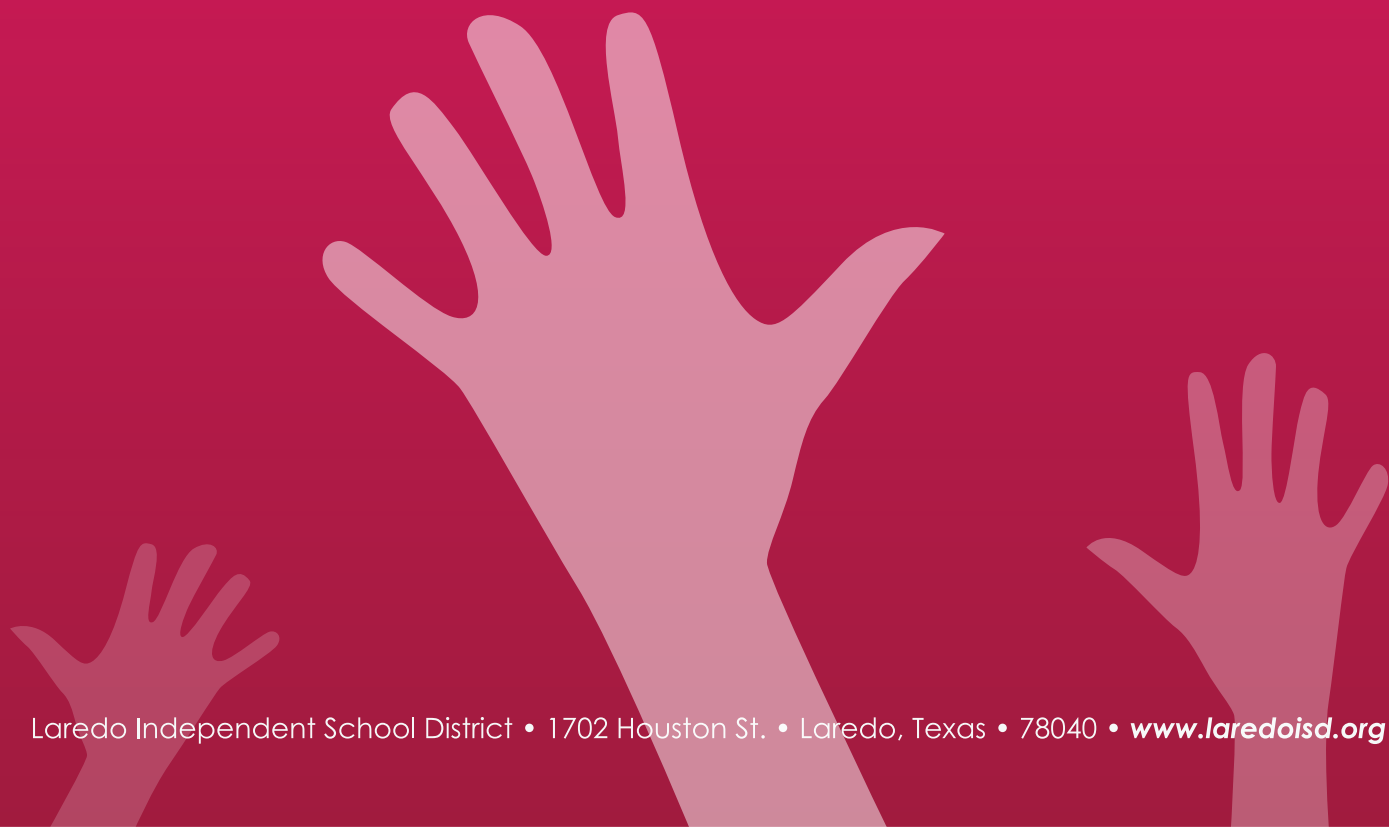


Laredo Independent School District  
**Comprehensive Annual Financial Report**

For the year ended August 31, 2009





**Laredo Independent School District  
Comprehensive Annual Financial Report  
For the Year Ended  
August 31, 2009**

**Prepared by:**

**Department of Financial Management**

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# Introductory Section

**LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR FISCAL YEAR ENDED AUGUST 31, 2009**

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**LAREDO INDEPENDENT SCHOOL DISTRICT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR FISCAL YEAR ENDED AUGUST 31, 2009**

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1702 Houston St. • Laredo, Texas 78040 • Ph. 956-795-3200

Alvaro Perez  
Chief Financial Officer

Dr. A. Marcus Nelson  
Superintendent of Schools

January 8, 2010

**Board of Trustees**

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

George M. Beckelhymer  
President, District 4

Daniel Rigal  
Vice President, District 5

Jesus Martinez  
Secretary, District 2

**Trustees**

Jose A. Valdez  
Trustee, District 1

John Peter Montalvo  
Trustee, District 3

Guillermina Montes  
Trustee, District 6

Jose R. Perez, Jr.  
Trustee, District 7

Dear Board Members and Taxpayers:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the Laredo Independent School District (the "District") for the fiscal year ended August 31, 2009. The report was prepared by the District's Division of Finance. The basic financial statements have been audited by the independent accounting firm of Garza/Gonzalez & Associates, whose report is included herein. The financial data appearing in this report has been prepared in accordance with generally accepted accounting principles and reporting standards as promulgated by the Governmental Accounting Standards Board ("GASB").

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 all material respects 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.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

**Reporting Entity**

The District is an independent school district, founded in 1882, governed by a seven-member Board of Trustees (the "Board"). 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. The District has one blended component unit which is the Laredo Independent School District Public Facility Corporation (the "Corporation"). As required by GAAP, the financial statements of the reporting entity include those of the District (the primary government) and its component unit in conformity with GASB Statement No. 14, The Financial Reporting Entity.

In accordance with GASB Statement No. 14, a financial reporting entity consists of the primary government and its component units. Component units are legally separate organizations for which the elected officials of the District are financially accountable, or for which the relationship to the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. The District's blended component unit, although a legally separate entity, is in substance part of the District's operations and data from this unit is combined with data of the primary government.

The criteria used to determine whether an organization is a component unit of the District include financial accountability of the District for the component unit, appointment of a voting majority, ability to impose the District's will on the component unit, and whether there is a financial benefit or burden to the District. For financial reporting purposes, the Corporation is included in the operations and activities

of the District because of the fiscal dependency criteria outlined in GASB Statement No. 14.

The Corporation, a non-profit corporation, is governed by a seven member Board composed of the members of the District. Although it is legally separate from the District, the Corporation is reported as if it were part of the primary government because its sole purpose is to assist in financing construction and furnishing the District's school facilities. To accomplish the financing of these facilities, the Corporation has issued lease revenue bonds and entered into a lease with the option to purchase agreement with the District. The District will pay to the Corporation such lease payments at such times and in such amounts as will be required to pay principal and interest on the bonds.

District officials must comply with state and federal laws and regulations, but the Board has complete authority, including adoption and setting of tax rates. Separate financial statements for the component unit can be obtained from the Corporation website at [www.laredoisd.org/pfc/default.htm](http://www.laredoisd.org/pfc/default.htm).

### ***Services Provided***

The District provides a safe and learning environment that ensures a quality education. Beginning in the 20 elementary schools, four middle schools, and extending through the four high schools (including Early College High School), students study the essential elements of language arts, reading, science, mathematics, art, music, physical education and computer literacy. In addition, in the four middle schools a diversified group of elective subjects is added to the required studies, including home economics, art, band, choir, orchestra, mariachi band and foreign languages. Similar individual educational needs continue at the four high schools.

Additionally, the District has a communication and fine arts magnet school that offers our students comprehensive courses of study in the areas of communication, dance, music, theatre arts, and visual arts with emphasis on creative development and artistic performance; a health and science magnet school that offers our students a wide range of health and science courses to prepare them for related careers; and a technology and engineering magnet school that offers our students courses of study towards industry certifications to prepare them for related careers.

### ***Enrollment***

Our enrollment for school year 2008-2009 was 24,903 students of which 5,944 (24%) students were enrolled at the high school level, 4,905 (20%) at the middle school level, and 14,054 (56%) at the elementary level.

Over 96.5% of our students are classified as economically disadvantaged; 66.4% as Bilingual/English as a Second Language education, 8.9% as Special Education, and 7.8% participate in Gifted and Talented courses. In addition, 23% of high school and middle school students take Career and Technology Education courses.

### ***Mission Statement***

The mission of the District is to ensure that all students achieve their potential and graduate as bilingual, bi-literate, and be responsible adults with the skills to succeed in higher education, the workforce, or the military.

### ***District Goals (Strategic Improvement Plan 2007-2010)***

- Goal I. LISD shall meet or exceed federal state and local academic mandates.
- Goal II. LISD shall achieve a fund balance equal to two months of operation's expenditure and shall achieve fiscal reporting recognition awards.
- Goal III. LISD shall be recognized for a comprehensive student support system that promotes a safe learning environment thru innovative safety programs.
- Goal IV. LISD shall be recognized for a strong use of Best Practices program, planning, monitoring, and use of data analysis to promote in a systematic approach to optimize the performance of all departments (Deleted May 14, 2008).
- Goal V. LISD shall be recognized for its partnerships with community institutions, business entities, and parent groups that combine to support student achievement.
- Goal VI. LISD shall be recognized for its stable construction facilities program that support student achievement creating an environment conducive to student excelling.



**Achievements**

The District received a seventh Superior rating on the School FIRST (Financial Integrity Rating System of Texas) financial accountability system for the fiscal year ending August 31, 2008. The rating system was established during the 77<sup>th</sup> Legislative session. School districts received its first official rating by TEA in August 2003 for the fiscal year 2001-2002.

**Economic Condition and Outlook**

Laredo Independent School District is located in the heart of the City of Laredo and encompasses approximately 13 square miles. In January 2008, The Metropolitan Statistical Area (MSA) reported population at about 233,152 for Laredo. With over 500,000 living across the borders in Nuevo Laredo, Tamaulipas, Mexico, both cities have a combined population of 733,152. As an inner city district which serves the community of Laredo and Webb County and being on the border to Mexico, it is affected by traditional economic and social issues common to border regions.

Laredo, Texas, 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.

According to a recent analysis published in Forbes.com, Laredo was ranked eight in the nation in terms of job growth and sixth in terms of job growth in smaller cities. Government jobs account for about 30% of Laredo’s employment followed by retail at 20%.

**Major Employers**

PRIVATE SECTOR:		
H.E.B. Grocery	Grocery Store	1,640
McDonald's Restaurant	Fast Food	1,418
Laredo Medical Center	Medical Services	1,400
Wal-Mart	Grocery/Retail	1,144
Convergys Call Center	Call Center	1,009
Compass Bank (formerly LNB)	Financial Services	800
International Bank of Commerce	Financial Services	723
Doctor's Hospital	Medical Services	719
Stripes Convenience Stores	Retail/Convenience	408
Target Greatland	Retail	338
Laredo Entertainment Center	Arena	271
Paul Young Auto Group	Auto Dealer/Service	230
Falcon International Bank	Financial Services	200
Union Pacific Railroad	Railroad	190
Sames Motor Company	Auto Dealer/Service	175
Sears & Roebuck and Co.	Retail	175
La Posada Hotel/Suites	Hotel	144

PUBLIC SECTOR:		
United Independent School District	Education	6,067
Laredo Independent School District	Education	4,564
City of Laredo	City	2,414
Laredo Sector Border Patrol	Immigration	1,700
Laredo Community College	Education	1,564
Webb County	County	1,500
Texas A&M International University	Education	1,054
Border Region MHMR	Health Center	198
U.S. Post Office	Postal Service	173

Source: Laredo Development Foundation, February 2009.

**Financial Policies and Long-Term Financial Planning**

The Superintendent's office and the executive staff oversee and coordinate all the elements involved in the strategic and financial planning process of the District. The planning process begins with demographic projections of student growth and their needs for classroom space. The District's student population experiences minimal growth annually as it is land-locked. The classroom environment is determined by the Division of Instruction in their strategic planning for meeting the educational needs of our students and community. The educational planning process identifies the financial needs of the District and determines the proper allocation of District resources.

The District is in the middle of construction projects in which every school has been or will be renovated or newly constructed. The construction projects began in 1999 with the issuance of \$144,000,000 bonds. With the addition of more bond sales, issuance of QZABs, and interest earnings, total issues is currently at approximately \$296,000,000. The estimated final completion date for these projects is December 2012.

It is the responsibility of the Division of Finance to oversee all finance related issues, including the investment of construction funds for maximization of interest earnings, and to provide financial status reports to the Board with the objective of assisting in the accountability and decision-making process.

### ***Other 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, procurement, tax office collections, risk management and special financial and policy analyses to District management. The Chief Financial Officer, appointed by the Superintendent, has oversight responsibility for the division's operations.

The District's computer hardware includes Dell file servers as well as numerous personal computers and laptops. 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 re-evaluated to provide reasonable, but not absolute, assurance for the safeguarding of assets against loss from unauthorized use and for the reliability of financial records utilized in preparing financial statements and maintaining accountability over the District's assets.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that 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.

The District also operates a student accountability system supported 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.

.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 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 a Site-Based Decision Making (SBDM) committee made up of the campus principal, teachers, and administrators. Their role is to build consensus and support all efforts consistent with reaching district and campuses goals and objectives. SBDM committee members, department directors and administrators are involved in the budgetary cycle.

Subsequent budget amendments must be approved by the Board for the General Fund Budget. For Special Revenue Funds, budget amendments are approved subject to the approval by the granting agency. A summary of all amendments is presented to the Board on a monthly basis. All departments are required to operate within their budgetary constraints. The operating budgets are amended prior to expenditure and the accounting system provides strong budgetary controls over expenditures.

### ***Independent Audit***

The Texas Education Agency requires that an annual audit of the books of account, financial records, and transactions of all campuses and departments of the school district be performed by an independent certified public accountant(s). The firm of

Garza/Gonzalez & Associates was selected by the District and approved by the Board. 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 basic 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.

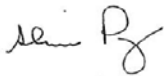
### ***Awards***

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended August 31, 2008. This was the twelfth consecutive year that the District has achieved this prestigious award. In order to be awarded this Certificate of Achievement, the government entity must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and will be submitted it to the GFOA to determine its eligibility for another Certificate of Achievement award.

### ***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 and the leadership of the Superintendent. We would also like to acknowledge the thorough professional and timely manner in which the audit was conducted by our independent auditors, Garza/Gonzalez and Associates. Furthermore, we would like to especially 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 aspects of financial management.

Sincerely,



Alvaro Perez  
Chief Financial Officer

<p>It is the policy of the Laredo Independent School District not to discriminate on the basis of race, color, national origin, gender, religion, limited English proficiency, or handicapping condition in its programs.</p>
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## DISTRICT OFFICIALS, CONSULTANTS & ADVISORS

---

### ELECTED OFFICIALS

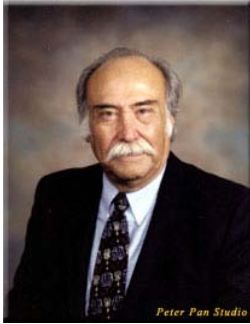
Board of Trustees	Length of Service	Term Expires	Occupation
Jose A. Valdez President	13 Years	Nov. 2012	Self Employed
George M. Beckelhymer Vice-President	7 Years	Nov. 2012	Business Owner
Daniel Rigal Secretary	4 Years	Nov. 2010	Philip Morris – Territory Manager
John P. Montalvo Trustee	10 Years	Nov. 2010	Retired
Guillermina Montes Trustee	7 Years	Nov. 2010	Retired Educator
Jose R. Perez Jr. Trustee	1 Years	Nov. 2012	Retired Educator
Jesus Martinez Trustee	1 Years	Nov. 2012	Retired Educator/Businessman

### CONSULTANTS & ADVISORS

Financial & Investment Advisors .....	Estrada-Hinojosa & Company, Inc. Dallas and San Antonio, Texas
Bond Counsel .....	Escamilla & Poneck, Inc. San Antonio, Texas
Certified Public Accountants .....	Garza/Gonzalez & Associates San Antonio, Texas
General Counsel .....	Kazen, Meurer & Perez, Attorneys-at-Law Laredo, Texas

# LAREDO INDEPENDENT SCHOOL DISTRICT

## Board of Trustees 2008-2009



**Jose A. Valdez**  
President  
District 1



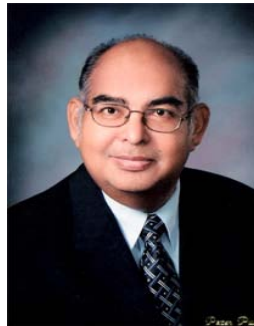
**George M. Beckelhymer**  
Vice-President  
District 4



**Daniel Rigal**  
Secretary  
District 5



**Guillermina Montes**  
Trustee  
District 6



**Jose R. Perez**  
Trustee  
District 7



**John P. Montalvo**  
Trustee  
District 3



**Jesus Martinez**  
Trustee  
District 2

## Superintendent & Administrative Officials



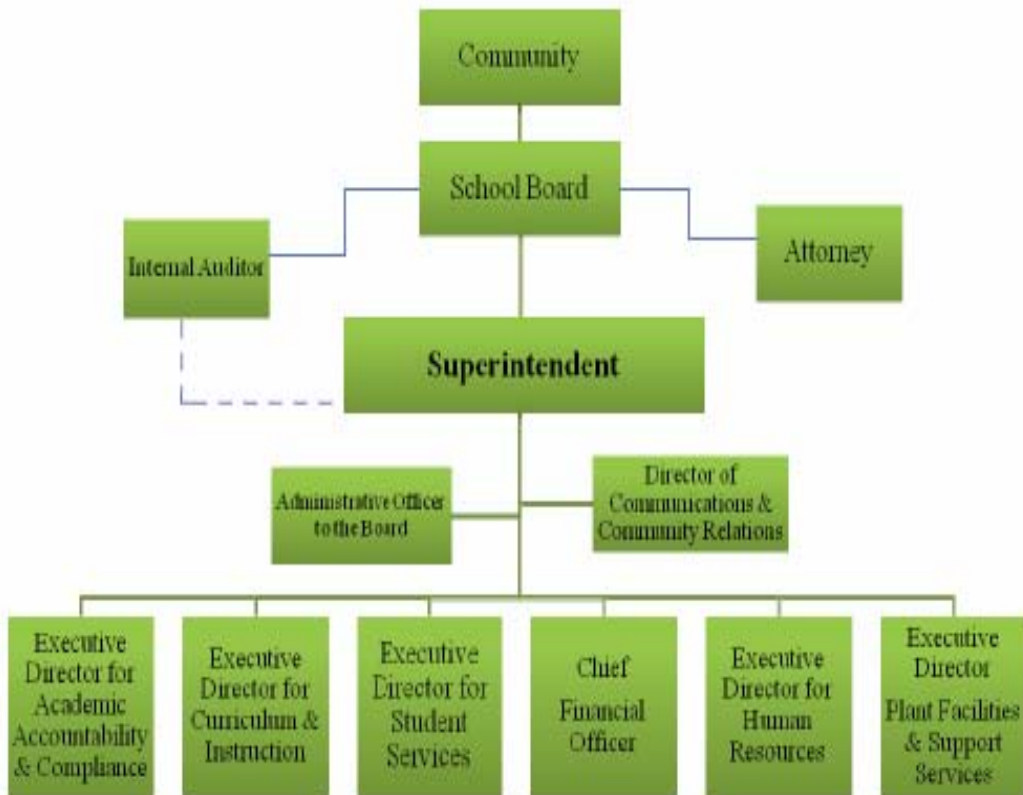
**Dr. A. Marcus Nelson**  
Superintendent of Schools  
August 3, 2009 to Present

### NAME

### POSITION

David Garza	Executive Director for Curriculum & Instruction
Alvaro Perez	Chief Financial Officer
Elsa Arce	Executive Director for Student Services
Ernesto Guajardo	Executive Director for Human Resources
Severita Sanchez	Executive Director for Administrative Compliance & Accountability

# LISD ORGANIZATION CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Laredo Independent School  
District, Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
August 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director


**CERTIFICATE OF BOARD**

---

<u>Laredo Independent School District</u> <b>Name of School District</b>	<u>Webb</u> <b>County</b>	<u>240-901</u> <b>County District Number</b>
---	------------------------------	---

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one)  approved \_\_\_ disapproved for the year ended August 31, 2009 at a meeting of the Board of Trustees of such school district on the 21<sup>st</sup> day of January, 2010.

  
\_\_\_\_\_  
Signature of Board Secretary

  
\_\_\_\_\_  
Signature of Board President

If the Board of Trustees disapproved of the auditor's report, the reason(s) for disapproving it is/are (attach list as necessary):





# Financial Section

# Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

Board of School Trustees  
Laredo Independent School District  
Laredo, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Laredo Independent School District (District) as of and for the year ended August 31, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2009, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.


In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2009, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

207 Arden Grove  
San Antonio, TX 78215  
210/227-1389  
Fax 227-0716

The Management's Discussion and Analysis and the budgetary comparison information as listed on the Table of Contents is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, TEA required schedules, schedule of capital assets used in the operation of governmental funds and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the District. The combining and individual nonmajor fund financial statements, TEA required schedules, the Schedule of Capital Assets used in the operation of governmental funds, and the Schedule of Expenditures and Federal Awards except for the portion marked "Unaudited" on which we express no opinion, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Handwritten signature in cursive script that reads "Gary Longuly & Associates".

December 21, 2009

**LAREDO INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
(UNAUDITED)**

This section of the Laredo Independent School District’s annual financial report presents our discussion and analysis of the District’s financial performance during the fiscal year ended August 31, 2009. This discussion has been prepared by management and should be read in conjunction with the audited financial statements and related footnote disclosures.

