics:	156
Employees per 1,000 population:	1.428

**Public Works**

WaterWorks System

Miles of Water Mains:	1,400
Daily Average Consumption:	31 MGD
Plant Capacity:	64 MGD
Source of Water:	Rio Grande
# of Service Connections:	37,000
# of Garbage Consumers:	32,854

Sewer System

Miles of Sanitary Sewer:	1,200
Number of Lift Stations:	82
Daily Average Treatment:	13.6 MGD
Treatment Plane Capacity:	18 MGD
Number of Disposal Plants:	5
Number of Service Connections:	35,595

Streets

Number of Paved Streets:	6,794 Blocks
Number of Unpaved Streets:	16 Blocks
Miles of Paved Streets:	503 Miles
Miles of Unpaved Streets:	1 Mile

**Educational**

Laredo Ind. School District

Number of Senior High Schools:	3
Number of Classrooms:	300
# of Administrative Personnel:	15
Number of Teachers:	383
Number of Students:	6,356
Annual Budget:	\$19,237,085
Number of Middle Schools:	4
Number of Classrooms:	253
# of Administrative Personnel:	15

**Miscellaneous Statistics**  
**August 31, 2001**

**Laredo Independent School District**  
**Table 17**  
**(Continued)**

Laredo Independent School District (cont)

Number of Teachers:	354
Number of Students:	4,818
Annual Budget:	\$14,915,112
Number of Elementary Schools:	21
Number of Classrooms:	696
Number of Administrative Personnel:	44
Number of Teachers:	625
Number of Students:	12,284
Annual Budget:	\$33,378,844

United Independent School District

Number of Senior High Schools:	4
Number of Classrooms:	329
Number of Administrative Personnel:	52
Number of Teachers:	493
Number of Students:	7,043
Annual Budget:	\$33,811,329
Number of Middle Schools:	7
Number of Classrooms:	359
Number of Administrative Personnel:	42
Number of Teachers:	395
Number of Students:	5,875
Annual Budget:	\$24,872,864
Number of Elementary Schools:	21
Number of Classrooms:	1088
Number of Administrative Personnel:	92
Number of Teachers:	951
Number of Students:	15,981
Annual Budget:	\$53,920,948

Private Schools

Number of Schools:	6
Number of Non-Parochial Schools:	13
Vocational Training Centers:	7



Texas A&M International University

Date Established:	Established in 1970 as a division of Texas A&I and as a university in 1977 as a division of the University System of South Texas. The University became a member of the Texas A&M System on September 1, 1989.
Programs Offered:	Undergraduate & Graduate degrees offered by the Colleges of Business Administration, Education, Arts & Humanities, and Science & Technology.
Population Served:	Undergraduate & Graduate level college students seeking liberal arts/education/psychology, business/international trade, and science & technology degrees.
Region Served:	South Texas Region
Number of Classrooms/Labs:	66
Number of Administrators:	72
Number of Full-Time Faculty:	164
Number of Part-Time Faculty:	81
Number of Full-Time Students:	1,800
Number of Part-Time Students:	1,572
Annual Budget:	\$36,640,381

Laredo Community College

Date Founded:	1947
Programs Offered:	Two years of Pre-Professional courses in Engineering, Education, medicine, dentistry, nursing, law, business administration, computer science, and vocations leading to Associate of Arts Diploma
Number of Classrooms/Labs:	211
Total Gross Square Footage:	750,000 Sq. Ft.
Number of Administrators:	99
Number of Full-Time Faculty:	192
Number of Part-Time Faculty:	132
Number of Classified Staff:	219
Number of Full-Time Students:	2,980
Number of Part-Time Students:	4,527
Population Served:	210,580
Counties Served:	Webb, Jim Hogg, and Zapata
Annual Budget:	\$26,950,000