**FINANCIAL HIGHLIGHTS**

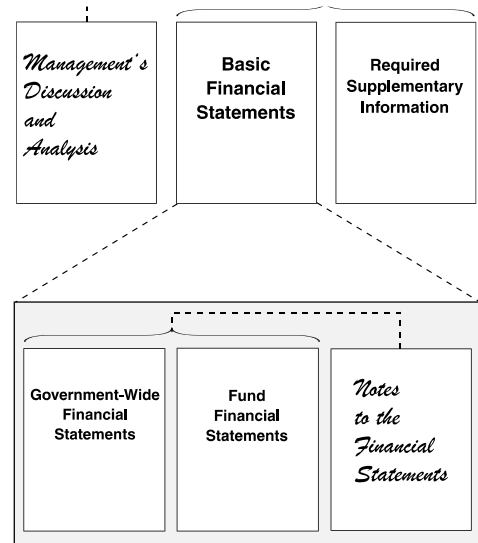
- The District’s total combined net assets were \$165,264,898 at August 31, 2009. This was an increase of \$20,205,605 or 14% over prior year.
- During the year, the District’s governmental expenses were \$21,112,720 less than the \$274,509,687 generated in revenues from governmental activities. The increase in earnings was primarily due to salary savings from freeze imposed on vacant positions and careful evaluation of all purchases to ensure effectiveness and efficiency in the use of public funds.
- The total cost of the District’s programs increased by \$10,481,345 or 4%, primarily from salary increases and new programs were added such as the School Improvement Program (SIP) and Supplemental Educational Services (SES) tutoring services.
- The District’s total revenues increased by \$5,450,356 or 2% compared to last year, mainly from additional federal awards such as the School Improvement Program and ESEA Title I Program.
- The General Fund reported a fund balance of \$59,369,833 which is \$12,706,826 or 27% more than the previous year end. The unreserved, undesignated portion of fund balance increased by \$11,391,905 or 35% to \$43,896,590 and is available for spending at the District’s discretion.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts—*management’s discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District’s overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District’s operations in more detail than the government-wide statements.
- *The governmental funds* statements show how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

**Figure A-1F, Required Components of the District’s Annual Financial Report**



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

**Figure A-2. Major Features of the District's Government-wide and Fund Financial Statements**

Type of Statements	Fund Statements			
	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Agency's government (except fiduciary funds) and the Agency's component units	The activities of the district that are not proprietary or fiduciary	Activities the district operates similar to private businesses: self insurance	Instances in which the district is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none"> <li>◆ Statement of net assets</li> <li>◆ Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>◆ Balance sheet</li> <li>◆ Statement of revenues, expenditures &amp; changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>◆ Statement of net assets</li> <li>◆ Statement of revenues, expenses and changes in fund net assets</li> <li>◆ Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>◆ Statement of fiduciary net assets</li> <li>◆ Statement of changes in fiduciary net assets</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Agency's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

### Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government’s assets and liabilities. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District’s net assets and how they have changed. Net assets—the difference between the District’s assets and liabilities—is one way to measure the District’s financial health or *position*.

- Over time, increases or decreases in the District’s net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional non-financial factors such as changes in the District’s tax base.

The government-wide financial statements of the District include the *Governmental activities*. Most of the District’s basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services and general administration. State aid, property taxes and grants finance most of these activities.

## Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds*—not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has the following kinds of funds:

- *Governmental funds*—Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.

The District maintains 54 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund and the Capital Projects Fund. The following are considered major funds for fiscal year ended 2009: General Fund, ESEA Title IA, EDA 2005 Bond Series, and IFA 2006 Bond Series. Data from the other 50 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements elsewhere in this report.

- *Fiduciary funds*—The District is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

## Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning budget to actual presentations for the General Fund in accordance with State Board of Education rules. In addition, budget to actual presentations for the Food Service Fund and the Debt Service Fund are included in the TEA Required Schedules section.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the Required Supplementary Information.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's combined net assets were \$165,264,898 at August 31, 2009 (See Table A-1); of which, unrestricted net assets (those net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) equaled \$37,821,877. The government-wide increase in net assets was \$20,205,601.

Table A-1  
Laredo Independent School District's Net Assets

	<u>Governmental Activities</u>		Percentage Change
	<u>2009</u>	<u>2008</u>	
Current and other assets	\$ 174,565,370	\$ 105,021,459	66%
Capital and Non- Current assets	338,529,940	391,368,963	-14%
Total Assets	<u>513,095,310</u>	<u>496,390,422</u>	3%
Current Liabilities	34,399,027	22,448,905	53%
Non-Current Liabilities	313,431,385	328,882,224	-5%
Total Liabilities	<u>347,830,412</u>	<u>351,331,129</u>	-1%
Net assets:			
Investment in capital assets, net of related debt	94,126,978	87,359,760	8%
Restricted	33,316,043	29,908,786	11%
Unrestricted	37,821,877	27,790,751	36%
Total Net Assets	<u>\$ 165,264,898</u>	<u>\$ 145,059,297</u>	14%

Capital assets, which consist of the District's land, buildings, buildings improvements, construction-in-progress, vehicles, and equipment, represent about 66% of total assets. The remaining assets consist mainly of investments, cash, grants, property taxes receivable and prepaid assets. The increase in Current and Other Assets is primarily due to the termination of the flexible repurchase agreement with MBIA as a result of the recent insurance downgrade. This action caused a decrease in long-term investments and an increase in current investments.

Ninety percent of the District's largest liability is for the repayment of general obligation bonds. Other liabilities, representing about 10% of the District's total liabilities, consist almost entirely of payables on accounts and salaries and benefits. The number of sick/vacation days used and retirements during the fiscal year decreased by 37% compared to the prior year. As a result, the estimated liability for compensated absences decreased by \$201,619.

The largest portion of the District's net asset (57%) reflects its investment in capital assets (e.g., land, buildings, and equipment) less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes and state aid), since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net assets (20%) represents resources that are subject to external restrictions on how they may be used. Restricted net assets increased by \$3,407,257 during the year ended August 31, 2009. This increase resulted primarily from deposits into the sinking fund for the repayment of the debt and the receipt of the Webb County Permanent School Fund distribution. The fund balance designation for compensated absences of \$2,665,182 is offset by an estimated accrued liability of approximately the same amount and is not included in total unrestricted net assets. The remaining balance of unrestricted net assets \$37,821,877 may be used to meet the district's ongoing obligations to students, employees, and creditors and to honor next year's budget.

The District's current assets of \$174.5 million were sufficient to cover current liabilities of \$34.3 million. This represents a current ratio of 5.09%, which means that for every dollar the District owes there is \$5.09 available in current assets.

### **Governmental Activities**

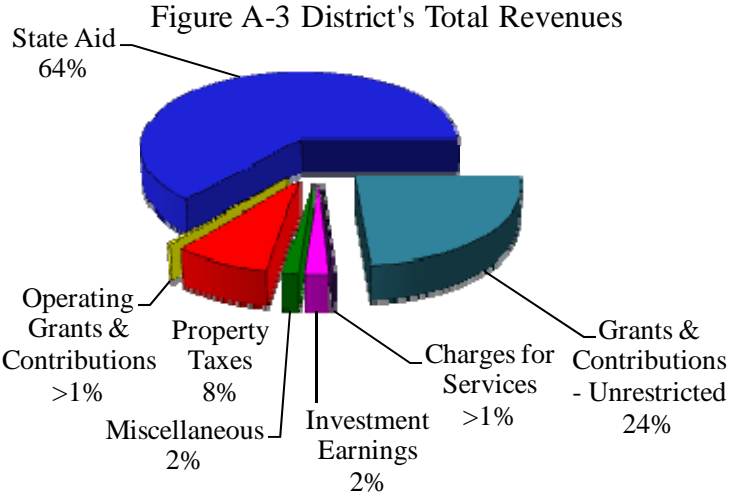
Governmental activities increased the District's net assets by \$21.1 million dollars, accounting for a 14% increase in net assets for the District.

Table A-2  
Laredo Independent School District's Changes in Net Assets

	Governmental Activities		Percentage Change
	2009	2008	
Revenues:			
Program revenues:			
Charges for services	\$ 526,490	\$ 493,479	7%
Operating grants and contributions	65,580,427	49,795,966	32%
General revenues:			
Property taxes	23,011,900	26,557,371	-13%
State aid	174,677,915	176,570,738	-1%
Grants and contributions - unrestricted	964,910	658,657	46%
Investment earnings	5,936,051	9,893,383	-40%
Miscellaneous	3,811,994	5,089,737	-25%
Total Revenues	274,509,687	269,059,331	2.03%
Expenses			
Instruction	141,320,598	134,358,549	5%
Instructional resources and media services	6,751,828	4,989,927	35%
Curriculum and staff development	3,578,264	3,667,984	-2%
Instructional leadership	5,009,620	4,883,535	3%
School leadership	11,421,441	11,506,693	-1%
Guidance, counseling, and evaluation services	7,966,627	7,927,242	0%
Social work services	1,645,934	1,873,976	-12%
Health services	3,208,410	3,028,304	6%
Student transportation	3,367,034	3,779,327	-11%
Food services	13,192,002	12,521,327	5%
Extracurricular activities	3,671,452	3,401,939	8%
General administration	7,814,329	6,876,464	14%
Plant maintenance and operations	21,573,534	20,569,466	5%
Security and monitoring services	3,107,258	3,031,417	3%
Data processing services	3,634,101	2,968,845	22%
Community service	1,344,733	1,307,808	3%
Interest on long-term debt	14,434,609	15,747,078	-8%
Bond Issuane Cost and Fees	263,236	222,245	18%
Facilities acquisition and construction	-	81,952	-100%
Payments related to shared services arrangements	6,637	8,391	-21%
Payments to Juvenile Justice Alt. Education Program	85,320	163,153	-48%
Total Expenses	253,396,967	242,915,622	4.31%
Increase in net assets	21,112,720	26,143,709	-19%
Net assets at beginning of year	145,059,297	126,850,340	14%
Prior Period Adjustment	(907,122)	(7,934,752)	100%
Net assets at end of year	\$ 165,264,895	\$ 145,059,297	14%

The following chart highlights the District's revenues by funding source for the governmental activities. As you can see, State Aid comprises 64% of the total.

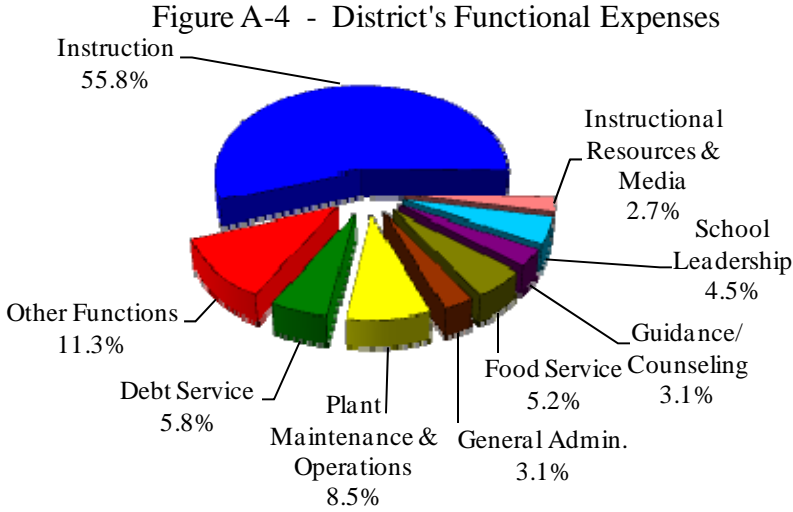




Total revenues were \$274,509,687. Revenues for the District’s governmental activities increased 2% compared to prior year. The increase was due to additional funding for the School Improvement Program and increase in the ESEA, Title I allocation.

Interest earnings were down by \$3.9 million or 40% compared to last year. The average yield earned for the year ranged from 2.64% to 2.25% compared to rates in the prior fiscal year from 4.98% to 2.51%. The District holds a flexible repurchase arrangement with Trinity Plus Funding Company at a rate of 4.83% for the \$57 million 2005 Series bond issue. It is with this rate that the District’s portfolio averaged a 2.25% at the end of the year outperforming the rolling three and six months treasury yields which were at .30% and .76%, respectively.

The next chart presents the cost of each of the District’s largest functions. Of the total expenses, instructional services represent the largest dollar expense at \$141,320,598 or 55.8%, followed by plant maintenance & operations at \$21,573,534 or 8.5%.



Total expenses were \$253,396,967. Total expenses increased by 4%. The increase in expenses was mostly from a combination of increases in technology purchases, library renovations and tutoring services. In addition, the Board of Directors approved an average salary increase of \$2,325 for teachers and 4% and 3% for para-professionals and professionals, respectively.

The District imposed a hiring and overtime freeze in mid-year that resulted in \$8.7 million savings in wages and related benefits expenses in 2009 compared to the budgeted amount.

## Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year, the District's governmental funds reported combined ending fund balances of \$186,155,283 an increase of \$1,213,059 in comparison with the prior year. Approximately 24% or \$44,230,380 of this total amount constitutes unreserved, undesignated fund balance, which is available for spending at the district's discretion. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed : 1) to construction \$96,330,178, 2) to pay debt service \$18,103,437, 3) to liquidate contracts and purchase orders of the prior period \$9,521,735, 4) for inventories and food services \$3,090,736, 5) for new construction or repayment of debt \$10,708,580, 6) for capital acquisitions \$1,298,998, and 7) for a variety of other restricted purposes \$2,871,239.

*General Fund.* The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved, undesignated fund balance of the General fund was \$43,896,590, while total fund balance reached \$59,369,833. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 23% of total general fund expenditures, while total fund balance represents 31 % of total general fund expenditures.

The \$11,391,905 increase in the unreserved, undesignated fund balance gives the District a balance that is the equivalent of 83 days of expenditures. This fund balance is adequate to minimize the likelihood of the District entering the short-term debt market to pay for current operating expenditures, especially with the upcoming stimulus package awards of which the District will be entitled to approximately \$19 million. The District will be using the increase in the fund balance to maintain the monthly minimum expenditures required by the Texas Education Agency in response to the American Recovery and Reinvestment Act of 2009.

While property taxes remained the same, the opening levy increased by \$1.3 million or 5% as a result of increases in appraised values from \$1,850,327,688 to 2,092,198,474.

*Debt Service Fund.* The Debt Service Fund ended with a total combined fund balance of \$18,103,437, all of which was reserved for the payment of debt service. The net increase in fund balance during the current year in the combined Debt Service fund was \$2,431,159. This amount was set aside to help repay bond issues such as the Qualified Zone Academy Bonds (QZABs).

Laredo Independent School District's Analysis of Debt Service Funds

	Debt Service Fund (511)			PFC - Debt Service Fund (512)		
	2009	2008	% Change	2009	2008	% Change
Revenues						
Property taxes	\$ 5,457,227	\$ 5,495,428	-0.70%	\$ 18,448	\$ 30,036	-38.58%
State program revenues	14,194,228	12,775,352	11.11%	3,502,134	3,546,144	-1.24%
Total revenues	19,651,455	18,270,780	7.56%	3,520,582	3,576,180	-1.55%
Expenditures by function						
Principal Long Term Debt	11,983,982	10,013,177	19.68%	1,800,000	1,750,000	2.86%
Interest on Long Term Debt	9,295,887	10,409,382	-10.70%	2,907,983	2,960,483	-1.77%
Other Fees	5,350	5,350	0.00%	15,000	15,400	-2.60%
Total Expenditures	21,285,219	20,427,909	4.20%	4,722,983	4,725,883	-0.06%
Other Financing Sources (Uses)						
	4,088,529	3,222,238	26.88%	1,178,795	1,045,691	12.73%
	4,088,529	3,222,238	26.88%	1,178,795	1,045,691	12.73%
Net change in fund balance	2,454,765	1,065,109	130.47%	(23,606)	(104,012)	-77.30%
Fund balance, beginning	15,224,827	14,159,718	7.52%	447,451	551,463	-18.86%
Fund balance, ending	\$ 17,679,592	\$ 15,224,827	16.12%	\$ 423,845	\$ 447,451	-5.28%

*Child Nutrition Fund.* The Child Nutrition Fund has a total fund balance of \$2,657,201. The net increase in fund balance during the year was \$651,224.

Laredo Independent School District's Analysis of Child Nutrition Funds

	2009	2008	% Change
Local Sources	\$ 424,307	\$ 417,760	1.57%
State Program Revenues	101,239	103,005	-1.71%
Federal Program Revenues	12,805,833	12,266,676	4.40%
Total revenues	<u>13,331,379</u>	<u>12,787,441</u>	<u>4.25%</u>
Expenditures by function			
Food Service	12,474,853	11,821,501	5.53%
Facilities Maintenance and Operations	205,304	285,274	-28.03%
Security Monitoring	-	17,142	-100.00%
Debt Service	-	-	0.00%
Principal Long Term Debt	-	830,608	-100.00%
Interest on Long Term Debt	-	37	-100.00%
Total Expenditures	<u>12,680,157</u>	<u>12,954,562</u>	<u>-2.12%</u>
Other Financing Sources (Uses)	<u>(324)</u>	<u>-</u>	<u>100.00%</u>
	<u>(324)</u>	<u>-</u>	<u>100.00%</u>
Net change in fund balance	651,224	(167,121)	-489.67%
Fund balance, beginning	<u>2,005,977</u>	<u>2,173,098</u>	<u>-7.69%</u>
Fund balance, ending	<u>\$ 2,657,201</u>	<u>\$ 2,005,977</u>	<u>32.46%</u>

*Capital Projects Fund.* The District's Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities, specifically funded by bonds approved by the voters. The decrease in fund balance of \$14,144,435 was attributable to expenditures related to the completion of J. C. Martin, Martin High School Phases I and II, Nixon Connectivity Projects and other improvements.

**Business-type Activities**

The district did not have any business type of activities.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

Revenues from governmental fund types totaled \$278,014,753. The increase in revenues is attributable to increase in state and federal program awards.

**General Fund Budgetary Highlights**

The FY 2009 budget was developed by balancing the challenges of mandated salary increase and student/staff ratios while maintaining the same property tax rate. The most significant fund for the District is the General Fund, funded primarily through state aid and property tax revenue. Over the course of the year, the District revised its budget several times.

The general fund budget was amended 26 times. The original appropriation was increased by \$12,818,196, as of the final amended budget. This increase was due to:

- Outstanding purchase orders from the prior year in the amount of \$208,000;

- Increase for Substitutes, Administrators, Superintendent and TRS on-behalf in the amount of \$800,000.
- Appropriations of the New Instructional Facilities Allotment (NIFA), Master Reading Grant and ARRA for kitchen equipment in the amount of \$651,0005;
- Appropriations of donations in the amount of \$848,000;
- Additional funds for food purchases and kitchen equipment in the amount of \$880,000; and
- Inception to date projects totaled \$9.1 million (PPFCOs).

Even with these adjustments, actual expenditures were \$34,896,432 below the final budget amounts. The most significant positive variance resulted from staffing, specifically in teacher vacancies followed by food services due to the unspent loan proceeds for kitchen equipment. Staffing is budgeted for full employment at midpoint throughout the fiscal year. Budget amounts for vacant positions throughout the year are not eligible for budget revisions. Other variances were due to on-going capital projects that were not completed by the end of the year resulting in unspent appropriations. In addition, other variances result from expenditures from federal, state and local grants that are included in the budgets at their full amounts. Such grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Unspent grant amounts are carried forward and included in the succeeding year's budget. Therefore, actual grant awards and expenditures are normally less than the amounts budgeted.

Amendments and supplemental appropriations were approved shortly after the beginning of the year to reflect the actual beginning account balances such as the additional board approved salary increases to the para-professionals, professionals and superintendent. The major budget increases were reflected in the food service, plant maintenance, and capital functions. The food service increase was due to the carry forward of inception-to-date projects. In the plant maintenance and operations budget, transfers were made within functions (with no impact to fund balance) to increase the utilities line item due to increases in costs. The capital outlay increase was for improvements to various buildings and for the purchase of land for the Early College High School project.

On the other hand, resources available were \$1,231,656 from the final budgeted amount. The increase was mainly due to donations and the NIFA grant award from the State.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The Capital Projects Fund is used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing educational programs for all students in the District. At the end of 2009, the District had invested \$288,617,471 in a broad range of capital assets, including land, equipment, and buildings. (See Table A-3.) This amount represented a net increase (including additions and deductions) of \$7,253,972 or 3% over the previous year.

Table A-3  
Laredo Independent School District's Capital Assets

	2009	2008	Percentage Change
Land	\$ 11,290,426	\$ 11,270,591	0%
Buildings and improvements	337,111,957	308,880,694	9%
Equipment	29,466,498	28,233,869	4%
Construction in progress	8,526,408	20,492,793	-58%
Totals at historical cost	<u>386,395,289</u>	<u>368,877,947</u>	<u>5%</u>
Total accumulated depreciation	<u>97,777,818</u>	<u>87,514,448</u>	<u>12%</u>
Net capital assets	<u>\$ 288,617,471</u>	<u>\$ 281,363,499</u>	<u>3%</u>

The District's fiscal year 2010 capital budget projects has a balance of \$104,342,516, which will be used for the completion of Science Labs, Early College High School, Early Childhood Classrooms, Food Service Center,

Transportation Center, Food Service Center, Shirley Field, and Martin High School Field House. More detailed information about the District’s capital assets is presented in the notes to the financial statements (Note F).

The District completed a new replacement school and several other facilities this year, which include J. C. Martin High School, Martin High School Phases II and III, Nixon Connectivity Projects and other improvements.

**Long Term Debt**

At year-end the District had \$313,431,386 in outstanding loans, leases, bonds, arbitrage, and compensated absences outstanding as shown in Table A-4. The table indicates a decrease of approximately 5%. More detailed information about the District’s debt is presented in the notes to the financial statements (Note K).