**Miscellaneous**

Medical Facilities

Number of Hospitals:	2
Number of Clinics:	16
Number of Nursing Homes:	3

**Miscellaneous Statistics**  
**August 31, 2001**

**Laredo Independent School District**  
**Table 17**  
**(Continued)**

<u>Parks</u>	<u>Lodging/Meeting Facilities</u>
Number of Blocks Maintained: 6	Number of Motels: 30
Number of Parks: 24	Meeting Facilities: 14
Number of Plazas: 4	
Baseball & Softball Fields: 31	<u>Major Attractions</u>
Number of Swimming Pools: 5	Number of Rodeo Arenas: 1
Number of Soccer Fields: 4	Number of Museums: 3
# of Tennis Court Facilities: 4	Number of Golf Courses: 2
Number of Raquetball Facilities: 2	Number of Tennis Courts: 22
<u>Libraries</u>	Number of Malls: 2
Number of Public Libraries: 1	Number of Bowling Alleys: 1
Number of Volumes: 124,256	# of Indoor Movie Screens: 28
Circulation Transactions: 160,718	Number of Country Clubs: 1
Circulation per Capita: 94	Annual Festivities: <u>Washington Birthday Celebration</u>
Library Cards in Force: 24,852	in February, Border Olympics &
Number of Subscriptions: 260	Life International Fair and Expo.
Number of Titles: 110,000	in March, Expomex of Nuevo
Number of Library Visits: 253,008	Laredo in Sept., Octoberfest
Number of Materials Used: 67,856	<u>Civic Center</u>
# of Attending Library Programs: 16,033	Auditoriums: 1, with 1,979 Seats
Bookmobiles: 1	Banquet and Exhibit Hall: 20,440 Sq. Ft. (1,635 seats)
Branches and Outlets: 2	Meeting Rooms: 4 Meeting Rooms with capacity
<u>Communications</u>	of 60-80 persons per room, or a
Number of Newspapers: 1	single with 277 person capacity
Number of Radio Stations: 10	(4,140 sq. ft.)
# of Cable TV Companies: 1	<u>Churches</u>
Number of TV Stations: 3	Catholic Churches: 18, including 2 Missions
<u>Cemetary</u>	Synagogues: 1
City: 1	Other Churches: 43
Catholic: 1	
Private: 1	
Burials Served: 196 *	
Cemetary Lots Sold: 87 *	

\* City (10/1/96-6/25/96)

**Insurance In Force**  
**August 31, 2000**

**Laredo Independent School District**  
**Table 18**

Below is a listing of all insurance in force for the Laredo Independent School District

	<b>Insurance Company</b>	<b>Amount of Insurance</b>	<b>Deductible</b>	<b>Policy Term</b>	<b>Annual Premium</b>
<b>Health Insurance</b>	Humana	Unlimited \$20 copay/\$10/20 presc	\$400	10/01/99 to 10/01/00	\$175x12x3415 emp. \$7,171,500 Est.
<b>Property &amp; Casualty Package:</b>					
<b>Property</b>	Allianz			03/03/00 to 03/03/01	\$248,500
<i>Total Insurable Values:</i>					
Building and Contents		\$181,174,488	\$10,000		
Extra Expense		\$250,000	\$10,000		
Business Income		\$250,000	\$10,000		
All Risk Excluding Flood and Earthquake:					
90% Co-Insurance					
Replacement Cost					
<b>Inland Marine</b>	Company of the West			03/03/00 to 03/03/01	Included
Mobile Equipment		\$4,610,753	\$250		
EDP Equipment		\$17,950,973	\$250		
Musical Equipment		\$2,758,779	\$250		
AV Equipment		\$2,157,083	\$250		
All Risk Replacement Cost					
<b>Crime</b>	Company of the West			03/03/00 to 03/03/01	Included
Form B - Forgery or Alteration		\$25,000	\$1,000		
Form P - Public Employee Dishonesty		\$50,000	\$1,000		
Form C - Theft, Disapperarance & Destruction		\$50,000	\$1,000		
Form D - Robbery and Safe Burglary		\$50,000	\$1,000		
<b>General Liability</b>	Company of the West			03/03/00 to 03/03/01	Included
General Aggregate		\$1,000,000	\$1,000		
Products/Completed Ops		\$1,000,000	\$1,000		
Personal & Advertising Injury		\$1,000,000	\$1,000		
Employee Benefits		\$1,000,000	\$1,000		
Each Occurance		\$1,000,000	\$1,000		
Fire Damage		\$100,000	\$1,000		
Medical Expense		\$1,000	\$0		
<b>School Board Legal Liability</b>	Company of the West			03/03/00 to 03/03/01	Included
Per Claim		\$1,000,000	\$5,000		
Aggregate		\$1,000,000	\$5,000		
	Indemnify Form				
<b>Boiler &amp; Machinery</b>	Allianz			03/03/00 to 03/03/01	Included
Limit of Liability		\$50,000,000	\$1,000		
Comprehensive Coverage					
<b>Business Automobile Policy</b>	Company of the West	\$100,000 Bodily Injury \$300,000 BI Per Occ. \$100,000 Prop. Damage	\$250 Collision \$250 Collision \$25 Spec perils	03/03/00 to 03/03/01	Included
<b>Excess Workers' Comp. &amp; Employers Liab. Compensation and Employers Liability Insurance</b>	Western Indemnity	\$100,000 Bodily Injury by accident ea. Accident \$500,000 Bodily Injury by disease policy limit \$100,000 Bodily Injury by disease ea. Employee	\$0	09/01/00 to 09/01/01	\$1,070,040 Est.
<b>Student Activities/Athletic Balnket/Acc. Ins.</b>	Gerber Life			08/01/00 to 07/30/01	
Maximum Lifetime Benefit		\$10,000	\$0		\$91,415
Catastrophic Student Accident		\$5,000,000	\$10,000		\$8,368
Catastrophic Cash Benefit		\$0	\$0		\$0
<b>Voluntary Student Accident Insurance</b>	Gerber Life	\$500,000	\$0	08/01/00 to 07/01/01	Paid by Students
24 hr. Deluxe					\$65
Schooltime Deluxe					\$20
<b>Dental</b>					\$10
<b>Notary Bond</b>					
Emma Urdiales	Western Surety	\$2,500	\$0	08/14/98 to 08/14/02	\$71
Antonia Gaona	Western Surety	\$2,500	\$0	08/14/98 to 08/14/02	\$71
Noemi C. Vidaurri	Western Surety	\$2,500	\$0	08/14/98 to 08/14/02	\$71
Rodolfo Sanchez	Western Surety	\$2,500	\$0	08/14/98 to 08/14/02	\$71
Isabel Lamar	Western Surety	\$2,500	\$0	08/14/98 to 08/14/02	\$71
Christina G. Gamez	Western Surety	\$2,500	\$0	08/14/98 to 08/14/02	\$71
<b>Other</b>					
Tax Assessor/Collector Bond	Colonial Amer Casualty	\$160,000	\$0	04/05/00 to 04/05/01	\$800
Employee Dishonesty Bond/Crime Stoppers	Fidelity & Deposit	\$25,000	\$250	01/15/00 to 01/15/01	\$250

If you have any questions, please contact the Risk Management Department at 795-3615 or fax information to 795-3616