Table A-4  
Laredo Independent School District's Long-Term Debt

	2009	2008	Percentage Change
Loans payable	\$ 27,855,000	\$ 29,640,000	-6.0%
Leases payable	-	3,679,751	-100.0%
Bonds payable	282,434,898	292,267,566	-3.4%
Arbitrage payable	476,306	831,345	100.0%
Compensated absences	2,665,182	2,463,563	8.2%
Total long term debt payable	<u>\$ 313,431,386</u>	<u>\$ 328,882,225</u>	<u>-4.7%</u>

**Bond Ratings:** The District’s bonds carry “AAA” rating with underlying ratings as follows: Moody’s Investor Services “A3”, Fitch “A” and Standard & Poors “A”.

The loans payable decreased by 4% due to a \$27,855,000 payment made during the year on two of the outstanding loans. Leases payable decreased due to the pay-out of all outstanding leases. The bonds payable decreased by 3% due to the retirement of debt of approximately \$12 million. Arbitrage payable increased because draws on construction projects were delayed due to scope of work changes as a result of feasibility studies. Lastly, the increase in the compensated absences was due to an increase in number of employees meeting the retirement qualifications.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES**

The District’s board members considered many factors when setting the fiscal year 2009-10 budget and tax rates. Some of these factors were the district needs, the campus needs, appraised values, and the Laredo economy. The following factors are highlights of the budget:

- The official opening tax levy for tax year 2009 was \$27,210,755 with no change to the tax rate of \$1.274. This levy compared to the previous year’s levy is \$86,507 lower, which represents a decrease of less than one percent. The budget includes a 95% collection rate. The Board of Trustees approved an additional local 10% homestead exemption.
- The District’s fiscal year 2009-10 refined average daily attendance was budgeted at 22,500, compared to last year’s 22,649.

These indicators were taken into account when adopting the general fund budget for 2009-2010. Revenues available for appropriation in the general fund budget were \$206,952,138, an increase of 1.10% percent over the final 2009 budget of \$204,683,239. The District allocated funds for the payment of the Lease Revenue Bonds issued by the Public Finance Corporation (PFC) which is financed in part by the District’s maintenance and operating tax and state contribution.

Expenditures were budgeted to rise nearly 5.8% percent to \$209,418,560. The largest increment was due to the funding of salary increases as specified in House Bill 3464 and salary increases to para-professionals and professionals at a rate of 3% and 2%, respectively.

As a result of the American Recovery and Reinvestment Act (ARRA), the District is entitled to approximately \$19 million for fiscal year 2009-10. The District's plan for the use of the appropriations from the ARRA is restricted to the four key reform areas:

1. Making progress toward rigorous college-and-career-ready standards and high quality assessments that are valid and reliable for all students, including English language learners and students with disabilities;
2. Establishing Pre-K to college and career data systems that track progress and foster continuous improvement;
3. Making improvements in teacher effectiveness and in the equitable distribution of qualified teachers for all students, particularly students who are most in need; or
4. Providing intensive support and effective interventions for the lowest performing schools.

#### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT DEPARTMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the District's Financial Management Department, attention to the Director of Financial Management, at (956) 795-3250.

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# Basic Financial Statements



# **Government-Wide Financial Statements**

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# **Fund Financial Statements**

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
AUGUST 31, 2009

Data Control Codes	Primary Government
	Governmental Activities
<b>ASSETS</b>	
1110 Cash and Cash Equivalents	\$ 120,239,611
1120 Current Investments	30,091,146
1220 Property Taxes Receivable (Delinquent)	4,204,619
1230 Allowance for Uncollectible Taxes	(2,832,715)
1240 Due from Other Governments	17,387,297
1250 Accrued Interest	326,402
1267 Due from Fiduciary Funds	216,822
1290 Other Receivables, net	1,136,807
1300 Inventories	1,096,514
1410 Deferred Expenses	449,659
1490 Other Current Assets	3,476,277
Capital Assets:	
1510 Land	11,290,426
1520 Buildings, Net	259,815,040
1530 Furniture and Equipment, Net	8,985,597
1580 Construction in Progress	8,526,408
1910 Long Term Investments	48,685,400
1000 Total Assets	513,095,310
<b>LIABILITIES</b>	
2110 Accounts Payable	10,061,108
2140 Interest Payable	924,650
2150 Payroll Deductions & Withholdings	68,237
2160 Accrued Wages Payable	7,473,683
2177 Due to Fiduciary Funds	14
2180 Due to Other Governments	7,477,712
2300 Unearned Revenues	8,393,623
Noncurrent Liabilities	
2501 Due Within One Year	14,909,927
2502 Due in More Than One Year	298,521,458
2000 Total Liabilities	347,830,412
<b>NET ASSETS</b>	
3200 Invested in Capital Assets, Net of Related Debt	94,126,978
3820 Restricted for Federal and State Programs	3,018,160
3850 Restricted for Debt Service	18,103,437
3860 Restricted for Capital Projects	12,007,577
3870 Restricted for Campus Activities	186,869
3900 Unrestricted Net Assets	37,821,877
3000 Total Net Assets	\$ 165,264,898

The notes to the financial statements are an integral part of this statement.

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED AUGUST 31, 2009

EXHIBIT B-1

Data		Program Revenues		Net (Expense)
Control	1	3	4	Revenue and
Codes		Charges for	Operating	Changes in Net
	Expenses	Services	Grants and	Assets
			Contributions	Primary Gov.
				Governmental
				Activities

**Primary Government:**

GOVERNMENTAL ACTIVITIES:

11 Instruction	\$ 141,320,598	\$ 4,350	\$ 38,771,727	\$ (102,544,521)
12 Instructional Resources and Media Services	6,751,828	-	871,654	(5,880,174)
13 Curriculum and Instructional Staff Development	3,578,264	-	3,043,815	(534,449)
21 Instructional Leadership	5,009,620	-	1,637,772	(3,371,848)
23 School Leadership	11,421,441	-	759,483	(10,661,958)
31 Guidance, Counseling and Evaluation Services	7,966,627	-	1,722,462	(6,244,165)
32 Social Work Services	1,645,934	-	110,369	(1,535,565)
33 Health Services	3,208,410	-	1,565,002	(1,643,408)
34 Student (Pupil) Transportation	3,367,034	-	179,483	(3,187,551)
35 Food Services	13,192,002	312,052	13,190,031	310,081
36 Extracurricular Activities	3,671,452	210,088	132,863	(3,328,501)
41 General Administration	7,814,329	-	742,905	(7,071,424)
51 Plant Maintenance and Operations	21,573,534	-	1,083,193	(20,490,341)
52 Security and Monitoring Services	3,107,258	-	178,833	(2,928,425)
53 Data Processing Services	3,634,101	-	374,071	(3,260,030)
61 Community Services	1,344,733	-	1,050,738	(293,995)
72 Debt Service - Interest on Long Term Debt	14,434,609	-	159,388	(14,275,221)
73 Debt Service - Bond Issuance Cost and Fees	263,236	-	-	(263,236)
93 Payments to Fiscal Agent/Member Districts of SSA	6,637	-	6,637	-
95 Payments to Juvenile Justice Alternative Ed. Prg.	85,320	-	-	(85,320)
<b>[TP] TOTAL PRIMARY GOVERNMENT:</b>	<b>\$ 253,396,967</b>	<b>\$ 526,490</b>	<b>\$ 65,580,427</b>	<b>(187,290,050)</b>

Data			
Control			
Codes			
	<b>General Revenues:</b>		
	<b>Taxes:</b>		
MT	Property Taxes, Levied for General Purposes		18,642,129
DT	Property Taxes, Levied for Debt Service		4,369,771
SF	State Aid - Formula Grants		174,677,915
GC	Grants and Contributions not Restricted		964,910
IE	Investment Earnings		5,936,051
MI	Miscellaneous Local and Intermediate Revenue		3,811,994
TR	<b>Total General Revenues</b>		<b>208,402,770</b>
CN	Change in Net Assets		21,112,720
NB	Net Assets--Beginning		145,059,297
PA	Prior Period Adjustment		(907,119)
NE	<b>Net Assets--Ending</b>		<b>\$ 165,264,898</b>

The notes to the financial statements are an integral part of this statement.

LAREDO INDEPENDENT SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AUGUST 31, 2009

Data Control Codes	10 General Fund	20 ESEA, Title 1 Part A Improv	60 EDA 2005 Series
<b>ASSETS</b>			
1110 Cash and Cash Equivalents	\$ 40,064,428	\$ -	\$ 250,200
1120 Investments - Current	28,647,506	-	-
1220 Property Taxes - Delinquent	3,567,059	-	-
1230 Allowance for Uncollectible Taxes (Credit)	(2,403,181)	-	-
1240 Due from Other Governments	5,775,177	5,622,625	-
1250 Accrued Interest	298,430	-	6,536
1260 Due from Other Funds	10,684,442	-	40,633
1290 Other Receivables	1,073,594	53	48,316
1300 Inventories	1,096,514	-	-
1410 Deferred Expenditures	449,659	-	-
1900 Long-Term Investments	-	-	48,685,400
1000 Total Assets	<u>\$ 89,253,628</u>	<u>\$ 5,622,678</u>	<u>\$ 49,031,085</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
2110 Accounts Payable	\$ 4,233,291	\$ 3,486,036	\$ 638,566
2150 Payroll Deductions and Withholdings Payable	68,237	-	-
2160 Accrued Wages Payable	6,387,638	508,600	-
2170 Due to Other Funds	2,981,985	1,608,394	598,115
2180 Due to Other Governments	7,472,968	-	-
2300 Deferred Revenues	8,739,675	19,648	-
2000 Total Liabilities	<u>29,883,794</u>	<u>5,622,678</u>	<u>1,236,681</u>
Fund Balances:			
Reserved For:			
3410 Investments in Inventory	1,096,514	-	-
3420 Retirement of Long Term Debt	-	-	-
3440 Outstanding Encumbrances	374,929	-	5,625,431
3450 Food Service	1,994,222	-	-
3470 Capital Acquisition Program	1,298,998	-	-
3490 Other Purposes	10,708,580	-	-
Unreserved Designated For:			
3510 Construction	-	-	42,168,973
3590 Other Purposes	-	-	-
Unreserved and Undesignated:			
3600 Reported in the General Fund	43,896,590	-	-
3610 Reported in Special Revenue Funds	-	-	-
3000 Total Fund Balances	<u>59,369,833</u>	<u>-</u>	<u>47,794,404</u>
4000 Total Liabilities and Fund Balances	<u>\$ 89,253,627</u>	<u>\$ 5,622,678</u>	<u>\$ 49,031,085</u>

The notes to the financial statements are an integral part of this statement.

60 IFA 2006 Series	Other Funds	Total Governmental Funds
\$ 50,664,537	\$ 29,260,446	\$ 120,239,611
-	1,443,640	30,091,146
-	637,560	4,204,619
-	(429,534)	(2,832,715)
-	5,989,495	17,387,297
-	21,436	326,402
-	1,635,096	12,360,171
-	14,844	1,136,807
-	-	1,096,514
-	-	449,659
-	-	48,685,400
<u>\$ 50,664,537</u>	<u>\$ 38,572,983</u>	<u>\$ 233,144,911</u>
\$ 866,879	\$ 836,336	\$ 10,061,108
-	-	68,237
-	577,445	7,473,683
-	6,954,867	12,143,361
-	4,744	7,477,712
-	1,006,204	9,765,527
<u>866,879</u>	<u>9,379,596</u>	<u>46,989,628</u>
-	-	1,096,514
-	18,103,437	18,103,437
2,819,888	701,487	9,521,735
-	-	1,994,222
-	-	1,298,998
-	-	10,708,580
46,977,770	7,183,435	96,330,178
-	2,871,239	2,871,239
-	-	43,896,590
-	333,790	333,790
<u>49,797,658</u>	<u>29,193,388</u>	<u>186,155,283</u>
<u>\$ 50,664,537</u>	<u>\$ 38,572,984</u>	<u>\$ 233,144,911</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET ASSETS  
AUGUST 31, 2009

<b>Total Fund Balances - Governmental Funds</b>	\$ 186,155,283
1 Payables for arbitrage are not recorded in the funds.	(831,345)
2 Payables for bond principal \$(287,630,128) and loan principal \$(29,640,000) which are not due in the current period are not recorded in the funds.	(317,270,128)
3 Payables for compensated absences are not recorded in the funds.	(2,463,563)
4 Payables for capital leases which are not due in the current period are not recorded in the funds. Prior period adjustment for leases \$(845,856).	(4,525,607)
5 Unamortized Premium (Discount) on Bonds not due in the current period are not recorded in the funds.	(4,637,439)
6 Payables for interest is not recorded in the funds.	(964,010)
7 Bond issuance costs used in government activities are not reported in the fund.	3,719,163
8 Capital Assets used in government activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$368,877,947 and the accumulated depreciation was \$(87,514,448).	281,363,499
9 Record arbitrage payable \$355,039 , capital appreciation bond interest payable \$(2,658,202), and compensated absences \$(201,619) not included in the funds..	(2,504,782)
10 Record current year amortization of issuance costs and current year amortization of bond premium not in the funds.	249,003
11 Reverse principal payments recorded in the funds.	11,998,982
12 Record current asset additions, disposals and reverse capital outlay expenditures not recorded in the funds.	17,517,342
13 Record current year depreciation expense not in the funds.	(10,263,370)
14 Record current payment of leases recorded in the funds.	4,680,334
15 Record accrued interest payable not recorded in the funds.	39,360

The notes to the financial statements are an integral part of this statement.



LAREDO INDEPENDENT SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET ASSETS  
AUGUST 31, 2009

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16 Record new capital lease in the funds.	(154,728)
17 Record current year loan premiums not in the funds.	1,785,000
18 Recognize change in deferred revenue and decrease allowance for delinquent taxes.	1,371,904
<b>19 Net Assets of Governmental Activities</b>	<u>\$ 165,264,898</u>

The notes to the financial statements are an integral part of this statement.

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	10 General Fund	20 ESEA, Title 1 Part A Improv	60 EDA 2005 Series
<b>REVENUES:</b>			
5700 Total Local and Intermediate Sources	\$ 27,052,826	\$ -	\$ 2,468,632
5800 State Program Revenues	165,146,056	-	-
5900 Federal Program Revenues	13,716,013	20,718,974	-
5020 Total Revenues	<u>205,914,895</u>	<u>20,718,974</u>	<u>2,468,632</u>
<b>EXPENDITURES:</b>			
<b>Current:</b>			
0011 Instruction	100,251,760	14,580,939	-
0012 Instructional Resources and Media Services	4,970,672	636,694	-
0013 Curriculum and Instructional Staff Development	549,363	1,003,849	-
0021 Instructional Leadership	3,375,142	260,782	-
0023 School Leadership	11,242,761	45,777	-
0031 Guidance, Counseling and Evaluation Services	6,562,487	600,148	-
0032 Social Work Services	1,605,254	-	-
0033 Health Services	1,673,674	1,364,857	-
0034 Student (Pupil) Transportation	3,336,765	-	-
0035 Food Services	12,558,692	-	-
0036 Extracurricular Activities	3,654,326	879	-
0041 General Administration	6,641,998	-	-
0051 Facilities Maintenance and Operations	20,960,035	16,439	-
0052 Security and Monitoring Services	3,073,786	265	-
0053 Data Processing Services	3,155,608	-	-
0061 Community Services	308,108	771,514	-
<b>Debt Service:</b>			
0071 Debt Service - Principal on Long Term Debt	3,402,890	1,277,443	-
0072 Debt Service - Interest on Long Term Debt	299,438	159,388	-
0073 Debt Service - Bond Issuance Cost and Fees	-	-	-
<b>Capital Outlay:</b>			
0081 Facilities Acquisition and Construction	75,564	-	2,865,095
<b>Intergovernmental:</b>			
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-
0095 Payments to Juvenile Justice Alternative Ed. Prg.	85,320	-	-
6030 Total Expenditures	<u>187,783,643</u>	<u>20,718,974</u>	<u>2,865,095</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>18,131,252</u>	<u>-</u>	<u>(396,463)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
7913 Capital Leases	154,728	-	-
7915 Transfers In	877,824	-	-
8911 Transfers Out (Use)	(6,155,178)	-	(2,214,760)
7080 Total Other Financing Sources (Uses)	<u>(5,122,626)</u>	<u>-</u>	<u>(2,214,760)</u>
1200 Net Change in Fund Balances	13,008,626	-	(2,611,223)
0100 Fund Balance - September 1 (Beginning)	46,361,208	-	50,405,628
1300 Increase (Decrease) in Fund Balance	(4)	-	-
3000 Fund Balance - August 31 (Ending)	<u>\$ 59,369,830</u>	<u>\$ -</u>	<u>\$ 47,794,405</u>

The notes to the financial statements are an integral part of this statement.

60 IFA 2006 Series	Other Funds	Total Governmental Funds
\$ 1,579,841	\$ 7,560,572	\$ 38,661,871
-	26,830,594	191,976,650
-	12,941,245	47,376,232
<u>1,579,841</u>	<u>47,332,411</u>	<u>278,014,753</u>
-	17,729,606	132,562,305
-	37,861	5,645,227
-	2,022,149	3,575,361
-	1,205,819	4,841,743
-	105,218	11,393,756
-	766,660	7,929,295
-	30,016	1,635,270
-	113,952	3,152,483
-	829	3,337,594
-	715,178	13,273,870
-	14,606	3,669,811
-	486,078	7,128,076
-	475,659	21,452,133
-	16,235	3,090,286
-	241,906	3,397,514
-	263,686	1,343,308
-	13,783,982	18,464,315
-	12,203,869	12,662,695
-	20,350	20,350
9,401,771	5,885,366	18,227,796
-	6,637	6,637
-	-	85,320
<u>9,401,771</u>	<u>56,125,662</u>	<u>276,895,145</u>
<u>(7,821,930)</u>	<u>(8,793,251)</u>	<u>1,119,608</u>
-	-	154,728
-	7,492,114	8,369,938
-	-	(8,369,938)
-	7,492,114	154,728
<u>(7,821,930)</u>	<u>(1,301,137)</u>	<u>1,274,336</u>
57,619,588	30,494,527	184,880,951
-	-	(4)
<u>\$ 49,797,658</u>	<u>\$ 29,193,390</u>	<u>\$ 186,155,283</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED AUGUST 31, 2009

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$	1,274,336
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2009 capital outlays and debt principal payments is to increase (decrease) net assets.		35,457,361
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net assets.		(12,110,220)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, eliminating interfund transactions, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase (decrease) net assets.		(3,508,757)
<b>Change in Net Assets of Governmental Activities</b>	<b>\$</b>	<b>21,112,720</b>

The notes to the financial statements are an integral part of this statement.

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
AUGUST 31, 2009

	Agency Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 657,828
Due from Other Funds	14
Total Assets	<u>\$ 657,842</u>
<b>LIABILITIES</b>	
Accounts Payable	\$ 500
Due to Other Funds	217,322
Due to Student Groups	440,020
Total Liabilities	<u>\$ 657,842</u>

The notes to the financial statements are an integral part of this statement.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**A. Summary of Significant Accounting Policies**

The basic financial statements of Laredo Independent School District (the “District”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) applicable to governmental units in conjunction with the Texas Education Agency’s *Financial Accountability System Resource Guide* (“Resource Guide”). The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The Board of School Trustees (“Board”), a seven member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is appointed and has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency (“TEA”) or to the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District receives funding from local, state, and federal government sources and must comply with the requirements of those funding entities. However, the District is not included in any other governmental “reporting entity” as defined by the GASB in its Statement No. 14, *The Financial Reporting Entity*, and there is one blended component unit included within the reporting entity, as noted below.

Laredo Independent School District Public Facility Corporation (the “Corporation”), a non-profit corporation, is governed by a seven member Board of Directors composed of the members of the Board of Trustees of Laredo Independent School District. Although it is legally separate from the District, the Corporation is reported as if it were part of the primary government because its sole purpose is to assist in financing construction and furnishing the District’s school facilities.

Separate financial statements for the component unit can be obtained from Laredo Independent School District Public Facility Corporation website at [www.laredoisd.org/pfc/default.htm](http://www.laredoisd.org/pfc/default.htm)

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net assets and statement of activities include the financial activities of the overall government, except for fiduciary activities. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide statements. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function. Indirect cost expenditures are determined by applying approved indirect cost rates to actual applicable expenditures of

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**A. Summary of Significant Accounting Policies (Continued)**

federally funded grant programs and therefore are included as an element of functional expenses. Indirect cost revenues are reported in the general fund.

Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are classified as program revenues are presented as general revenues.

The fund financial statements provide information about the District's Governmental and Fiduciary Funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

b. Fund Accounting

Major Governmental Funds

- General Fund - This is the District's primary operating fund. This classification must be used to account for funds in which the local governing board designates. It accounts for all financial resources of the District except those required to be accounted for in another fund.
- 211 ESEA, Title I, Part A, Improving Basic Program – Special Revenue Fund: This fund classification is to be used to account, on a project basis, for funds allocated to local educational agencies to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children.
- 2006 Bond and 2005 Bond – Capital Projects Funds: 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.

Fiduciary Funds

- Private-Purpose Trust Funds: These funds are used to report all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments.
- Agency Funds: These funds are used to report student activity funds and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Agency funds have no measurement focus.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**A. Summary of Significant Accounting Policies (Continued)**

c. Measurement Focus, Basis of Accounting

Government-wide Financial Statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Revenue from Impact Aid received in lieu of property taxes is recognized in the fiscal year for which the taxes are received. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. Impact Aid revenues and revenues received from the state are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue 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. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

3. Financial Statement Amounts

a. Deposit

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

The funds of the District must be deposited and invested under the terms of a depository contract, contents of which are set out in the Depository Contract Law. The depository bank may either place approved pledged securities for safekeeping and trust with the District's agent bank or file a corporate surety bond 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 insurance.



LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**A. Summary of Significant Accounting Policies (Continued)**

b. Inventories and Prepaid Items

Inventories of supplies on the balance sheet are carried at cost, which is determined principally by the average cost method, while investments of food commodities are recorded at market values 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 received. When requisitioned, inventory and deferred revenue are relieved, expenditures are changed, and revenue is recognized for an equal amount.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

c. 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 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 (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the fiscal year.

Allowances for uncollectible tax receivables within the General Fund are \$2,365,174 and \$429,534 for the Debt Service Fund which is 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.

d. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. Land and Construction in Progress are not depreciated.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**A. Summary of Significant Accounting Policies (Continued)**

Asset Class	Estimated Useful Lives (Years)
Buildings	15 – 30
Furniture and Equipment	3 – 15
Vehicles	7 – 10

e. Receivable and Payable Balances

The District believes sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year-end.

f. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as inter-fund receivables and payables as appropriate and are not subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single “Transfers” line on the governmental fund financial statements. The effect of inter-fund activity has been eliminated from the government-wide financial statements.

g. Use of Estimates

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

h. Data Control Codes

Data Control Codes appear in the rows and above the columns of certain financial statements. The TEA requires the display of these codes in the financial statements filed with the TEA in order to ensure accuracy in building a statewide database for policy development and funding plans.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**A. Summary of Significant Accounting Policies (Continued)**

i. Budgets

The office budget was prepared for adoption for all required Governmental Fund Types. The following procedures are followed in establishing the budgetary data:

- (1) Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
- (3) Prior to September 1, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level 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. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end. During the year, several amendments were necessary.

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund, Debt Service, and the General Fund - Food Service. The Special Revenue Funds and Capital Projects Funds adopt project-length budgets which do not correspond to the District's fiscal year. Each annual budget is presented on the modified accrual basis of accounting which is consistent with accounting principles generally accepted in the United States of America. The budget was properly amended throughout the year by the Board. Such amendments are before the fact and are reflected in the official minutes of the Board.

Each budget is controlled by the budget coordinator at the expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year-end. Budget information is summarized below:

	Original Budget	Increase/(Decrease)	Amended Budget
General Fund	\$183,286,420	\$2,659,410	\$185,945,830
General Fund – Child Nutrition	13,628,354	1,011,112	14,639,466
Debt Service Fund	21,285,869	-	21,285,869
PFC Debt Service Fund	4,727,983	-	4,727,983

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**A. Summary of Significant Accounting Policies (Continued)**

j. Encumbrances

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 cancelled or appropriately provided for in the subsequent year's budget.

k. Arbitrage Payable

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury for investment income received at yields that exceed the issuer's tax exempt borrowing rates. The Treasury requires payment for each issue every five years. The estimated liability is updated annually for all tax-exempt issuances or changes in yields until such time payment of the calculated liability is due. The District's liability as of August 31, 2009 was \$476,306.

l. Deferred Revenues

Deferred revenues arise principally from amounts received from the state that relate to the subsequent fiscal year.

m. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

n. Investment Policy

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value.

LAREDO INDEPENDENT SCHOOL DISTRICT  
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NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**A. Summary of Significant Accounting Policies (Continued)**

The term “short-term” refers to investments which have a remaining term of one year or less at time of purchase.

The term “nonparticipating” means that the investment’s value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Public funds investment pools in Texas (“Pools”) are established under the authority of the Inter-local Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Act (the “Act”), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares. As of August 31<sup>st</sup>, the District invested part of its money with Texas DAILY, which holds an AAAM rating from Standard and Poor’s (S&P).

The District’s investments in Pools are reported at an amount determined by the fair value per share of the pool’s underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one, which is not registered with the Securities and Exchange Commission (“SEC”) as an investment company, but nevertheless has 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.

o. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriations or are legally restricted by outside parties for use for a specific purpose. Designation of fund balance represents tentative management plans that are subject to change.

**B. Compliance and Accountability**

Excess Actual Over Budget

No excess actual over budget occurred during FY 2008-2009.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**C. Deposits and Investments**

Custodial Credit Risk-Deposits: The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank places for safekeeping and trust with the District's agent bank approved pledged securities and a letter of credit 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.

The carrying amount of the District's deposits and investments are as follows:

Cash in Bank or On Hand - Primary Government		\$	13,111,368
Cash Equivalents			
Investment Pools Accounts:			
TexasDAILY	\$	101,978,538	
Money Market Accounts:			
PFC-Wells Fargo		673,551	
PFC-TexasDAILY	\$	4,476,154	
Total Cash Equivalentes			<u>107,128,243</u>
Total Cash and Cash Equivalentes - Primary Government		\$	<u>120,239,611</u>

Deposits:

At August 31, 2009, the District's bank deposits (cash and interest bearing accounts) were \$115,973,680. The District's cash deposits at August 31, 2009 and during the year ended August 31, 2009, were entirely covered by FDIC insurance, by pledged collateral held by the District's agent bank in the District's name and a letter of credit from the Federal Home Loan Bank.

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

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**C. Deposits and Investments (Continued)**

- a. Depository: BBVA Compass Bank
- b. The amount of the letter of credit at the date of the highest combined balance on deposit was \$85,000,000 and the amount of pledge collateral was \$36,704,785 for total collateral amount of \$121,704,785.
- c. The highest combined balances of cash, savings, and time deposit accounts amounted to \$107,122,864 and occurred during the month of March 2009.
- d. Total amount of FDIC coverage at the time of the largest combined balance was \$500,000.

Investments:

The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the general purpose financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, the state of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

The District's investments in investment pools, which are exempt from regulation by the Securities and Exchange Commission, have as one of their objectives the maintenance of a stable net asset value of \$1.00. The book value of the position in the pools is the same as the number of the shares in each pool; the market value of a share should approximately equal the book value of a share.

Texas DAILY is a portfolio established by Texas Term Advisory Board pursuant to the provisions of the Texas TERM Common Investment Contract that established the Pool. Texas DAILY is a local government investment portfolio established to allow school districts and other governmental entities in Texas to pool their funds for investment under the provisions of the Inter local Cooperation Act, Chapter 791 of the Texas Government Code, the PFIA and other similar cooperative statutes and under the statutes governing investment of funds by those local governments.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**C. Deposits and Investments (Continued)**

*Credit Risk.* In accordance with state law and the District's investment policy, investments in mutual funds and investment pools must be rated at least AAA or have an equivalent rating, commercial paper must be rated at least A-1,P-1, or have an equivalent rating, and obligations of states, agencies, counties, and cities must be rated at least A or its equivalent. As of August 31, 2009, Texas Daily was rated AAAM by Standard and Poor's (S&P). The District did not have any investments in commercial paper as of August 31, 2009. The District's investments in bonds of Federal Home Loan Bank (FHLB) and Repurchase Agreements are rated AAA by S&P.

*Concentration of Credit Risk.* The District places no limit on the amount the District may invest in any one issuer, rather investments are governed by the objectives of preservation and safety of principal, liquidity, and yield. In addition, the investment portfolio is diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer. The District's investments are allocated as follows: Flex Repurchase Agreements (24.46%), FHLB (0.62%), Texas Daily (53.49%), and Wells Fargo Money Market (0.34%), IBC CD (.11%), BBVA Compass CDs (14.39%) and BBVA Compass (6.59%).

*Interest Rate Risk.* In accordance with state law and the District's investment policy, the District does not purchase any investments with maturities greater than five (5) years for its Operating Funds.

The investment maturities in the following table reflect the maturity date of the investments in each category. Some investments are callable (redeemable) by the issuer on specified dates prior to the stated maturity date. The District uses its investments in the investment pools to further mitigate interest rate risk.



LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**C. Deposits and Investments (Continued)**

The District's investments at August 31, 2009 are shown below:

Investment	Investment Maturities in Years				
	Fair Value	Less than 1 Year	1 to 2 Years	2 to 3 Years	More Than 3 Years
Agency Bonds & Discount Notes					
FNMA Note	\$ 1,227,069	\$ 1,227,069	\$ -	\$ -	\$ -
Flex-Repurchase - Series 2006	48,685,400	-	-	-	48,685,400
	<u>49,912,469</u>	<u>1,227,069</u>	<u>-</u>	<u>-</u>	<u>48,685,400</u>
Investment Pools					
TexasDaily	101,978,538	101,978,538	-	-	-
	<u>101,978,538</u>	<u>101,978,538</u>	<u>-</u>	<u>-</u>	<u>-</u>
Money Market Investments					
Wells Fargo MMMF	673,551	673,551	-	-	-
Texas DAILY	4,476,154	4,476,154	-	-	-
	<u>5,149,705</u>	<u>5,149,705</u>	<u>-</u>	<u>-</u>	<u>-</u>
Certificates of Deposit					
IBC	216,571	-	216,571	-	-
BBVA Compass	28,647,506	9,500,000	19,147,506	-	-
	<u>28,864,077</u>	<u>9,500,000</u>	<u>19,364,077</u>	<u>-</u>	<u>-</u>
Total Fair Value	<u>\$ 185,904,789</u>	<u>\$ 117,855,312</u>	<u>\$ 19,364,077</u>	<u>\$ -</u>	<u>\$ 48,685,400</u>

**D. Due to and from Other Governments and Agencies**

The District participates in a variety of federal, state, and local programs from which it receives grants to partially or fully finance certain activities. Amounts due to and from federal, state, and local governments as of August 31, 2009 are summarized below and are reported on the government-wide statement of net assets.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**D. Due to and from Other Governments and Agencies (Continued)**

	Due to Other Governments	Due from Other Governments
General Funds:		
General Fund	\$ 7,472,968	\$ 5,216,213
Food Service	-	556,924
Payroll	-	2,039
Special Revenue Funds:		
ESEA Title IV-Safe Drug-Free Schools	-	24,805
ESEA Title I Part A-Improving Basic Program	-	5,622,625
ESEA Title I Part C-Education of Migrant	-	20,341
IDEA - Part B, Formula	-	246,039
IDEA - Part B, Discretionary	-	13,701
DHS Summer Feeding Program	-	177,188
Tech Prep. Planning/Implementation	107	-
Vocational Education Carl Perkins Basic Grant	-	65,839
IDEA - Part C Early Intervention	-	292
ESEA Title II Part A	-	384,192
Texas Reading First Grant	-	928,185
Title II Part D Technology	-	16,820
Immigrant/LEP Program	-	187,247
Title V - Innovative	-	102
Title I SIP Academy	-	178,919
Teaching American History	-	6,913
Summer Bilingual	-	156,454
Investment Capital Fund	-	13,110
Optional Extended Year	-	170,559
Student Success Initiative	-	624,677
Intensive Summer Program	-	215,755
Pre-Kinder Expansion Grant	-	622,206
Texas Excellence Award	-	1,416,049
Texas Fitness	-	159,701
Crime Stoppers	-	13,736
Regional Day School for the Deaf	-	128,258
E-Rate	-	218,408
SECO-Clean School Bus Program	4,637	-
Total	\$ 7,477,712	\$ 17,387,297

**E. Interfund Balances and Activities**

1. Due To and From Other Funds

Balances due to and due from other funds at August 31, 2009 consisted of the following

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**E. Interfund Balances and Activities (Continued)**

	Due from Other Funds	Due to Other Funds
General Fund	\$ 10,684,442	\$ 2,981,985
Special Revenue funds:		
ESEA Title IV-Safe Drug-Free Schools	-	15,745
ESEA Title I Part A-Improving Basic Program	-	1,608,394
ESEA Title I Part C-Education of Migrant	-	19,213
IDEA - Part B, Formula	1,424	178,749
IDEA - Part B, Discretionary	-	13,701
DHS Summer Feeding Program	513,683	689,350
Vocational Education Carl Perkins Basic Grant	-	56,393
IDEA - Part C Early Intervention	-	292
ESEA Title II Part A	-	258,964
Texas Reading First Grant	197	878,213
Title II Part D Technology	-	9,590
Immigrant/LEP Program	940	141,005
Title V - Innovative	-	102
Title I SIP Academy	-	124,199
Teaching American History	152	6,153
Summer Bilingual	-	156,454
Non-Educational Community-Based Sup Serv	-	2,360
Pregnancy, Education, and Parenting Program	-	9
Investment Capital Fund	-	3,844
Optional Extended Year	-	170,559
Student Success Initiative	-	624,677
Intensive Summer Program	-	174,019
Technology	-	807,007
Pre-Kinder Expansion Grant	-	3,157
LEOSE	-	45
Texas Excellence Award	-	1,416,049
Texas Fitness	-	158,546
High School Allotment	-	7,816
Crime Stoppers	-	13,736
Regional Day School for the Deaf	-	2,271
Campus Activity Funds	186,869	-
E-Rate	598,115	759,774
Debt Service Fund	181	806
Capital Projects Funds:		
QZAB	-	36,205
QZAB 2	35,157	
PFC	297,000	213,744
QZAB 3	1,047	12,120
\$60M 2005 Bond	40,633	598,115
Instructional Facilities Allotment 2	330	-
Agency Funds:		
Student Activity Account	-	186,869
Scholarship Fund	14	29,953
	\$ 12,360,184	\$ 12,360,184

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**E. Interfund Balances and Activities (Continued)**

Transfers between the Special Revenue Funds, Capital Projects Funds, and the General Fund are to account for the District's local share of grant funds. Transfers to the Debt Service Fund are related to amounts to cover interest and principal on debt. All amounts due are scheduled to be repaid within one year.

2. Transfers To/From Other Funds

Transfers to and from other funds at August 31, 2009 consisted of the following:

Transfers From	Transfers To	Amount	Purpose
General Fund	Debt Service Fund	\$ 4,088,529	Transfer to cover for interest and principal costs for loans.
General Fund	PFC Debt Service Fund	1,178,795	Transfer to cover for interest & principal cost for the PFC debt.
General Fund	Athletics Program	877,823	Transfer to cover athletic costs for the District.
General Fund	FEMA Program	9,706	To cover local share of grant.
Child Nutrition	FEMA Program	324	To cover local share of grant.
Capital Projects	E-Rate Program	<u>2,214,761</u>	To cover local share of grant.
		<u>\$ 8,369,938</u>	

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**F. Capital Assets**

Capital asset activity for the year ended August 31, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 11,270,591	\$ 19,835	\$ -	\$ 11,290,426
Construction in Progress	20,492,793	18,176,466	30,142,851	8,526,408
Total capital assets not being depreciated	<u>31,763,384</u>	<u>18,196,301</u>	<u>30,142,851</u>	<u>19,816,834</u>
Capital assets being depreciated:				
Buildings and Improvements	308,880,694	30,142,851	1,911,588	337,111,957
Equipment	28,233,869	1,484,216	251,587	29,466,498
Total capital assets being depreciated	<u>337,114,563</u>	<u>31,627,067</u>	<u>2,163,175</u>	<u>366,578,455</u>
Less accumulated depreciation:				
Building and Improvements	69,070,073	9,835,619	1,608,775	77,296,917
Equipment	18,444,375	2,274,601	238,075	20,480,901
Total accumulated depreciation	<u>87,514,448</u>	<u>12,110,220</u>	<u>1,846,850</u>	<u>97,777,818</u>
Total capital assets being depreciated, net	<u>249,600,115</u>	<u>19,516,847</u>	<u>316,325</u>	<u>268,800,637</u>
Governmental activities capital assets, net	<u>\$ 281,363,499</u>	<u>\$ 37,713,148</u>	<u>\$ 30,459,176</u>	<u>\$ 288,617,471</u>

Depreciation was charged to the following functions as follows:

	<u>Totals</u>
Instruction	\$ 8,881,100
Resource & Media Services	1,151,841
Instructional Leadership	178,801
School Leadership	15,569
Guidance & Counseling	28,855
Social Services	9,050
Health Services	52,714
Transportation	25,911
Food Service	544,781
Co-Curricular Activities	24,121
General Administration	476,689
Plant & Maintenance	203,709
Security & Monitoring Services	76,795
Data Processing	440,284
Total Depreciation	<u>\$ 12,110,220</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**G. Deferred Revenue**

Deferred revenue at August 31, 2009 consisted of the following:

Food Service Fund	\$	290,689
Successor & Interest		18,407
Science Labs		7,185,200
General Operating Fund - Tax Revenue		1,145,471
General Operating Fund - Escrow Refunds		99,909
ESEA Title I Part A - Improving B.		19,648
FEMA Grant		20,762
Advanced Placement Middle School		5,099
Pregnancy, Education, and Parenting CCMS		209,640
Pre-Kinder Expansion Grant		561,568
LEOSE		1,108
Debt Service Fund		208,026
		<hr/>
	\$	<b>9,765,527</b>
		<hr/>

**H. 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 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 three District high schools. The loan has an interest rate of 1.10% and an original term of twelve years. Interest payments of \$88,000 will be made on a yearly basis for twelve years with one principal payment of \$8,000,000 due at maturity on 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 three middle schools and two high schools. The loan has an interest rate of 1.097% and an original term of twelve years. Interest payments of \$87,780 will be made on a yearly basis for twelve years with one principal payment of \$8,000,000 due at maturity on August 30, 2013.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**H. Loans (Continued)**

A Qualified Zone Academy Limited Maintenance Tax Note of \$8,000,000 was entered into on October 3, 2005 for the purpose of financing the construction of academics for three middle schools and two high schools. The loan has an interest rate of 0% and an original term of twelve years. The principal payment of \$8,000,000 is due to mature on October 3, 2021. In connection with the Qualified Zone Academy Limited Maintenance Tax Note, within the Interest and Sinking Fund, there shall be established a "Cumulative Sinking Fund Deposit Account"; provided however that the Cumulative Sinking Fund Deposit Account shall at all times be maintained by the District with, and held by, the Registrar.

A loan of \$6,000,000 was issued on August 10, 2006, due to mature purchase of capital equipment as authorized by Texas Local Government Code Section 271. The loan has an interest rate of 4.0% to 4.25% and an original term of five years. The final principal and interest payment will be made in fiscal year ending August 31, 2011.

The following is a summary of loan transaction of the district for the year ending August 31, 2009.

Description	Balance Outstanding 9/1/2008	Issued Current Year	Retired Current Year	Balance Outstanding 8/31/2009	Amounts Due Within One Year
Note - August 23, 2000	\$ 8,000,000	\$ -	\$ -	\$ 8,000,000	\$ -
Note - August 30, 2001	8,000,000	-	-	8,000,000	-
Note - October 3, 2005	8,000,000	-	-	8,000,000	-
Loan - August 10, 2006	5,640,000	-	1,785,000	3,855,000	1,880,000
	<u>\$ 29,640,000</u>	<u>\$ -</u>	<u>\$ 1,785,000</u>	<u>\$ 27,855,000</u>	<u>\$ 1,880,000</u>

Interest paid during the year on loans was \$415,460. All loans are payable from the operating funds which include the Food Service and General Fund.

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

Year Ending August 31,	Principal	Interest	Total
2010	\$ 1,880,000	\$ 339,598	\$ 2,219,598
2011	1,975,000	259,698	2,234,698
2012	8,000,000	175,760	8,175,760
2013	8,000,000	87,760	8,087,760
2014	-	-	-
2015-2019	-	-	-
2020-2024	8,000,000	-	8,000,000
	<u>\$ 27,855,000</u>	<u>\$ 862,816</u>	<u>\$ 28,717,816</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**H. Loans (Continued)**

The future sinking fund requirements for the Qualified Zone Academy Limited Maintenance Tax Note of \$8,000,000 are as follows:

Year Ending August 31,	Amount
2010	\$ 389,887
2011	389,887
2012	389,887
2013	389,887
2014	389,887
2015-2019	1,949,435
2020-2024	779,774
	<u>\$ 4,678,644</u>

**I. Long-Term Obligations**

The District has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas, which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the District.

Bonded indebtedness of the District reflected in the General Long Term Debt 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  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**I. Long-Term Obligations (Continued)**

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended August 31, 2009 are as follows:

Interest paid on bonded indebtedness during the current year was \$10,788,409.

Description	Rate Payable	Original Issue	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<i>Unlimited Tax School Building Bonds:</i>							
Current Interest	5.50-6.75%	\$ 72,000,000	\$ 2,290,000	\$ -	\$ 2,290,000	\$ -	\$ -
<i>Unlimited Tax Refunding Bonds:</i>							
Current Interest	5.25-6.75%	77,890,000	48,870,000	-	2,815,000	46,055,000	3,070,000
Current Interest	5.00%	18,200,000	2,000,000	-	-	2,000,000	-
Capital Appreciation	5.26-5.42%	2,509,910	4,875,856	501,742	-	5,377,598	2,295,000
<i>Lease Revenue Bonds</i>							
Series A	4-5%	30,105,000	26,800,000	-	795,000	26,005,000	820,000
Series B	3.6-4.25%	6,345,000	5,625,000	-	175,000	5,450,000	180,000
Series C	3-5%	23,715,000	21,145,000	-	620,000	20,525,000	640,000
Series D	2.05-3.5%	2,140,000	1,900,000	-	55,000	1,845,000	55,000
Series E	2.05-3.5%	1,215,000	1,080,000	-	30,000	1,050,000	35,000
<i>Lease Revenue Bonds</i>							
Series F	3.4-4%	4,615,000	4,075,000	-	125,000	3,950,000	130,000
<i>Unlimited Tax Refunding Bonds:</i>							
Current Interest	3-5%	51,120,000	50,410,000	-	215,000	50,195,000	225,000
Capital Appreciation	4%	3,024,784	3,738,286	151,022	-	3,889,308	-
<i>Unlimited Tax School Building Bonds:</i>							
Current Interest	5.00%	17,370,000	16,190,000	-	-	16,190,000	-
Capital Appreciation	3.39-5.18%	42,485,846	44,800,986	2,005,438	3,273,982	43,532,442	3,139,518
<i>Unlimited Tax School Building Bonds:</i>							
Current Interest	4.125-5.00%	56,950,000	53,830,000	-	1,605,000	52,225,000	1,675,000
<b>TOTALS</b>		<b>\$ 409,685,540</b>	<b>\$ 287,630,128</b>	<b>\$ 2,658,202</b>	<b>\$ 11,998,982</b>	<b>\$ 278,289,348</b>	<b>\$ 12,264,518</b>

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**I. Long-Term Obligations (Continued)**

The following is a schedule of the required payments for these general obligation bonds:

Year Ending August 31,	Capital Appreciation			Total
	Principal	Bond	Interest	
2010	\$ 12,264,518	\$ 481,353	\$ 11,521,414	\$ 23,785,932
2011	12,489,652	487,183	11,280,437	23,770,089
2012	11,384,301	1,346,783	12,365,018	23,749,319
2013	12,815,585	474,700	10,914,872	23,730,457
2014	13,129,622	466,353	10,581,854	23,711,476
2015-2019	61,220,770	5,029,652	57,196,560	118,417,330
2020-2024	81,758,884	1,749,265	36,585,866	118,344,750
2025-2029	57,415,049	587,838	14,451,926	71,866,975
2030-2034	4,350,000	-	217,500	4,567,500
	<u>\$ 266,828,381</u>	<u>\$ 10,623,127</u>	<u>\$ 165,115,447</u>	<u>\$ 431,943,828</u>

**Capital Appreciation Bonds**

The total accretion of discount on capital appreciation bonds that is included in the August 31, 2009 ending balance of \$278,289,348 is \$10,623,127.

**J. Accumulated State Personal and Sick Leave Benefits**

Buy back of accrued sick leave at retirement – The District buys back accrued unused sick leave from employees when they retire from the District with full benefits under the Teacher Retirement System. Buy back of accrued leave is at the rates established in the District's approved Pay Plan, without local increments. This one-time-only benefit is available to employees who have served at least ten consecutive years in the District; however, the plan applies also to employees who die while employed in the District, regardless of the length of their employment, with payment made to the designated beneficiary.

*Rate for professional employees* – A professional employee who retires meeting the eligibility criteria specified above shall be paid for accumulated leave to a maximum of 40 days of state leave, of which 5 days are at 100%, 10 days at 75%, and 25 days at 50% of the daily rate of pay; in addition, 40 days of local sick leave are at \$100 per day.

*Rate for para-professional and auxiliary employees* – A paraprofessional or auxiliary employee who retires meeting the eligibility criteria specified above shall be paid for accumulated leave to a maximum of 80 days of leave, of which the first 10 days are at 100%, the next 15 days are at 75%, and the next 55 days are at 50% of the daily rate of pay.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**J. Accumulated State Personal and Sick Leave Benefits (Continued)**

As of August 31, 2009, the balance for the State Personal and Sick Leave is \$2,665,182. The estimated amount due within a year totals to \$273,520 and the General Fund and the Special Revenue Funds are expected to pay for most of these expenses.

**K. Changes in Long-Term Liabilities**

Long-term liability activity for the governmental activities for the year ended August 31, 2009, was as follows:

Description	Balance Outstanding 9/1/2008	Issued/Increase Current Year	Retired/Decrease Current Year	Balance Outstanding 8/31/2009	Amounts Due Within One Year
Loans Payable					
Loans	\$ 29,640,000	\$ -	\$ 1,785,000	\$ 27,855,000	\$ 1,880,000
Capital Leases Payable	* 4,525,606	154,728	4,680,334	-	-
General Obligation Bonds	287,630,128	2,658,202	11,998,982	278,289,348	12,264,518
Bonds Premium Amortization - Net	4,637,439	-	491,889	4,145,550	491,889
Total Bonds and Loans Payable	<u>292,267,567</u>	<u>2,658,202</u>	<u>12,490,871</u>	<u>282,434,898</u>	<u>12,756,407</u>
Other Liabilities					
Compensated Absences	2,463,563	475,139	273,520	2,665,182	273,520
Arbitrage Payable	831,345	-	355,039	476,306	-
Total Other Liabilities	<u>3,294,908</u>	<u>475,139</u>	<u>628,559</u>	<u>3,141,488</u>	<u>273,520</u>
Total Governmental Activities					
Long-term Liabilities	<u>\$ 329,728,081</u>	<u>\$ 3,288,069</u>	<u>\$ 19,584,764</u>	<u>\$ 313,431,386</u>	<u>\$ 14,909,927</u>

\* Restated beginning balance due to cancelled capital leases.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**L. Revenues from Local and Intermediate Sources**

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

	General Fund	2005 Bond Fund	2006 Bond Fund	Other Governmental Funds	Total
Property Taxes	\$ 21,664,582	\$ -	\$ -	\$ 4,853,037	\$ 26,517,619
Penalties & Interest	633,957	-	-	133,520	767,477
Investment Income	1,254,880	2,468,632	1,579,841	666,085	5,969,438
Rental of Facilities & Insurance Recovery	2,793	-	-	-	2,793
Co-curricular	208,305	-	-	-	208,305
Miscellaneous	3,288,309	-	-	1,907,930	5,196,239
	<u>\$ 27,052,826</u>	<u>\$ 2,468,632</u>	<u>\$ 1,579,841</u>	<u>\$ 7,560,572</u>	<u>\$ 38,661,871</u>

**M. Risk Financing Activities**

The District is exposed to various risks of loss related to torts, theft, damage, or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2009, the District purchased commercial insurance to cover these risks. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

The District was self-insured and partially self-insured for workers compensation claims in fiscal years 2002, 2003 and 2004. The liabilities reported are based on claims outstanding incurred through August 31, 2009 and are based on cost estimates. The District accounts for claim payments in the General Fund.

A summary of the workers compensation aggregate claim liabilities for workers' compensation claims for prior and current year is presented below:

Year	Beginning of Fiscal Year Liability (2)	Current Year Claims &/or Changes In Estimated	Claim Payments	Balance at Fiscal Year-End
2007-08	\$230,354	\$(59,461)	\$29,723	\$141,170
2008-09	\$141,170	\$(23,315)	\$ -	\$117,855

**N. Pension Plan**

The District contributes to the Teacher Retirement System of Texas (the "System"), a public retirement system. It is a cost-sharing, multiple-employer defined benefit pension plan with one exception: all risks and costs are not shared by the District, but are the liability of the state of Texas. The System provides service retirement and disability retirement benefits, and death benefits to plan members and beneficiaries. The System operates primarily under the provisions of the Texas Constitution and Texas Government Code, Title 8, Subtitle C. The Texas legislature has the authority to establish or amend benefit provisions.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**N. Pension Plan (Continued)**

The System issues a publicly available financial report that includes financial statements and required supplementary information for the District. That report may be obtained by writing the Teacher Retirement System of Texas, 1000 Red River Street, Austin, Texas 78701-2698 or by (800) 887-0123.

State law provides for fiscal year 2009 a state contribution rate of 6.58% and for fiscal year years 2008 and 2007, a state contribution rate of 6.58 % and 6.0%, respectively, 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 6.58% 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 of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6.58% and not more than 10.0% 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 the System's 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 made to the System on behalf of the District's employees for the years ended August 31, 2009, 2008, and 2007 were \$9,686,758, \$9,346,606 and \$9,211,628, respectively, and were equal to the required contributions for each year. Other contributions made from federal and private grants, reporting entity contributions and from the District for salaries above the statutory minimum for the years ended August 31, 2009, 2008, and 2007 were \$3,650,552, \$3,623,458 and \$3,203,454 respectively, and were equal to the required contributions for each year. The District contributed 6.58% totaling \$141,760 for state contributions during the first 90 days of a new member's employment. The amount contributed by the Teacher Retirement System of Texas on behalf of the District was recognized as revenues and expenditures which totaled to \$8,164,503.

Federal legislation enacted in January 2006 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One provision of the law allows TRS-Care to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible participants. These payments totaled \$342,308, \$338,894 and \$296,478 for fiscal years 2009, 2008, and 2007, respectively. Revenue and expenditures equal to the amount by the federal government were recognized during the 2009 fiscal year. The recording of the revenue and expenditures paid on behalf of the District would have no effect on previously reported fund balance or net assets.

**O. Health Care Coverage**

For the term effective 9/1/08-8/31/09, the District continued to be fully-insured with Blue Cross Blue Shield of Texas, Inc. being the medical health provider. The carrier BCBSTX, as well as the local servicing agency, Laurel Insurance, contracted by BCBSTX, administered and serviced the medical program. The program is a fully insured program, but is unique in that it includes a "retention agreement" whereby any savings under the established utilization (loss ratio) threshold of 85.85% may be reimbursed to the District.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**O. Health Care Coverage (Continued)**

The District contributed \$235 for all Teacher Retirement System (TRS) qualified employees towards the cost of participation in the Preferred Provider Organization (PPO) medical insurance program that has a maximum lifetime benefit of \$1,000,000 for the Low Plan and \$2,000,000 for the High and State

Comparable Plan There are three (3) insurance plan options (Low, High, and State Comparable) as well as options of the four (4) tier coverage levels (Employee Only, Employee & Spouse, Employee & Children, Employee & Family) within each option. The District also offered continued coverage in accordance with federal law to all employees and dependents that are no longer eligible for coverage, but meet COBRA requirements.

The District's health insurance program has been very efficient and successful in that the District has been able to provide employees different choices of plans and levels of benefits which are in compliance with the TRS Comparability Program. Employee participation in the District's medical insurance is estimated at 3,500 or 88% of the eligible employee base of 4,000 and is considered moderately high. Upon review by TRS, via the mandatory comparability reporting requirements, it was determined that our District satisfied all of the reporting requirements of the Education Code for the 2005-2006 comparability study. It was determined that our district makes available to the employees group health coverage that is comparable to the basic health coverage; provided to state employees under the Texas Employees Uniform Group Insurance Benefits Act (Health Select).

**P. Commitments and Contingencies**

1. Contingencies

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

2. Litigation

The District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any present legal proceedings will not have any material adverse affect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying financial statements for such contingencies.

**Q. Construction Commitments**

As of August 31, 2009, the District was obligated under the terms of various agreements for the construction of the following projects:

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**Q. Construction Commitments (Continued)**

Project Name	Contract Amount	Paid to Date	Commitment Balance Remaining	Retainage Payable Amount
School Construction	\$37,479,876	\$32,489,202	\$4,990,674	\$641,642
Environmental Services	3,004,772	1,182,120	\$1,822,652	-
HVAC Systems	114,720	101,772	\$12,948	6,839
Portable Rentals	2,501,342	2,080,585	\$420,757	25,348
Electrical	1,176,010	1,130,166	\$45,844	57,545
Architect Services	8,470,882	6,616,951	\$1,853,931	2,078
<b>Total</b>	<b>\$52,747,602</b>	<b>\$43,600,796</b>	<b>\$9,146,806</b>	<b>\$733,452</b>

**R. Shared Service Arrangements**

The Laredo Independent School District (L.I.S.D.) participates in the Regional Day School Program for the Deaf (RDSPD), a shared service arrangement with one member Districts: Jim Hogg County Independent School District (J.H.C.I.S.D). The District is acting as the fiscal agent for the party involved. The purpose of the Laredo Independent School District RDSPD is to serve students who are auditory impaired and between the ages of 0 and 21. Funding for the LISD RDSPD is provided by TEA and by the member Districts. Revenue from the respective member Districts is presented below:

LISD	\$ 420,477
JHCISD	4,906
	<u>\$ 425,383</u>

As a fiscal agent, LISD RDSPD is responsible for reporting all financial activities of the shared service arrangement. The District accounts for the activity in Special Revenue Fund 435.

**S. Prior Period Adjustments**

Prior Period Adjustments were required in the current year to reflect the proper Beginning Net Assets. Leases payable had been understated in the prior year by \$845,855. Also in the current year, funds corresponding to campus and student activities were reclassified as special revenues and agency funds. The effect of the Adjustment is summarized below:

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2009

**S. Prior Period Adjustments (Continued)**

	Government Activities	General Fund	Other Governmental Funds
Effect of Capital Leases & Campus Activity Fund	\$907,119	\$(301,799)	\$240,527

**T. General Fund Balance - Reserved for 'Other Purposes'**

In fiscal year 2007, the District started receiving funds from the Webb County Permanent School Fund. In accordance with the terms of the agreement between Webb County and the District, funds received to date totaling \$9,892,495 (including earned interest) are reserved for permanent improvements or for the reduction of debt. Other amounts totaling \$816,085 are reserved for the Wellness Center.



## **REQUIRED SUPPLEMENTARY INFORMATION**

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED AUGUST 31, 2009

EXHIBIT G-1

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
<b>REVENUES:</b>					
5700	Total Local and Intermediate Sources	\$ 24,911,326	\$ 26,457,412	\$ 27,123,772	\$ 666,360
5800	State Program Revenues	162,804,063	163,723,488	165,146,056	1,422,568
5900	Federal Program Revenues	14,371,239	14,502,339	13,645,067	(857,272)
5020	Total Revenues	202,086,628	204,683,239	205,914,895	1,231,656
<b>EXPENDITURES:</b>					
Current:					
0011	Instruction	106,585,829	109,101,205	100,251,760	8,849,445
0012	Instructional Resources and Media Services	4,717,764	5,470,981	4,970,672	500,309
0013	Curriculum and Instructional Staff Development	585,526	605,841	549,363	56,478
0021	Instructional Leadership	3,568,032	3,729,297	3,375,142	354,155
0023	School Leadership	11,801,377	11,769,270	11,242,761	526,509
0031	Guidance, Counseling and Evaluation Services	6,858,401	7,006,188	6,562,487	443,701
0032	Social Work Services	1,763,748	1,803,988	1,605,254	198,734
0033	Health Services	1,804,696	1,887,583	1,673,674	213,909
0034	Student (Pupil) Transportation	4,520,189	5,101,998	3,336,765	1,765,233
0035	Food Services	13,633,459	18,578,092	12,558,692	6,019,400
0036	Extracurricular Activities	4,034,207	4,515,849	3,654,326	861,523
0041	General Administration	7,358,049	7,562,363	6,641,998	920,365
0051	Facilities Maintenance and Operations	21,376,922	22,033,048	20,960,035	1,073,013
0052	Security and Monitoring Services	3,932,840	4,249,683	3,073,786	1,175,897
0053	Data Processing Services	3,324,957	3,345,486	3,155,608	189,878
0061	Community Services	237,432	341,779	308,108	33,671
Debt Service:					
0071	Debt Service - Principal on Long Term Debt	2,725,297	3,612,792	3,402,890	209,902
0072	Debt Service - Interest on Long Term Debt	-	436,082	299,438	136,644
0073	Debt Service - Bond Issuance Cost and Fees	-	247,111	-	247,111
Capital Outlay:					
0081	Facilities Acquisition and Construction	963,184	1,201,439	75,564	1,125,875
Intergovernmental:					
0095	Payments to Juvenile Justice Alternative Ed. Prg.	175,000	175,000	85,320	89,680
6030	Total Expenditures	199,966,909	212,775,075	187,783,643	24,991,432
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	2,119,719	(8,091,836)	18,131,252	26,223,088
<b>OTHER FINANCING SOURCES (USES):</b>					
7913	Capital Leases	-	-	154,728	154,728
7914	Non-Current Loans	-	10,000,000	-	(10,000,000)
7915	Transfers In	1,200,000	1,200,000	877,824	(322,176)
7949	Other Resources	-	59,728	-	(59,728)
8911	Transfers Out (Use)	(6,467,324)	(6,477,354)	(6,155,178)	322,176
7080	Total Other Financing Sources (Uses)	(5,267,324)	4,782,374	(5,122,626)	(9,905,000)
1200	Net Change in Fund Balances	(3,147,605)	(3,309,462)	13,008,626	16,318,088
0100	Fund Balance - September 1 (Beginning)	43,468,057	46,361,208	46,361,208	-
1300	Increase (Decrease) in Fund Balance	-	-	(4)	(4)
3000	Fund Balance - August 31 (Ending)	\$ 40,320,452	\$ 43,051,746	\$ 59,369,830	\$ 16,318,084



# Special Revenue Funds

## **COMBINING AND OTHER STATEMENTS**

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2009

Data Control Codes	204 ESEA Title IV Safe & Drug Free Schools	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
<b>ASSETS</b>				
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-
1220	Property Taxes - Delinquent	-	-	-
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-
1240	Due from Other Governments	24,805	20,341	246,039
1250	Accrued Interest	-	-	-
1260	Due from Other Funds	-	1,424	-
1290	Other Receivables	-	351	-
1000	<b>Total Assets</b>	<u>\$ 24,805</u>	<u>\$ 20,341</u>	<u>\$ 247,814</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
2110	Accounts Payable	\$ -	\$ 739	\$ 3,125
2160	Accrued Wages Payable	9,059	389	65,940
2170	Due to Other Funds	15,745	19,213	178,749
2180	Due to Other Governments	-	-	-
2300	Deferred Revenues	-	-	-
2000	<b>Total Liabilities</b>	<u>24,804</u>	<u>20,341</u>	<u>247,814</u>
Fund Balances:				
Reserved For:				
3420	Retirement of Long Term Debt	-	-	-
3440	Outstanding Encumbrances	-	-	-
Unreserved Designated For:				
3510	Construction	-	-	-
3590	Other Purposes	-	-	-
Unreserved and Undesignated:				
3610	Reported in Special Revenue Funds	-	-	-
3000	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>
4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ 24,804</u>	<u>\$ 20,341</u>	<u>\$ 247,814</u>

226 IDEA - Part B Discretionary	227 IDEA - Part B Deaf	228 IDEA - Part B Preschool Deaf	242 Summer Feeding Program	243 Vocational Ed Technical Preparation	244 Carl Perkins	253 IDEA Part C Deaf - Early Intervention	255 ESEA II,A Training and Recruiting
\$ -	\$ -	\$ -	\$ -	\$ 107	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
13,701	-	-	177,188	-	65,839	292	384,192
-	-	-	-	-	-	-	-
-	-	-	513,683	-	-	-	-
-	-	-	-	-	-	-	2,038
<u>\$ 13,701</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 690,871</u>	<u>\$ 107</u>	<u>\$ 65,839</u>	<u>\$ 292</u>	<u>\$ 386,230</u>
\$ -	\$ -	\$ -	\$ 1,521	\$ -	\$ 3,153	\$ -	\$ 3,432
-	-	-	-	-	6,293	-	123,834
13,701	-	-	689,350	-	56,393	292	258,964
-	-	-	-	107	-	-	-
-	-	-	-	-	-	-	-
<u>13,701</u>	<u>-</u>	<u>-</u>	<u>690,871</u>	<u>107</u>	<u>65,839</u>	<u>292</u>	<u>386,230</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 13,701</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 690,871</u>	<u>\$ 107</u>	<u>\$ 65,839</u>	<u>\$ 292</u>	<u>\$ 386,230</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2009

Data Control Codes	261 Texas Reading First	262 Title II, D Education Technology	263 LEP Immigrant	265 Title IV, B Community Learning	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-	-
1240	Due from Other Governments	928,185	16,820	187,247	-
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	197	-	940	-
1290	Other Receivables	1,874	-	4,152	-
1000	<b>Total Assets</b>	<u>\$ 930,256</u>	<u>\$ 16,820</u>	<u>\$ 192,339</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
2110	Accounts Payable	\$ 30	\$ -	\$ 38,397	\$ -
2160	Accrued Wages Payable	52,013	7,230	12,937	-
2170	Due to Other Funds	878,213	9,590	141,005	-
2180	Due to Other Governments	-	-	-	-
2300	Deferred Revenues	-	-	-	-
2000	<b>Total Liabilities</b>	<u>930,256</u>	<u>16,820</u>	<u>192,339</u>	<u>-</u>
Fund Balances:					
Reserved For:					
3420	Retirement of Long Term Debt	-	-	-	-
3440	Outstanding Encumbrances	-	-	-	-
Unreserved Designated For:					
3510	Construction	-	-	-	-
3590	Other Purposes	-	-	-	-
Unreserved and Undesignated:					
3610	Reported in Special Revenue Funds	-	-	-	-
3000	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ 930,256</u>	<u>\$ 16,820</u>	<u>\$ 192,339</u>	<u>\$ -</u>

269 Title V, Pt.A Innovative Programs	276 Title I SIP Academy Grant	281 FEMA Grant	284 IDEA, Pt. B ARRA Preschool	287 Teaching American History	289 Emergency Impact Aid Grant	385 Visually Impaired	392 Non-Ed. Community Based Support
\$ -	\$ -	\$ 27,136	\$ 5,099	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
102	178,918	-	-	6,913	156,454	-	-
-	-	-	-	-	-	-	-
-	-	-	-	152	-	-	-
-	-	-	-	-	-	-	2,360
<u>\$ 102</u>	<u>\$ 178,918</u>	<u>\$ 27,136</u>	<u>\$ 5,099</u>	<u>\$ 7,065</u>	<u>\$ 156,454</u>	<u>\$ -</u>	<u>\$ 2,360</u>
\$ -	\$ 10,997	\$ 5,000	\$ -	\$ 746	\$ -	\$ -	\$ -
-	43,723	-	-	166	-	-	-
102	124,199	-	-	6,153	156,454	-	2,360
-	-	-	-	-	-	-	-
-	-	20,762	5,099	-	-	-	-
<u>102</u>	<u>178,919</u>	<u>25,762</u>	<u>5,099</u>	<u>7,065</u>	<u>156,454</u>	<u>-</u>	<u>2,360</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,374	-	-	-	-	-
-	-	1,374	-	-	-	-	-
<u>\$ 102</u>	<u>\$ 178,919</u>	<u>\$ 27,136</u>	<u>\$ 5,099</u>	<u>\$ 7,065</u>	<u>\$ 156,454</u>	<u>\$ -</u>	<u>\$ 2,360</u>



LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2009

Data Control Codes	393 Texas Successful Schools Prog.	394 Pregnancy, Education and Parenting	397 Advanced Placement Incentives	399 Investment Capital Funds	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ 30,181	\$ 207,084	\$ 67,591	\$ -
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-	-
1240	Due from Other Governments	-	-	-	13,110
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	-	-	-	-
1290	Other Receivables	-	4,029	-	-
1000	<b>Total Assets</b>	<u>\$ 30,181</u>	<u>\$ 211,113</u>	<u>\$ 67,591</u>	<u>\$ 13,110</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ 9,266
2160	Accrued Wages Payable	-	1,465	-	-
2170	Due to Other Funds	-	9	-	3,844
2180	Due to Other Governments	-	-	-	-
2300	Deferred Revenues	-	209,640	-	-
2000	<b>Total Liabilities</b>	<u>-</u>	<u>211,114</u>	<u>-</u>	<u>13,110</u>
Fund Balances:					
Reserved For:					
3420	Retirement of Long Term Debt	-	-	-	-
3440	Outstanding Encumbrances	-	-	-	-
Unreserved Designated For:					
3510	Construction	-	-	-	-
3590	Other Purposes	30,181	-	67,591	-
Unreserved and Undesignated:					
3610	Reported in Special Revenue Funds	-	-	-	-
3000	<b>Total Fund Balances</b>	<u>30,181</u>	<u>-</u>	<u>67,591</u>	<u>-</u>
4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ 30,181</u>	<u>\$ 211,114</u>	<u>\$ 67,591</u>	<u>\$ 13,110</u>

401 Optional Extended Year Program	404 Student Success Initiative	409 Intensive Summer Program	411 Technology Allotment	415 Pre-K Expansion Grants	424 Law Enforcement O.S.E.	426 TX Educator Excellence Award Grant	427 Texas Fitness Grant
\$ -	\$ -	\$ -	\$ 2,840,867	\$ 184,522	\$ 1,113	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
170,559	624,677	215,755	-	622,206	-	1,416,049	159,701
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	40	-	-
<u>\$ 170,559</u>	<u>\$ 624,677</u>	<u>\$ 215,755</u>	<u>\$ 2,840,867</u>	<u>\$ 806,728</u>	<u>\$ 1,153</u>	<u>\$ 1,416,049</u>	<u>\$ 159,701</u>
\$ -	\$ -	\$ 41,736	\$ 49,119	\$ -	\$ -	\$ -	\$ -
-	-	-	2,618	167,380	-	-	-
170,559	624,677	174,019	807,007	3,157	45	1,416,049	158,546
-	-	-	-	-	-	-	-
-	-	-	-	561,569	1,108	-	-
<u>170,559</u>	<u>624,677</u>	<u>215,755</u>	<u>858,744</u>	<u>732,106</u>	<u>1,153</u>	<u>1,416,049</u>	<u>158,546</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	1,982,124	74,622	-	-	1,155
-	-	-	-	-	-	-	-
-	-	-	1,982,124	74,622	-	-	1,155
<u>\$ 170,559</u>	<u>\$ 624,677</u>	<u>\$ 215,755</u>	<u>\$ 2,840,868</u>	<u>\$ 806,728</u>	<u>\$ 1,153</u>	<u>\$ 1,416,049</u>	<u>\$ 159,701</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2009

Data Control Codes	428 High School Allotment	429 Texas Crimestopper Program	430 Ready To Read	435 SSA Regional Day School - Deaf
<b>ASSETS</b>				
1110 Cash and Cash Equivalents	\$ 201,263	\$ -	\$ -	\$ 619,189
1120 Investments - Current	-	-	-	-
1220 Property Taxes - Delinquent	-	-	-	-
1230 Allowance for Uncollectible Taxes (Credit)	-	-	-	-
1240 Due from Other Governments	-	13,736	-	128,258
1250 Accrued Interest	-	-	-	-
1260 Due from Other Funds	-	-	-	-
1290 Other Receivables	-	-	-	-
1000 Total Assets	<u>\$ 201,263</u>	<u>\$ 13,736</u>	<u>\$ -</u>	<u>\$ 747,447</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
2110 Accounts Payable	\$ -	\$ -	\$ -	\$ -
2160 Accrued Wages Payable	47,899	-	-	36,499
2170 Due to Other Funds	7,816	13,736	-	2,271
2180 Due to Other Governments	-	-	-	-
2300 Deferred Revenues	-	-	-	-
2000 Total Liabilities	<u>55,715</u>	<u>13,736</u>	<u>-</u>	<u>38,770</u>
Fund Balances:				
Reserved For:				
3420 Retirement of Long Term Debt	-	-	-	-
3440 Outstanding Encumbrances	-	-	-	-
Unreserved Designated For:				
3510 Construction	-	-	-	-
3590 Other Purposes	-	-	-	708,677
Unreserved and Undesignated:				
3610 Reported in Special Revenue Funds	145,547	-	-	-
3000 Total Fund Balances	<u>145,547</u>	<u>-</u>	<u>-</u>	<u>708,677</u>
4000 Total Liabilities and Fund Balances	<u>\$ 201,262</u>	<u>\$ 13,736</u>	<u>\$ -</u>	<u>\$ 747,447</u>

461 Campus Activity Funds	480 E - Rate	482 Dr. Hochman Grant	486 Seco-Clean School Bus	Total Nonmajor Special Revenue Funds	511 Debt Service	512 Debt Service PFC	Total Nonmajor Debt Service Funds
\$ -	\$ -	\$ 7,114	\$ 4,637	\$ 4,195,903	\$ 16,436,779	\$ 423,846	\$ 16,860,625
-	-	-	-	-	1,227,069	-	1,227,069
-	-	-	-	-	637,560	-	637,560
-	-	-	-	-	(429,534)	-	(429,534)
-	218,408	-	-	5,989,495	-	-	-
-	-	-	-	-	16,368	-	16,368
186,869	598,115	-	-	1,301,380	181	-	181
-	-	-	-	14,844	-	-	-
<u>\$ 186,869</u>	<u>\$ 816,523</u>	<u>\$ 7,114</u>	<u>\$ 4,637</u>	<u>\$ 11,501,622</u>	<u>\$ 17,888,423</u>	<u>\$ 423,846</u>	<u>\$ 18,312,269</u>
\$ -	\$ 56,749	\$ 225	\$ -	\$ 224,235	\$ -	\$ -	\$ -
-	-	-	-	577,445	-	-	-
-	759,774	-	-	6,691,992	806	-	806
-	-	-	4,637	4,744	-	-	-
-	-	-	-	798,178	208,026	-	208,026
<u>-</u>	<u>816,523</u>	<u>225</u>	<u>4,637</u>	<u>8,296,594</u>	<u>208,832</u>	<u>-</u>	<u>208,832</u>
-	-	-	-	-	17,679,592	423,845	18,103,437
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	6,889	-	2,871,239	-	-	-
186,869	-	-	-	333,790	-	-	-
<u>186,869</u>	<u>-</u>	<u>6,889</u>	<u>-</u>	<u>3,205,029</u>	<u>17,679,592</u>	<u>423,845</u>	<u>18,103,437</u>
<u>\$ 186,869</u>	<u>\$ 816,523</u>	<u>\$ 7,114</u>	<u>\$ 4,637</u>	<u>\$ 11,501,623</u>	<u>\$ 17,888,424</u>	<u>\$ 423,845</u>	<u>\$ 18,312,269</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2009

Data Control Codes	616 Capital Projects	625 Qualified Zone Academy Bond #1	626 Qualified Zone Academy Bond #2	627 Public Facility Corporation	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ 24,732	\$ 342,504	\$ 526,539	\$ 5,149,704
1120	Investments - Current	-	216,571	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-	-
1240	Due from Other Governments	-	-	-	-
1250	Accrued Interest	-	5,068	-	-
1260	Due from Other Funds	-	-	35,157	297,000
1290	Other Receivables	-	-	-	-
1000	<b>Total Assets</b>	<u>\$ 24,732</u>	<u>\$ 564,143</u>	<u>\$ 561,696</u>	<u>\$ 5,446,704</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
2110	Accounts Payable	\$ -	\$ 82,056	\$ 202,209	\$ 4,284
2160	Accrued Wages Payable	-	-	-	-
2170	Due to Other Funds	-	36,205	-	213,744
2180	Due to Other Governments	-	-	-	-
2300	Deferred Revenues	-	-	-	-
2000	<b>Total Liabilities</b>	<u>-</u>	<u>118,261</u>	<u>202,209</u>	<u>218,028</u>
Fund Balances:					
Reserved For:					
3420	Retirement of Long Term Debt	-	-	-	-
3440	Outstanding Encumbrances	-	-	28,248	129,378
Unreserved Designated For:					
3510	Construction	24,732	445,883	331,239	5,099,297
3590	Other Purposes	-	-	-	-
Unreserved and Undesignated:					
3610	Reported in Special Revenue Funds	-	-	-	-
3000	<b>Total Fund Balances</b>	<u>24,732</u>	<u>445,883</u>	<u>359,487</u>	<u>5,228,675</u>
4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ 24,732</u>	<u>\$ 564,144</u>	<u>\$ 561,696</u>	<u>\$ 5,446,703</u>

630 Qualified Zone Academy Bond #3	697 Instructional Facilities Allotment #2	699 Instructional Facilities Allotment #1	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ 692,564	\$ 594,402	\$ 873,473	\$ 8,203,918	\$ 29,260,446
-	-	-	216,571	1,443,640
-	-	-	-	637,560
-	-	-	-	(429,534)
-	-	-	-	5,989,495
-	-	-	5,068	21,436
1,048	330	-	333,535	1,635,096
-	-	-	-	14,844
<u>\$ 693,612</u>	<u>\$ 594,732</u>	<u>\$ 873,473</u>	<u>\$ 8,759,092</u>	<u>\$ 38,572,983</u>
\$ 120,356	\$ 81,186	\$ 122,010	\$ 612,101	\$ 836,336
-	-	-	-	577,445
12,120	-	-	262,069	6,954,867
-	-	-	-	4,744
-	-	-	-	1,006,204
<u>132,476</u>	<u>81,186</u>	<u>122,010</u>	<u>874,170</u>	<u>9,379,596</u>
-	-	-	-	18,103,437
766	134,211	408,884	701,487	701,487
560,369	379,335	342,580	7,183,435	7,183,435
-	-	-	-	2,871,239
-	-	-	-	333,790
<u>561,135</u>	<u>513,546</u>	<u>751,464</u>	<u>7,884,922</u>	<u>29,193,388</u>
<u>\$ 693,611</u>	<u>\$ 594,732</u>	<u>\$ 873,474</u>	<u>\$ 8,759,092</u>	<u>\$ 38,572,984</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	204 ESEA Title IV Safe & Drug Free Schools	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
<b>REVENUES:</b>				
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-
5900	Federal Program Revenues	179,858	237,476	3,065,859
5020	Total Revenues	<u>179,858</u>	<u>237,476</u>	<u>3,065,859</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
0011	Instruction	-	7,662	2,318,900
0012	Instructional Resources and Media Services	-	-	37,845
0013	Curriculum and Instructional Staff Development	-	-	-
0021	Instructional Leadership	-	81,371	35,224
0023	School Leadership	-	-	1,012
0031	Guidance, Counseling and Evaluation Services	179,858	44,277	262,018
0032	Social Work Services	-	-	3,605
0033	Health Services	-	-	94,979
0034	Student (Pupil) Transportation	-	-	-
0035	Food Services	-	-	-
0036	Extracurricular Activities	-	-	12,926
0041	General Administration	-	-	-
0051	Facilities Maintenance and Operations	-	-	-
0052	Security and Monitoring Services	-	-	-
0053	Data Processing Services	-	-	-
0061	Community Services	-	104,166	2,224
<b>Debt Service:</b>				
0071	Debt Service - Principal on Long Term Debt	-	-	-
0072	Debt Service - Interest on Long Term Debt	-	-	-
0073	Debt Service - Bond Issuance Cost and Fees	-	-	-
<b>Capital Outlay:</b>				
0081	Facilities Acquisition and Construction	-	-	-
<b>Intergovernmental:</b>				
0093	Payments to Fiscal Agent/Member Districts of	-	-	-
6030	Total Expenditures	<u>179,858</u>	<u>237,476</u>	<u>3,065,859</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
7915	Transfers In	-	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	-	-	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

226 IDEA - Part B Discretionary	227 IDEA - Part B Deaf	228 IDEA - Part B Preschool Deaf	242 Summer Feeding Program	243 Vocational Ed Technical Preparation	244 Carl Perkins	253 IDEA Part C Deaf - Early Intervention	255 ESEA II,A Training and Recruiting
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
32,297	13,839	7,636	690,993	2,387	458,881	1,020	2,956,866
<u>32,297</u>	<u>13,839</u>	<u>7,636</u>	<u>690,993</u>	<u>2,387</u>	<u>458,881</u>	<u>1,020</u>	<u>2,956,866</u>
15,022	12,029	7,481	-	2,387	320,850	1,020	1,945,293
-	-	-	-	-	-	-	-
5,713	578	155	-	-	84,341	-	766,753
3,256	1,232	-	-	-	5,398	-	243,806
-	-	-	-	-	1,973	-	437
635	-	-	-	-	-	-	307
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	681,874	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	270
-	-	-	9,119	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	46,319	-	-
1,034	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,637	-	-	-	-	-	-	-
<u>32,297</u>	<u>13,839</u>	<u>7,636</u>	<u>690,993</u>	<u>2,387</u>	<u>458,881</u>	<u>1,020</u>	<u>2,956,866</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	261 Texas Reading First	262 Title II, D Education Technology	263 LEP Immigrant	265 Title IV, B Community Learning	
<b>REVENUES:</b>					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	2,123,818	124,002	2,319,901	-
5020	Total Revenues	<u>2,123,818</u>	<u>124,002</u>	<u>2,319,901</u>	<u>-</u>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
0011	Instruction	1,846,081	(800)	1,651,930	-
0012	Instructional Resources and Media Services	-	-	19,818	-
0013	Curriculum and Instructional Staff Development	176,077	124,802	321,456	-
0021	Instructional Leadership	87,274	-	177,713	-
0023	School Leadership	14,386	-	3,659	-
0031	Guidance, Counseling and Evaluation Services	-	-	-	-
0032	Social Work Services	-	-	-	-
0033	Health Services	-	-	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0035	Food Services	-	-	-	-
0036	Extracurricular Activities	-	-	386	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	2,694	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data Processing Services	-	-	-	-
0061	Community Services	-	-	142,245	-
<b>Debt Service:</b>					
0071	Debt Service - Principal on Long Term Debt	-	-	-	-
0072	Debt Service - Interest on Long Term Debt	-	-	-	-
0073	Debt Service - Bond Issuance Cost and Fees	-	-	-	-
<b>Capital Outlay:</b>					
0081	Facilities Acquisition and Construction	-	-	-	-
<b>Intergovernmental:</b>					
0093	Payments to Fiscal Agent/Member Districts of	-	-	-	-
6030	Total Expenditures	<u>2,123,818</u>	<u>124,002</u>	<u>2,319,901</u>	<u>-</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
7915	Transfers In	-	-	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

269 Title V, Pt.A Innovative Programs	276 Title I SIP Academy Grant	281 FEMA Grant	284 IDEA, Pt. B ARRA Preschool	287 Teaching American History	289 Emergency Impact Aid Grant	385 Visually Impaired	392 Non-Ed. Community Based Support
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	2,219	250
19,334	205,114	-	-	306,120	156,454	-	-
<u>19,334</u>	<u>205,114</u>	<u>-</u>	<u>-</u>	<u>306,120</u>	<u>156,454</u>	<u>2,219</u>	<u>250</u>
16,542	26,138	3,656	-	3,243	156,454	2,219	250
101	-	-	-	-	-	-	-
2,691	178,972	-	-	265,795	-	-	-
-	-	-	-	37,082	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	5,000	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	4	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>19,334</u>	<u>205,114</u>	<u>8,656</u>	<u>-</u>	<u>306,120</u>	<u>156,454</u>	<u>2,219</u>	<u>250</u>
-	-	(8,656)	-	-	-	-	-
-	-	10,030	-	-	-	-	-
-	-	10,030	-	-	-	-	-
-	-	1,374	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,374</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	393 Texas Successful Schools Prog.	394 Pregnancy, Education and Parenting	397 Advanced Placement Incentives	399 Investment Capital Funds
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ -	\$ 3,500	\$ -	\$ -
5800 State Program Revenues	-	35,790	21,899	13,205
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>-</u>	<u>39,290</u>	<u>21,899</u>	<u>13,205</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
0011 Instruction	-	-	242	3,943
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	-	9,262
0021 Instructional Leadership	-	17,039	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling and Evaluation Services	-	-	-	-
0032 Social Work Services	-	21,422	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	829	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	-	-	-
<b>Debt Service:</b>				
0071 Debt Service - Principal on Long Term Debt	-	-	-	-
0072 Debt Service - Interest on Long Term Debt	-	-	-	-
0073 Debt Service - Bond Issuance Cost and Fees	-	-	-	-
<b>Capital Outlay:</b>				
0081 Facilities Acquisition and Construction	-	-	-	-
<b>Intergovernmental:</b>				
0093 Payments to Fiscal Agent/Member Districts of	-	-	-	-
6030 Total Expenditures	<u>-</u>	<u>39,290</u>	<u>242</u>	<u>13,205</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>21,657</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
7915 Transfers In	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	21,657	-
0100 Fund Balance - September 1 (Beginning)	<u>30,181</u>	<u>-</u>	<u>45,934</u>	<u>-</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 30,181</u>	<u>\$ -</u>	<u>\$ 67,591</u>	<u>\$ -</u>

401 Optional Extended Year Program	404 Student Success Initiative	409 Intensive Summer Program	411 Technology Allotment	415 Pre-K Expansion Grants	424 Law Enforcement O.S.E.	426 TX Educator Excellence Award Grant	427 Texas Fitness Grant
\$ -	\$ -	\$ -	\$ 33,387	\$ -	\$ -	\$ -	\$ -
170,559	1,537,654	215,755	669,704	2,742,008	3,769	1,416,049	159,701
-	-	-	-	-	-	-	-
170,559	1,537,654	215,755	703,091	2,742,008	3,769	1,416,049	159,701
156,256	1,537,509	165,796	411,555	2,742,008	-	1,194,153	159,701
-	-	-	-	-	-	15,975	-
-	145	14,944	26,448	-	-	2,227	-
8,983	-	24,990	181,752	-	-	952	-
-	-	-	125	-	-	76,676	-
-	-	7,973	-	-	-	38,760	-
-	-	-	-	-	-	3,261	-
-	-	-	-	-	-	16,095	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	25,012	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	30,010	-
-	-	-	-	-	3,769	5,936	-
-	-	-	194,979	-	-	608	-
5,320	-	2,052	-	-	-	6,384	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
170,559	1,537,654	215,755	814,859	2,742,008	3,769	1,416,049	159,701
-	-	-	(111,768)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	(111,768)	-	-	-	-
-	-	-	2,093,893	74,622	-	-	1,155
\$ -	\$ -	\$ -	\$ 1,982,125	\$ 74,622	\$ -	\$ -	\$ 1,155

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	428 High School Allotment	429 Texas Crimestopper Program	430 Ready To Read	435 SSA Regional Day School - Deaf
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 320,448
5800 State Program Revenues	1,450,837	238,011	-	456,822
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>1,450,837</u>	<u>238,011</u>	<u>-</u>	<u>777,270</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
0011 Instruction	1,226,285	194,133	5	650,979
0012 Instructional Resources and Media Services	-	1,967	-	-
0013 Curriculum and Instructional Staff Development	-	4,043	-	1,577
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	6,950	-	-
0031 Guidance, Counseling and Evaluation Services	171,065	5,025	-	56,742
0032 Social Work Services	-	1,728	-	-
0033 Health Services	-	2,878	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	8,292	-	-
0036 Extracurricular Activities	695	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	6,465	-	-
0052 Security and Monitoring Services	-	6,530	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	-	-	257
<b>Debt Service:</b>				
0071 Debt Service - Principal on Long Term Debt	-	-	-	-
0072 Debt Service - Interest on Long Term Debt	-	-	-	-
0073 Debt Service - Bond Issuance Cost and Fees	-	-	-	-
<b>Capital Outlay:</b>				
0081 Facilities Acquisition and Construction	-	-	-	-
<b>Intergovernmental:</b>				
0093 Payments to Fiscal Agent/Member Districts of	-	-	-	-
6030 Total Expenditures	<u>1,398,045</u>	<u>238,011</u>	<u>5</u>	<u>709,555</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>52,792</u>	<u>-</u>	<u>(5)</u>	<u>67,715</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
7915 Transfers In	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	52,792	-	(5)	67,715
0100 Fund Balance - September 1 (Beginning)	<u>92,754</u>	<u>-</u>	<u>5</u>	<u>640,962</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 145,546</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 708,677</u>