	CORPUS CHRISTI	LAREDO	UNITED	SOCORRO	EDINBURG CONS	HARLANDALE	EDGEWOOD	EAGLE PASS	SOUTH SAN ANTONIO	GALENA PARK
<b>STUDENTS</b>										
1 Accreditation Status	AA	AA	AA	RE	AA	RE	RE	RE	RE	RE
2 Total No. of Schools	64	30	33	23	32	26	28	22	18	21
3 No. of Regular High Schools	6	3	4	3	2	2	2	1	2	2
4 Total Students	39,618	22,524	25,627	25,305	21,113	14,675	12,982	12,436	1,007	18,506
5 % African American	6	0	0	1	0	1	2	0	2	21
6 % Hispanic	70	99	96	91	96	94	97	97	94	58
7 % White	23	1	3	8	4	6	2	2	4	18
8 % Other	2	0	1	1	0	0	0	1	0	2
9 % Economically Disadvantage	56.3	91.4	73.5	67.6	83.4	91.7	94.6	88.9	88.6	62.1
10 % Special Education	16	13	12	11	9	15	14	7	14	11
11 % Bilingual/ESL Education	7	57	45	25	32	14	19	37	14	20
12 % Career & Technology Ed	15	15	14	16	17	18	12	19	16	21
13 % Gifted & Talented	4	7	5	7	8	6	8	12	9	5
14 Attendance Rate	94.8	96.5	95.7	95.7	94.6	94.3	93.4	94.8	95.3	95.3
15 Annual Dropout Rate (98-99)	1.7	1.1	0.6	1.3	1.8	1.7	3.5	1.1	2.2	1.5
16 No. of Graduates (Class of '99)	2,139	1,160	1,111	1,136	1,003	706	503	598	566	983
<b>TAAS</b>										
17 All Tests Taken	77.2	67.9	71.3	75.5	74.4	74.9	74.5	78.4	75.7	81.4
18 Reading	86.3	76.8	79.9	84.2	81.8	84.1	83.5	84.6	85.5	88.9
19 Writing	88.9	80.4	85	88.1	83.9	86.7	83.6	89.6	87.8	88.2
20 Mathematics	84.8	80.7	80.6	85.2	85	85	85.1	88.1	84.8	89.2
21 African American	69.5	57.1	77.3	76.8	100	76.2	76.1	LT5	69.6	81.1
22 Hispanic	73.7	67.5	70.6	74.3	73.7	74.4	74.2	78.4	75.6	78.5
23 White	88.4	88.4	85.7	88.7	89.3	84.4	90.5	88.1	80	88.6
24 Other	89.4	91.7	92.3	82.5	85.7	83.3	83.3	68.1	100	94.5
25 Economically Disadvantaged	70.7	66.3	65.7	71.2	71.1	74.6	74.3	77.3	74.8	77.7
<b>COLLEGE ADMISSIONS TESTS (Class of '99)</b>										
26 Percent Tested	61.2	31.9	44	54.5	59.1	51.4	61.4	51.4	53.2	43.5
27 Percent at or above Criterion	26.2	6.2	11.4	10.5	9.2	4.7	4.7	5.8	5.2	11.1
28 SAT Mean Score	989	835	890	887	922	827	784	830	817	908
29 ACT Mean Composite Score	19.4	17.4	18.9	19.8	17.2	17.1	16.9	18.4	17.5	17.8
<b>STAFF</b>										
30 Total Staff FTE	4,961	3,318	3,475	2,854	3,103	2,190	2,172	1,636	1,479	2,273
31 Total Teacher FTE	2,456	1,383	1,598	1,505	1,406	990	953	737	726	1,199
32 % Central Administration	1	0	1	1	0	1	0	0	1	0
33 % Campus Administration	3	2	3	2	2	3	3	3	3	2
34 % Professional Support Staff	8	8	7	8	8	8	10	5	8	7
35 % Teachers	49	42	46	53	45	45	44	45	49	53
36 % Educational Aides	10	15	12	7	13	10	12	16	14	6
37 % Auxillary Staff	29	32	31	29	32	33	31	32	26	31
38 Avg. Central Admin. Salary	74,439	69,961	60,140	72,908	82,228	78,568	65,120	78,196	69,746	89,000
39 Avg. Campus Admin. Salary	55,686	57,347	54,843	60,627	60,847	63,238	51,908	53,967	57,838	57,797
40 Avg. Professional Admin. Salary	46,244	44,602	41,620	47,688	46,707	49,956	44,124	47,145	49,606	50,234