461 Campus Activity Funds	480 E - Rate	482 Dr. Hochman Grant	486 Seco-Clean School Bus	Total Nonmajor Special Revenue Funds	511 Debt Service	512 Debt Service PFC	Total Nonmajor Debt Service Funds
\$ 855,059	\$ 723,922	\$ 5,000	\$ -	\$ 1,941,316	\$ 5,457,227	\$ 18,448	\$ 5,475,675
-	-	-	-	9,134,232	14,194,228	3,502,134	17,696,362
-	-	-	-	12,941,245	-	-	-
<u>855,059</u>	<u>723,922</u>	<u>5,000</u>	<u>-</u>	<u>24,016,793</u>	<u>19,651,455</u>	<u>3,520,582</u>	<u>23,172,037</u>
908,717	-	4,122	-	17,729,606	-	-	-
-	-	-	-	37,861	-	-	-
-	-	-	-	2,022,149	-	-	-
-	-	-	-	1,205,819	-	-	-
-	-	-	-	105,218	-	-	-
-	-	-	-	766,660	-	-	-
-	-	-	-	30,016	-	-	-
-	-	-	-	113,952	-	-	-
-	-	-	-	829	-	-	-
-	-	-	-	715,178	-	-	-
-	-	-	-	14,606	-	-	-
-	485,808	-	-	486,078	-	-	-
-	422,371	-	-	475,659	-	-	-
-	-	-	-	16,235	-	-	-
-	-	-	-	241,906	-	-	-
-	-	-	-	263,686	-	-	-
-	-	-	-	-	11,983,982	1,800,000	13,783,982
-	-	-	-	-	9,295,887	2,907,982	12,203,869
-	-	-	-	-	5,350	15,000	20,350
-	2,030,503	-	-	2,030,503	-	-	-
-	-	-	-	6,637	-	-	-
<u>908,717</u>	<u>2,938,682</u>	<u>4,122</u>	<u>-</u>	<u>26,262,598</u>	<u>21,285,219</u>	<u>4,722,982</u>	<u>26,008,201</u>
<u>(53,658)</u>	<u>(2,214,760)</u>	<u>878</u>	<u>-</u>	<u>(2,245,805)</u>	<u>(1,633,764)</u>	<u>(1,202,400)</u>	<u>(2,836,164)</u>
-	2,214,760	-	-	2,224,790	4,088,529	1,178,795	5,267,324
-	2,214,760	-	-	2,224,790	4,088,529	1,178,795	5,267,324
(53,658)	-	878	-	(21,015)	2,454,765	(23,605)	2,431,160
240,526	-	6,011	-	3,226,043	15,224,827	447,451	15,672,278
<u>\$ 186,868</u>	<u>\$ -</u>	<u>\$ 6,889</u>	<u>\$ -</u>	<u>\$ 3,205,028</u>	<u>\$ 17,679,592</u>	<u>\$ 423,846</u>	<u>\$ 18,103,438</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	616 Capital Projects	625 Qualified Zone Academy Bond #1	626 Qualified Zone Academy Bond #2	627 Public Facility Corporation	
<b>REVENUES:</b>					
5700	Total Local and Intermediate Sources	\$ -	\$ 27,338	\$ 9,521	\$ 71,127
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	-	-	-	-
5020	Total Revenues	<u>-</u>	<u>27,338</u>	<u>9,521</u>	<u>71,127</u>
<b>EXPENDITURES:</b>					
Current:					
0011	Instruction	-	-	-	-
0012	Instructional Resources and Media Services	-	-	-	-
0013	Curriculum and Instructional Staff Development	-	-	-	-
0021	Instructional Leadership	-	-	-	-
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling and Evaluation Services	-	-	-	-
0032	Social Work Services	-	-	-	-
0033	Health Services	-	-	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0035	Food Services	-	-	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data Processing Services	-	-	-	-
0061	Community Services	-	-	-	-
Debt Service:					
0071	Debt Service - Principal on Long Term Debt	-	-	-	-
0072	Debt Service - Interest on Long Term Debt	-	-	-	-
0073	Debt Service - Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:					
0081	Facilities Acquisition and Construction	-	1,641,114	356,060	52,150
Intergovernmental:					
0093	Payments to Fiscal Agent/Member Districts of	-	-	-	-
6030	Total Expenditures	<u>-</u>	<u>1,641,114</u>	<u>356,060</u>	<u>52,150</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(1,613,776)</u>	<u>(346,539)</u>	<u>18,977</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
7915	Transfers In	-	-	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	-	(1,613,776)	(346,539)	18,977
0100	Fund Balance - September 1 (Beginning)	<u>24,732</u>	<u>2,059,660</u>	<u>706,026</u>	<u>5,209,699</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 24,732</u>	<u>\$ 445,884</u>	<u>\$ 359,487</u>	<u>\$ 5,228,676</u>

630 Qualified Zone Academy Bond #3	697 Instructional Facilities Allotment #2	699 Instructional Facilities Allotment #1	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ 14,418	\$ 7,010	\$ 14,167	\$ 143,581	\$ 7,560,572
-	-	-	-	26,830,594
-	-	-	-	12,941,245
<u>14,418</u>	<u>7,010</u>	<u>14,167</u>	<u>143,581</u>	<u>47,332,411</u>
-	-	-	-	17,729,606
-	-	-	-	37,861
-	-	-	-	2,022,149
-	-	-	-	1,205,819
-	-	-	-	105,218
-	-	-	-	766,660
-	-	-	-	30,016
-	-	-	-	113,952
-	-	-	-	829
-	-	-	-	715,178
-	-	-	-	14,606
-	-	-	-	486,078
-	-	-	-	475,659
-	-	-	-	16,235
-	-	-	-	241,906
-	-	-	-	263,686
-	-	-	-	13,783,982
-	-	-	-	12,203,869
-	-	-	-	20,350
1,137,818	217,397	450,324	3,854,863	5,885,366
-	-	-	-	6,637
<u>1,137,818</u>	<u>217,397</u>	<u>450,324</u>	<u>3,854,863</u>	<u>56,125,662</u>
<u>(1,123,400)</u>	<u>(210,387)</u>	<u>(436,157)</u>	<u>(3,711,282)</u>	<u>(8,793,251)</u>
-	-	-	-	7,492,114
-	-	-	-	7,492,114
(1,123,400)	(210,387)	(436,157)	(3,711,282)	(1,301,137)
<u>1,684,535</u>	<u>723,934</u>	<u>1,187,620</u>	<u>11,596,206</u>	<u>30,494,527</u>
<u>\$ 561,135</u>	<u>\$ 513,547</u>	<u>\$ 751,463</u>	<u>\$ 7,884,924</u>	<u>\$ 29,193,390</u>



LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2009

	BALANCE SEPTEMBER 1 2008	ADDITIONS	DEDUCTIONS	BALANCE AUGUST 31 2009
<b>STUDENT ACTIVITY ACCOUNT</b>				
Assets:				
Cash and Temporary Investments	\$ 347,778	\$ 343,084	\$ 148,981	\$ 541,881
Liabilities:				
Due to Other Funds	\$ 186,869	\$ -	\$ -	\$ 186,869
Due to Student Groups	355,012	-	-	355,012
Total Liabilities	\$ 541,881	\$ -	\$ -	\$ 541,881
<b>SCHOLARSHIPS</b>				
Assets:				
Cash and Temporary Investments	\$ 64,256	\$ 56,617	\$ 4,926	\$ 115,947
Due From Other Funds	-	14	-	14
Total Assets	\$ 64,256	\$ 56,631	\$ 4,926	\$ 115,961
Liabilities:				
Accounts Payable	\$ -	\$ 500	\$ -	\$ 500
Due to Other Funds	-	30,453	-	30,453
Due to Student Groups	-	85,008	-	85,008
Total Liabilities	\$ -	\$ 115,961	\$ -	\$ 115,961
<b>TOTAL AGENCY FUNDS</b>				
Assets:				
Cash and Temporary Investments	\$ 412,034	\$ 399,701	\$ 153,907	\$ 657,828
Due From Other Funds	-	14	-	14
Total Assets	\$ 412,034	\$ 399,715	\$ 153,907	\$ 657,842
Liabilities:				
Accounts Payable	\$ -	\$ 500	\$ -	\$ 500
Due to Other Funds	186,869	30,453	-	217,322
Due to Student Groups	355,012	85,008	-	440,020
Total Liabilities	\$ 541,881	\$ 115,961	\$ -	\$ 657,842

## **T.E.A. REQUIRED SCHEDULES**

LAREDO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
 FISCAL YEAR ENDED AUGUST 31, 2009

Last 10 Years Ended August 31	Tax Rates		(3) Assessed/Appraised Value for School Tax Purposes
	(1) Maintenance	(2) Debt Service	
2000 and prior years	Various	Various	\$ Various
2001	1.282910	0.103090	1,359,530,767
2002	1.322910	0.103090	1,391,120,115
2003	1.322910	0.179800	1,430,691,752
2004	1.322910	0.179800	1,492,399,445
2005	1.322910	0.151200	1,681,169,772
2006	1.382910	0.171200	1,799,970,416
2007	1.266310	0.229200	1,850,327,688
2008	1.040000	0.234000	2,038,157,312
2009 (School year under audit)	1.040000	0.234000	Various
1000 TOTALS			

Column 10 + Column 20 - Column 31 - Column 40 Equals Column 50

Column 3 - Assessed /Appraised Value for School Tax Purposes: This is the net appraised value, after deductions of all exemptions and reductions provided by law and those granted by the district, based on Maintenance Requirements.

Column 20 - Current Year's Tax Levy: This is amount is calculated by multiplying tax rates (s) times the applicable Assessed/Appraised Value(s) in column 3.

Column 31 & 32 - Total Collections: These are total collections net of adjustments described in column 40, according to each year of tax levy, which do NOT include penalty and interest.

Column 40 - Entire Year's Adjustments: Total adjustments include corrections for errors in taxes assessed, taxes lost due to tax freeze, and discounts allowed for early payment of taxes.

Column 50 - Ending Balances 8/31/08: This total agrees with Exhibit A-1, Balance Sheet, memorandum totals for current year, for Asset Code 1220 - Property Taxes Delinquent.

(10) Beginning Balance 9/1/2008	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2009
\$ 732,920	\$ -	\$ 28,195	\$ 5,952	\$ (62,125)	\$ 636,648
140,979	-	6,895	554	-	133,530
168,556	-	11,501	896	(136)	156,023
207,518	-	17,900	2,433	1,570	188,755
213,728	-	24,231	3,293	12,951	199,155
249,876	-	33,143	3,788	12,388	225,333
340,524	-	57,716	7,145	7,892	283,555
587,500	-	132,568	23,995	(13,439)	417,498
1,183,263	-	514,307	115,719	(21,774)	531,463
-	27,297,263	20,841,164	4,689,262	(334,178)	1,432,659
<u>\$ 3,824,864</u>	<u>\$ 27,297,263</u>	<u>\$ 21,667,620</u>	<u>\$ 4,853,037</u>	<u>\$ (396,851)</u>	<u>\$ 4,204,619</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES FOR COMPUTATIONS OF INDIRECT COST FOR 2010-2011  
 GENERAL AND SPECIAL REVENUE FUNDS  
 AUGUST 31, 2009

**FUNCTION 41 AND RELATED FUNCTION 53 - GENERAL ADMINISTRATION, 99 - APPRAISAL DISTRICT COST**

Account Number	Account Name	1	2	3	4	5	6	7
		(702) School Board	(703) Tax Collections	(701) Supt's Office	(750) Indirect Cost	(720) Direct Cost	(other) Miscellaneous	Total
611X-6146	PAYROLL COSTS	\$ 48,760	\$ 324,379	\$ 550,643	\$ 3,873,347	\$ 686,741	\$ -	\$ 5,483,870
6149	Leave for Separating Employees in Fn 41 & 53	-	-	-	-	-	-	-
6149	Leave - Separating Employees not in 41 & 53	-	-	-	-	-	-	-
6211	Legal Services	-	-	-	-	368,196	-	368,196
6212	Audit Services	-	-	-	51,500	-	-	51,500
6213	Tax Appraisal/Collection - Appraisal in Fn 99	-	352,303	-	-	-	-	352,303
621X	Other Professional Services	-	-	-	-	119,691	-	119,691
6220	Tuition and Transfer Payments	-	-	-	-	-	-	-
6230	Education Service Centers	-	-	-	1,588	-	-	1,588
6240	Contr. Maint. and Repair	-	-	-	-	628,265	-	628,265
6250	Utilities	-	-	-	-	-	-	-
6260	Rentals	1,612	1,700	-	16,589	139,792	-	159,693
6290	Miscellaneous Contr.	43,329	15,764	-	96,636	10,574	-	166,303
6320	Textbooks and Reading	-	13	350	828	393	-	1,584
6330	Testing Materials	-	-	-	-	-	-	-
63XX	Other Supplies Materials	1,804	22,177	2,948	136,466	74,100	-	237,495
6410	Travel, Subsistence, Stipends	16,302	1,618	11,475	26,975	5,112	-	61,482
6420	Ins. and Bonding Costs	-	-	-	1,562	-	-	1,562
6430	Election Costs	46,242	-	-	-	-	-	46,242
6490	Miscellaneous Operating	7,523	6,300	3,822	50,149	122,561	-	190,355
6500	Debt Service	-	-	-	-	-	-	-
6600	Capital Outlay	-	-	-	-	-	277,201	277,201
6000	<b>TOTAL</b>	<b>\$ 165,572</b>	<b>\$ 724,254</b>	<b>\$ 569,238</b>	<b>\$ 4,255,640</b>	<b>\$ 2,155,425</b>	<b>\$ 277,201</b>	<b>\$ 8,147,330</b>

Total expenditures/expenses for General and Special Revenue Funds: (9) \$ 234,765,217

LESS: Deductions of Unallowable Costs

FISCAL YEAR

Total Capital Outlay (6600)	(10)	\$ 7,905,834
Total Debt & Lease(6500)	(11)	5,139,159
Plant Maintenance (Function 51, 6100-6400)	(12)	21,359,375
Food (Function 35, 6341 and 6499)	(13)	5,175,381
Stipends (6413)	(14)	10,440
Column 4 (above) - Total Indirect Cost		4,255,640

SubTotal: 43,845,830

Net Allowed Direct Cost \$ 190,919,387

CUMULATIVE

Total Cost of Buildings before Depreciation (1520)	(15)	\$ 337,111,957
Historical Cost of Building over 50 years old	(16)	\$ 15,817,571
Amount of Federal Money in Building Cost (Net of #16)	(17)	\$ -
Total Cost of Furniture & Equipment before Depreciation (1530 & 1540)	(18)	\$ 29,466,498
Historical Cost of Furniture & Equipment over 16 years old	(19)	\$ 7,032,768
Amount of Federal Money in Furniture & Equipment (Net of #19)	(20)	\$ 887,028

(8) NOTE A: \$1,019,254 in Function 53 expenditures are included in this report on administrative costs.  
 No Function 99 expenditures for appraisal district costs are included in this report on administrative costs.

LAREDO INDEPENDENT SCHOOL DISTRICT  
 FUND BALANCE AND CASH FLOW CALCULATION WORKSHEET  
 GENERAL FUND AS OF AUGUST 31, 2009

**UNAUDITED**

1	Total General Fund Balance as of 8/31/09 (Exhibit C-1 object 3000 for the General Fund Only)		\$ 59,369,833
2	Total Reserved Fund Balance (from Exhibit C-1 - total of object 3400s for the General Fund Only)	\$ 16,513,895	
3	Total Designated Fund Balance (from Exhibit C-1 - total of object 3500s for the General Fund Only)	-	
4	Estimated amount needed to cover fall cash flow deficits in the General Fund (Net of borrowed funds and funds representing deferred revenues.)	-	
5	Estimate of one month's average cash disbursements during the regular school session (9/1/09-5/31/10).	18,238,826	
6	Estimate of delayed payments from state sources (58xx) including August payment delays	22,432,874	
7	Estimate of underpayment from state sources equal to variance between Legislative Payment Estimate (LPE) and District Planning Estimate (DPE) or District's calculated earned state aid amount.	-	
8	Estimate of delayed payments from federal sources (59xx)	6,412,791	
9	Estimate of expenditures to be reimbursed to General Fund from Capital Projects Fund (uses of General Fund cash after bond referendum and prior to issuance of bonds)	-	
10	Optimum Fund Balance and Cash Flow (Lines 2+3+4+5+6+7+8+9)		63,598,386
11	Excess (Deficit) Undesignated Unreserved General Fund Balance (Line 1 minus Line 10)		\$ (4,228,553)

LAREDO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM  
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ 387,228	\$ 387,228	\$ 424,307	\$ 37,079
5800 State Program Revenues	117,300	117,300	101,239	(16,061)
5900 Federal Program Revenues	13,241,239	13,372,339	12,805,833	(566,506)
5020 Total Revenues	13,745,767	13,876,867	13,331,379	(545,488)
<b>EXPENDITURES:</b>				
0035 Food Services	13,413,354	14,404,561	12,474,853	1,929,708
0051 Facilities Maintenance and Operations	194,000	234,581	205,304	29,277
0052 Security and Monitoring Services	21,000	-	-	-
6030 Total Expenditures	13,628,354	14,639,142	12,680,157	1,958,985
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	117,413	(762,275)	651,222	1,413,497
<b>OTHER FINANCING SOURCES (USES):</b>				
7961 Transfers Out (Use)	-	(324)	(324)	-
7080 Total Other Financing Sources (Uses)	-	(324)	(324)	-
1200 Net Change in Fund Balances	117,413	(762,599)	650,898	1,413,497
0100 Fund Balance - September 1 (Beginning)	2,173,098	-	2,005,978	2,005,978
3000 Fund Balance - August 31 (Ending)	\$ 2,290,511	\$ (762,599)	\$ 2,656,876	\$ 3,419,475

LAREDO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - DEBT SERVICE FUND  
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance with Final Budget Positive (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 5,607,590	\$ 5,607,590	\$ 5,457,227	\$ (150,363)
5800	State Program Revenues	13,925,809	13,925,809	14,194,228	268,419
5020	Total Revenues	<u>19,533,399</u>	<u>19,533,399</u>	<u>19,651,455</u>	<u>118,056</u>
EXPENDITURES:					
Debt Service:					
0071	Principal on Long-Term Debt	11,983,982	11,983,982	11,983,982	-
0171	Interest on Long-Term Debt	9,295,887	9,295,887	9,295,887	-
0171	Other Fees	6,000	6,000	5,350	650
6030	Total Expenditures	<u>21,285,869</u>	<u>21,285,869</u>	<u>21,285,219</u>	<u>650</u>
OTHER FINANCING SOURCES (USES):					
7020	Transfer In	4,088,529	4,088,529	4,088,529	-
7080	Total Other Financing Sources (Uses)	<u>4,088,529</u>	<u>4,088,529</u>	<u>4,088,529</u>	<u>-</u>
1200	Net Changes in Fund Balances	2,336,059	2,336,059	2,454,765	117,406
0100	Fund Balance - September 1 (Beginning)	15,169,411	15,224,827	15,224,827	-
3000	Fund Balance - August 31 (Ending)	<u>\$ 17,505,470</u>	<u>\$ 17,560,886</u>	<u>\$ 17,679,592</u>	<u>\$ 117,406</u>



LAREDO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - PFC DEBT SERVICE FUND  
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance with Final Budget Positive (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 56,000	\$ 56,000	\$ 18,448	\$ (37,552)
5800	State Program Revenues	3,493,188	3,493,188	3,502,134	8,946
5020	Total Revenues	3,549,188	3,549,188	3,520,582	(28,606)
EXPENDITURES:					
Debt Service:					
0071	Principal on Long-Term Debt	1,800,000	1,800,000	1,800,000	-
0171	Interest on Long-Term Debt	2,907,983	2,907,983	2,907,983	-
0171	Other Fees	20,000	20,000	15,000	5,000
6030	Total Expenditures	4,727,983	4,727,983	4,722,983	5,000
OTHER FINANCING SOURCES (USES):					
7020	Transfer In	1,178,795	1,178,795	1,178,795	-
7080	Total Other Financing Sources (Uses)	1,178,795	1,178,795	1,178,795	-
1200	Net Changes in Fund Balances	-	-	(23,606)	(33,606)
0100	Fund Balance - September 1 (Beginning)	447,434	447,434	447,451	-
3000	Fund Balance - August 31 (Ending)	\$ 447,434	\$ 447,434	\$ 423,845	\$ (33,606)



# Capital Assets

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF GENERAL FIXED ASSETS BY LOCATION AND ACTIVITY  
AUGUST 31, 2009

LOCATION AND ACTIVITY	TOTALS	LAND	BUILDINGS	FURNITURE & EQUIPMENT
Assets in Service	\$7,134,104	\$26,975	\$7,107,129	\$0
High Schools:				
Martin	44,619,858	248,174	42,670,123	1,701,561
Nixon	30,488,412	1,086,582	28,651,084	750,746
Cigarroa	28,089,950	872,258	26,237,985	979,707
VMT Communications & Arts	2,436,533	62,761	2,287,876	85,896
Francisco Lara Academy	2,654,221	-	2,621,722	32,499
Early College High School @ TAMIU	498,103	19,835	336,110	142,158
Middle Schools:				
Christen	29,432,965	117,596	28,274,171	1,041,199
Lamar	15,818,830	186,887	14,944,965	686,978
Cigarroa	8,861,157	-	8,439,276	421,882
Memorial	14,813,330	447,337	14,069,083	296,910
Elementary Schools:				
Bruni	7,864,390	6,139	7,733,621	124,630
Jose Gallegos	9,688,114	694,545	8,950,442	43,127
Daiches	9,052,542	28,111	8,936,353	88,078
Farias	10,335,961	1,750,761	8,280,421	304,778
Heights	7,620,637	400,313	7,094,552	125,772
Tarver	6,680,631	75,100	6,557,502	48,029
Leyendecker	10,951,573	133,989	10,267,784	549,801
Macdonell	7,644,318	1,348,363	6,132,528	163,427
Milton	6,991,841	164,517	6,664,566	162,758
Alma Pierce	8,211,098	47,542	7,961,237	202,319
Ryan	10,384,778	224,806	9,888,899	271,073
Santa Maria	7,128,434	20,950	7,067,910	39,573
Santo Nino	6,301,245	132,267	5,980,509	188,469
D. D. Hachar	11,588,104	484,686	10,604,451	498,967
J. C. Martin	11,608,424	240,525	10,968,387	399,512
H. B. Zachry	5,308,650	101,298	5,001,460	205,892
J. Kawas	6,443,705	238,434	6,029,241	176,031
Dovalina	5,137,253	35,000	4,845,475	256,778
H. Ligarde	6,985,924	129,588	6,676,270	180,066
T. Sanchez/Ochoa	7,491,461	120,000	6,971,956	399,504
Other Departments:				
Construction Department	148,623	-	121,159	27,464
Pregnancy Ed., & Parenting Program	88,000	-	-	88,000
St. Augustine High School	1,435	-	-	1,435
Blessed Sacrament School	490	-	-	490
Guadalupe School	11,364	-	-	11,364
St. Augustine Elementary School	306	-	-	306
St. Peters School	2,148	-	-	2,148
Juvenile Justice Center	1,354	-	-	1,354
Non Public Schools	5,812	-	-	5,812
Summer Programs	9,185	-	-	9,185
Board Room	60,134	23,455	-	36,679
Tax Office	97,600	-	21,038	76,562
Financial Management	1,561,111	2,834	1,512,578	45,699
Human Resources	50,280	-	-	50,280
Office of Public Information	240,194	20,119	201,347	18,728
Safety & Occupational Health Dept.	5,000	-	-	5,000
Student Services	6,420	-	-	6,420
Internal Auditor	6,922	-	-	6,922