	CORPUS		EDINBURG				EAGLE	SOUTH	GALENA	
	CHRISTI	LAREDO	UNITED	SOCORRO	CONS	HARLANDALE	EDGEWOOD	PASS	SAN ANTONIO	PARK
41 Avg. Teacher Salary	38,917	69,081	35,297	36,270	38,174	39,506	37,747	37,745	41,840	37,580
42 % Minority	62	94	92	71	91	59	76	89	71	41
43 No. of Students per Teacher	16.1	16.3	16	16.8	15	14.8	13.6	16.9	13.8	15.4
<b>TEACHERS</b>										
44 Avg. years of Experience	13.4	13.1	8.6	10.4	11.5	11.2	11.6	11.7	12.6	9
45 % With Advanced Degrees	45	16.6	14	22.8	12.7	28.6	21.5	18	32.5	24.6
46 Teacher Turnover Rate	11.7	15.6	13.2	13.1	12.9	12.4	16.5	11.6	8.4	19.9
47 % African American	3	0	0	2	0	3	7	0	3	19
48 % Hispanic	44	92	86	57	87	51	57	85	52	14
49 % White	52	8	13	40	12	43	35	14	44	65
50 % Other	1	0	1	1	0	2	1	1	1	2
51 % Regular Education	76	61	63	64	55	69	82	43	52	67
52 % Special Education	12	11	7	9	8	13	7	7	10	9
53 % Compensatory Education	2	1	0	1	4	1	5	2	5	2
54 % Bilingual/ESL Education	0	19	21	17	22	12	1	40	19	12
55 % Career & Technology Ed	4	4	5	5	5	4	3	4	5	4
56 % Other Ed. (Includes G & T)	5	7	4	4	7	2	1	3	10	7
<b>TAXES AND REVENUES</b>										
57 Taxable Value per Pupil	154,658	55,907	129,763	87,213	87,889	44,238	35,929	59,052	51,982	153,403
58 Equalized Total Tax Rate	1.494	1.326	1.377	1.465	1.53	1.601	1.534	1.142	1.609	1.524
59 Total Revenue	237,745,400	135,027,336	139,586,654	143,545,767	135,829,685	95,749,795	87,441,850	66,024,197	67,767,318	112,927,744
60 Total Revenue per Pupil	6,001	5,995	5,447	5,673	6,433	6,525	6,736	5,309	6,772	6,102
61 % State	54	78	59	72	72	80	81	78	78	52
62 % Local and Other	42	17	36	24	22	14	11	14	15	45
63 % Federal	4	6	5	4	6	6	7	8	6	4
<b>FUND BALANCES</b>										
64 Fund Balance (End of 98-99)	30,241,596	1,145,632	11,405,023	7,191,962	9,255,683	10,901,595	7,931,310	4,659,540	14,499,588	6,747,841
65 % Fund Balance (of 99-00 Budget)	14	1	9	6	7	11	9	7	50	7
<b>EXPENDITURES</b>										
66 Total Expenditures	238,652,608	136,522,632	144,716,706	143,455,144	143,863,737	109,217,742	88,505,665	67,877,295	78,739,966	112,882,471
67 % Instructional	54	55	50	51	49	46	51	55	51	52
68 % Central Administrative	6	6	5	5	5	6	5	5	6	6
69 % Campus Administrative	6	5	7	5	4	7	6	6	5	5
70 % Plant Services	10	10	11	11	10	11	11	11	9	12
71 % Other Operating	15	16	15	16	19	17	19	17	17	16
72 % Non-Operating	9	8	13	12	13	13	7	5	12	8
73 Total Operating Expenditures	216,233,934	125,969,818	126,553,173	125,753,089	125,774,542	95,040,147	82,507,449	64,158,995	69,386,743	103,731,695
74 Total Operating Exp. per Pupil	5,458	5,593	4,938	4,969	5,957	6,476	6,356	5,159	6,934	5,605

	CORPUS CHRISTI	LAREDO	UNITED	SOCORRO	EDINBURG CONS	HARLANDALE	EDGEWOOD	EAGLE PASS	SOUTH SAN ANTONIO	GALENA PARK
<b>INSTRUCTIONAL EXPENDITURES</b>										
75 Total Instructional Expenditures	129,114,479	74,966,417	71,700,674	73,237,326	70,647,518	50,349,467	45,296,994	37,474,986	40,079,285	58,410,249
76 Total Instructional Exp. per Pupil	3,259	3,328	2,798	2,894	3,346	3,431	3,489	3,013	4,005	3,156
77 % Regular Education	80	68	75	64	55	65	65	76	58	78
78 % Special Education	12	12	7	13	9	15	14	9	12	9
79 % Compensatory Education	4	15	10	8	10	8	15	7	9	7
80 % Bilingual/ESL Education	0	2	3	10	20	8	1	2	14	1
81 % Career & Technology Ed.	4	3	4	5	5	4	4	4	4	5
82 % Gifted & Talented Ed.	0	0	1	0	1	1	1	2	3	1

"LT5" indicates that more than zero, but less than five students were in this category; therefore, results are masked to protect the students' anonymity.