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF GENERAL FIXED ASSETS BY LOCATION AND ACTIVITY  
AUGUST 31, 2009

LOCATION AND ACTIVITY	TOTALS	LAND	BUILDINGS	FURNITURE & EQUIPMENT
				(Continued)
Hearings Officer	5,479	-	-	5,479
Assets Management	1,164,493	149,990	396,899	617,605
Records & Assets	620,337	127,770	348,562	144,005
Accelerated Ed/State Compensatory	1,717	-	-	1,717
Drug Awareness	663	-	-	663
State Bilingual	6,168	-	-	6,168
R. O. T. C.	64	-	-	64
Office of Compliance	9,367	-	-	9,367
Music	16,374	-	-	16,374
Physical Ed.	831	-	-	831
Language Arts Pk-12	2,189	-	-	2,189
Special Programs/Planning	58,798	-	22,745	36,053
Med Prep Program	3,417	-	-	3,417
State Deaf	10,707	-	-	10,707
Instructional Department	166,606	103,226	3,380	60,000
Staff Development	1,293	-	-	1,293
Career & Technology	8,000	-	-	8,000
Department of Assessment	12,757	-	-	12,757
Section 504	6,966	-	-	6,966
District Wide	1,153,325	1,153,325	-	-
Crimestoppers	11,990	-	-	11,990
Instructional Technology	1,457,045	-	1,037,115	419,930
Guidance and Counseling	3,052	-	-	3,052
Health Services	16,349	-	1,687	14,662
Pupil Transportation	6,779,225	78,925	327,341	6,372,959
Athletic	828,740	-	243,017	585,723
Special Education	78,760	-	-	78,760
Printing/Creative Services	359,574	15,201	-	344,373
Instructional Television	556,980	28,647	406	527,927
Postal Services	23,773	-	-	23,773
Information Technology	2,515,917	-	608,802	1,907,115
Division of Operations	4,734,611	21,102	3,272,588	1,440,921
LISD Police Department	596,647	-	-	596,647
Child Nutrition Program	6,073,683	120,493	740,206	5,212,984
Title I Migrant	8,000	-	-	8,000
Title VI	5,905	-	-	5,905
Drug Free Schools	6,155	-	-	6,155
Total Assets by Location	<u>370,734,777</u>	<u>11,263,451</u>	<u>330,004,828</u>	<u>29,466,498</u>
Total Assets in Service	377,868,881	11,290,426	337,111,957	29,466,498
Construction in Progress	<u>8,526,408</u>	-	-	-
Total General Fixed Assets	<u>386,395,289</u>	<u>\$11,290,426</u>	<u>\$337,111,957</u>	<u>\$29,466,498</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY LOCATION AND ACTIVITY  
AUGUST 31, 2009

Location and Activity	Balance at Beginning of Year	Additions	Deletions	Balance at End of Year
Assets in Service	\$ 7,134,104	\$ -	-	\$ 7,134,104
High Schools:				
Martin	29,212,867	15,414,991	8,000	44,619,858
Nixon	28,874,452	1,613,960	-	30,488,412
Cigarroa	27,659,169	430,781	-	28,089,950
VMT Communications & Arts	2,436,533	-	-	2,436,533
Francisco Lara Academy	2,654,221	-	-	2,654,221
Early College High School @ TAMIU	478,268	19,835	-	498,103
Middle Schools:				
Christen	29,213,811	219,154	-	29,432,965
Lamar	15,329,047	489,783	-	15,818,830
Cigarroa	8,621,134	240,023	-	8,861,157
Memorial	14,752,255	61,075	-	14,813,330
Elementary Schools:				
Bruni	7,864,390	-	-	7,864,390
Jose Gallegos	9,668,225	19,889	-	9,688,114
Daiches	9,026,655	25,887	-	9,052,542
Farias	10,334,120	1,841	-	10,335,961
Heights	7,560,910	59,727	-	7,620,637
Tarver	6,680,631	-	-	6,680,631
Leyendecker	10,323,181	628,392	-	10,951,573
Macdonell	7,626,468	17,850	-	7,644,318
Milton	6,991,841	-	-	6,991,841
Alma Pierce	8,229,218	-	18,120	8,211,098
Ryan	10,207,748	177,030	-	10,384,778
Santa Maria	7,113,934	14,500	-	7,128,434
Santo Nino	6,301,245	-	-	6,301,245
D. D. Hachar	11,557,700	30,404	-	11,588,104
J. C. Martin	2,462,271	11,057,741	1,911,588	11,608,424
H. B. Zachry	5,324,442	-	15,792	5,308,650
J. Kawas	6,380,662	63,043	-	6,443,705
Dovalina	5,116,241	21,012	-	5,137,253
H. Ligarde	6,985,924	-	-	6,985,924
T. Sanchez/Ochoa	7,484,964	6,497	-	7,491,461
Other Departments:				
Construction Dept.	148,623	-	-	148,623
Pregnancy Ed., & Parenting Program	88,000	-	-	88,000
St. Augustine High School	1,435	-	-	1,435
Blessed Sacrament School	490	-	-	490
Guadalupe School	11,364	-	-	11,364
St. Augustine Elementary School	306	-	-	306
St. Peters School	2,148	-	-	2,148
Juvenile Justice Center	1,354	-	-	1,354
Non Public Schools	5,812	-	-	5,812
Summer Programs	9,185	-	-	9,185
Board Room	29,761	30,373	-	60,134
Tax Office	90,460	7,140	-	97,600
Financial Management	1,528,912	32,199	-	1,561,111
Human Resources	50,280	-	-	50,280
Office of Public Information	240,194	-	-	240,194
Safety & Occupational Health Dept.	5,000	-	-	5,000
Student Services	6,420	-	-	6,420
Internal Auditor	6,922	-	-	6,922
Hearings Officer	5,479	-	-	5,479
Assets Management	1,102,161	112,732	50,400	1,164,493

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY LOCATION AND ACTIVITY  
AUGUST 31, 2009

Location and Activity	Balance at Beginning of Year	Additions	Deletions	Balance at End of Year
				(Continued)
Records & Assets	595,792	24,545	-	620,337
Accelerated Ed/State Compensatory	1,717	-	-	1,717
Drug Awareness	663	-	-	663
State Bilingual	6,168	-	-	6,168
R. O. T. C.	64	-	-	64
Office of Compliance	9,367	-	-	9,367
Music	16,374	-	-	16,374
Physical Ed.	831	-	-	831
Language Arts Pk-12	2,189	-	-	2,189
Special Programs/Planning	58,798	-	-	58,798
Med Prep Program	3,417	-	-	3,417
State Deaf	10,707	-	-	10,707
Instructional Department	166,606	-	-	166,606
Staff Development	1,293	-	-	1,293
Career & Technology	8,000	-	-	8,000
Department of Assessment	12,757	-	-	12,757
Section 504	6,966	-	-	6,966
District Wide	1,153,325	-	-	1,153,325
Crimestoppers	11,990	-	-	11,990
Instructional Technology	1,441,370	15,675	-	1,457,045
Guidance and Counseling	3,052	-	-	3,052
Health Services	16,349	-	-	16,349
Pupil Transportation	6,779,225	-	-	6,779,225
Athletic	800,109	28,631	-	828,740
Special Education	65,473	13,287	-	78,760
Printing/Creative Services	350,274	9,300	-	359,574
Instructional Television	550,480	6,500	-	556,980
Postal Services	16,273	7,500	-	23,773
Information Technology	2,307,895	208,022	-	2,515,917
Division of Operations	4,734,611	-	-	4,734,611
LISD Police Department	596,647	-	-	596,647
Child Nutrition Program	5,695,375	537,583	159,275	6,073,683
Title I Migrant	8,000	-	-	8,000
Title VI	5,905	-	-	5,905
Drug Free Schools	6,155	-	-	6,155
Total Assets by Location	<u>341,251,050</u>	<u>31,646,902</u>	<u>2,163,175</u>	<u>370,734,777</u>
Total Assets in Service	348,385,154	31,646,902	2,163,175	377,868,881
Construction in Progress	20,492,793	18,176,466	30,142,851	8,526,408
Total General Fixed Assets	<u>\$ 368,877,947</u>	<u>\$ 49,823,368</u>	<u>\$ 32,306,026</u>	<u>\$ 386,395,289</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY  
FOR THE FISCAL YEAR ENDING AUGUST 31, 2009

Function	Land	Buildings	Furniture & Equipment	Construction in Progress	Total
Prior Year Data	\$ 11,270,591	\$ 308,880,694	\$ 28,233,869	\$ 20,492,793	\$ 368,877,947
Instruction	-	-	119,691	-	119,691
Instructional Resources & Media Services	-	-	33,681	-	33,681
Curriculum & Instructional Staff Development	-	-	-	-	-
Instructional Administration	-	-	15,675	-	15,675
School Administration	-	-	-	-	-
Guidance and Counseling Services	-	-	-	-	-
Social Work Services	-	-	-	-	-
Health Services	-	-	-	-	-
Student (Pupil) Transportation	-	-	-	-	-
Food Services	-	-	466,840	-	466,840
Cocurricular/Extracurricular Activities	-	-	24,818	-	24,818
General Administration	-	-	115,523	-	115,523
Plant Maintenance and Operations	-	-	87,279	-	87,279
Security and Monitoring Services	-	-	63,043	-	63,043
Data Processing Services	-	-	206,584	-	206,584
Community Services	-	-	-	-	-
Facilities Acquisition and Construction	19,835	28,231,263	99,495	(11,966,385)	16,384,208
Total Expenditures	<u>\$ 11,290,426</u>	<u>\$ 337,111,957</u>	<u>\$ 29,466,498</u>	<u>\$ 8,526,408</u>	<u>\$ 386,395,289</u>

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# Statistical Section

# Statistical Section (Unaudited)

*This part of the Laredo Independent School District Statistical's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about District's overall financial health.*

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> <i>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</i>	<b>86-92</b>
<b>Revenue Capacity</b> <i>These schedules contain information to help the reader assess the District's most significant local revenue sources.</i>	<b>93-96</b>
<b>Debt Capacity</b> <i>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.</i>	<b>97-99</b>
<b>Demographic and Economic Information</b> <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.</i>	<b>100-101</b>
<b>Operating Information</b> <i>These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.</i>	<b>102-106</b>

**Sources:** *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in fiscal year 2002; schedules presenting government-wide information included information beginning in that year.*

**Schedule 1**  
**Laredo Independent School District**  
**Net Assets by Component,**  
**Last Eight Fiscal Years**  
*(accrual basis of accounting)*

	<b>Fiscal Year</b>							
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities								
Invested in capital assets, net of related debt	\$ 40,115,453	\$ 50,622,049	\$ 53,428,494	\$ 55,002,128	\$ 66,799,496	\$ 88,131,399	\$ 87,359,760	\$ 94,126,978
Restricted								
Federal and State Programs	-	3,694,433	-	3,252,423	4,697,799	6,526,044	2,985,517	3,018,160
Debt Service	8,696,790	4,557,510	-	9,427,615	11,669,155	14,711,181	15,672,278	18,103,437
Food Service	5,200,510	-	3,995,241	-	-	-	-	-
General Fund	-	434,764	5,928,141	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	11,250,991	12,007,577
Campus Activities	-	-	-	-	-	-	-	186,869
Unrestricted	11,795,249	21,288,169	28,993,925	25,089,348	21,596,578	17,481,717	27,790,751	37,821,881
Total primary government net assets	<u>\$ 65,808,002</u>	<u>\$ 80,596,925</u>	<u>\$ 92,345,801</u>	<u>\$ 92,771,514</u>	<u>\$ 104,763,028</u>	<u>\$ 126,850,341</u>	<u>\$ 145,059,297</u>	<u>\$ 165,264,902</u>

**Note:** The district began to report accrual information when it implemented GASB Statement 34 in 2002.

**Schedule 2**  
**Laredo Independent School District**  
**Expenses, Program Revenues, and Net (Expense)/Revenue**  
**Last Eight Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year							
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Expenses</b>								
Governmental activities:								
11 Instruction	\$ 94,243,209	\$ 107,384,297	\$ 115,680,810	\$ 122,230,466	\$ 120,826,637	\$ 129,599,244	\$ 134,358,549	\$ 141,320,598
12 Instructional Resources & Media Svcs.	3,953,289	4,430,854	5,701,079	4,785,344	4,739,042	5,063,766	4,989,927	6,751,828
13 Curriculum & Instructional Staff Devpt.	2,067,932	2,078,259	3,495,915	4,116,945	4,158,695	4,422,899	3,667,984	3,578,264
21 Instructional Leadership	3,026,813	3,523,053	3,481,745	4,057,212	5,049,862	4,645,809	4,883,535	5,009,620
23 School Leadership	8,613,562	9,466,283	9,888,715	10,234,352	10,352,434	10,985,322	11,506,693	11,421,441
31 Guidance, Counseling, and Evaluation Svcs.	5,816,409	6,216,697	7,187,656	7,669,776	7,859,900	8,023,575	7,927,242	7,966,627
32 Social Work Services	1,207,654	1,308,360	1,592,854	1,732,213	1,881,254	1,909,811	1,873,976	1,645,934
33 Health Services	2,354,961	2,530,252	2,735,815	2,710,696	2,837,440	2,937,961	3,028,304	3,208,410
34 Student (Pupil) Transportation	1,770,885	2,248,431	2,253,072	3,242,862	3,599,991	3,715,848	3,779,327	3,367,034
35 Food Services	8,206,161	9,311,871	9,568,655	10,567,413	12,512,316	14,169,981	12,521,327	13,192,002
36 Cocurricular/Extracurricular Activities	2,613,675	2,828,939	3,057,706	4,179,704	4,175,160	3,733,030	3,401,939	3,671,452
41 General Administration	4,861,219	5,696,593	5,240,709	6,060,603	6,479,272	6,192,926	6,876,464	7,814,329
51 Plant Maintenance & Operations	12,856,097	13,666,070	14,941,942	18,032,667	19,953,661	20,750,136	20,569,466	21,573,534
52 Security & Monitoring Services	1,601,273	1,960,551	1,400,411	2,590,090	3,407,992	3,625,540	3,031,417	3,107,258
53 Data Processing Services	1,548,157	1,904,632	2,325,266	1,599,846	2,958,108	3,305,837	2,968,845	3,634,101
61 Community Services	694,255	784,825	743,336	405,919	382,002	945,323	1,307,808	1,344,733
72 Interest on Long-Term Debt	10,104,964	7,726,182	7,463,089	13,408,938	10,888,015	13,274,418	15,747,078	14,434,609
73 Bond Issuance Costs and Fees	626,186	-	-	-	-	-	222,245	263,236
81 Facilities Acquisition	1,938,734	111,087	3,903,541	11,208,722	3,769,838	5,235,162	81,952	-
93 Payments to Fiscal Agents/Mem.	6,875	6,200	6,675	6,000	11,000	8,903	8,391	6,637
95 Payments to Juvenile Justice Alternative Ed.	262,668	305,738	140,892	200,600	131,621	12,390	163,153	85,320
Total primary government expenses	<u>168,374,978</u>	<u>183,489,174</u>	<u>200,809,881</u>	<u>229,040,368</u>	<u>225,974,240</u>	<u>242,557,881</u>	<u>242,915,622</u>	<u>253,396,967</u>
<b>Program Revenues</b>								
Governmental activities:								
Charges for services								
Instruction	2,624,178	-	356,998	1,043,355	2,779,468	815	-	4,350
Instructional Resources & Media Svcs.	105,530	-	-	-	-	-	-	-
Curriculum & Instructional Staff Devpt.	23,621	-	6,296	108,159	-	-	-	-
Instructional Leadership	67,844	-	-	-	-	-	-	-
School Leadership	276,212	98,673	-	-	-	-	-	-
Guidance, Counseling, and Evaluation Svcs.	169,427	-	-	20,329	9,132	-	-	-
Social Work Services	30,654	-	170,975	889	14,450	-	-	-
Health Services	42,738	-	87,435	86,840	77,961	-	-	-
Student (Pupil) Transportation	66,173	-	-	-	-	-	-	-
Food Services	211,153	-	223,343	275,521	367,977	121,443	281,112	312,052
Extracurricular Activities	251,698	209,986	175,860	-	-	171,645	201,995	210,088
General Administration	157,990	397,638	-	-	-	-	-	-
Plant Maintenance and Operations	410,997	24,387	8,284	-	-	-	-	-
Security & Monitoring Services	49,245	-	-	70	-	-	-	-
Data Processing Services	49,027	-	-	-	-	-	-	-
Community Services	1,995	-	-	-	1,075	-	10,372	-
Facilities Acquisition	8,731	-	-	-	2,340,977	-	-	-
Payments to Juvenile Justice Alternative Ed.	8,462	-	-	-	-	-	-	-
Operating grants and contributions	28,999,674	59,067,943	61,466,594	69,202,608	70,088,672	60,095,888	49,795,966	65,580,427
Total primary government program revenues	<u>33,555,349</u>	<u>59,798,627</u>	<u>62,495,785</u>	<u>70,737,771</u>	<u>75,679,712</u>	<u>60,389,791</u>	<u>50,289,445</u>	<u>66,106,917</u>
<b>Net (Expense)/Revenue</b>								
Total primary government net expense	<u>\$ 134,819,629</u>	<u>\$ 123,690,547</u>	<u>\$ 138,314,096</u>	<u>\$ 158,302,597</u>	<u>\$ 150,294,528</u>	<u>\$ 182,168,090</u>	<u>\$ 192,626,177</u>	<u>\$ 187,290,050</u>

Notes: The district began to report accrual information when it implemented GASB Statement 34 in 2002.

**Schedule 3**  
**Laredo Independent School District**  
**General Revenues and Total Change in Net Assets,**  
**Last Eight Fiscal Years**  
*(accrual basis of accounting)*

	<b>Fiscal Year</b>							
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Net (Expense)/Revenue</b>								
Total primary government net expense	\$ 134,819,629	\$ 123,690,545	\$ 138,314,098	\$ 158,302,597	\$ 150,294,528	\$ 182,168,090	\$ 192,626,177	\$ 187,290,050
<b>General Revenues and Other Changes in Net Assets</b>								
Governmental activities:								
Taxes								
Property taxes levied for general purposes	17,962,585	18,472,060	19,709,398	21,699,472	24,106,298	25,493,615	21,700,103	18,642,129
Property taxes levied for debt service	1,416,112	2,498,668	2,640,215	2,486,421	2,948,716	4,391,830	4,857,268	4,369,771
Unrestricted State Aid Formula Grants	105,480,527	108,117,088	127,590,082	118,829,241	115,296,468	155,643,283	176,570,738	174,677,915
Unrestricted grants and contributions	18,614,033	620,371	389,943	389,804	1,638,247	559,150	658,657	1,035,856
Investment earnings	5,085,365	2,750,735	1,522,487	5,147,041	8,262,586	12,207,337	9,893,383	5,936,051
Miscellaneous	2,135,895	6,020,515	6,897,219	10,176,331	10,033,727	3,106,862	5,089,737	3,741,048
Loss on Sale of Capital Assets	-	-	(8,686,372)	-	-	-	-	-
Special Item	-	-	-	-	-	7,731,745	-	-
Total primary government	<u>150,694,517</u>	<u>138,479,437</u>	<u>150,062,972</u>	<u>158,728,310</u>	<u>162,286,042</u>	<u>209,133,822</u>	<u>218,769,886</u>	<u>208,402,770</u>
<b>Change in Net Assets</b>								
Total primary government	<u>\$ 15,874,888</u>	<u>\$ 14,788,892</u>	<u>\$ 11,748,874</u>	<u>\$ 425,713</u>	<u>\$ 11,991,514</u>	<u>\$ 26,965,732</u>	<u>\$ 26,143,709</u>	<u>\$ 21,112,720</u>

**Notes:** The district began to report accrual information when it implemented GASB Statement 34 in 2002.

**Schedule 4**  
**Laredo Independent School District**  
**Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

<b>FISCAL YEAR</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
General Fund										
Reserved	\$ 3,504,810	\$ 4,345,266	\$ 5,517,460	\$ 4,684,864	\$ 4,823,330	\$ 9,024,994	\$ 12,527,471	\$ 15,458,084	\$ 14,158,322	\$ 15,473,243
Unreserved	<u>10,736,608</u>	<u>13,468,980</u>	<u>21,396,675</u>	<u>20,914,465</u>	<u>30,404,562</u>	<u>19,759,984</u>	<u>11,695,750</u>	<u>15,426,003</u>	<u>32,504,685</u>	<u>43,896,590</u>
Total General Fund	<u>\$ 14,241,418</u>	<u>\$ 17,814,246</u>	<u>\$ 26,914,135</u>	<u>\$ 25,599,329</u>	<u>\$ 35,227,892</u>	<u>\$ 28,784,978</u>	<u>\$ 24,223,221</u>	<u>\$ 30,884,087</u>	<u>\$ 46,663,007</u>	<u>\$ 59,369,833</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147,433,412	\$ 119,621,422	\$ 27,250,243
Unreserved, reported in:										
Special Revenue Funds	\$ 1,235,903.00	\$ 571,158.00	\$ 3,030,654.00	\$ 3,694,431.00	\$ 2,363,427.00	\$ 3,252,423.00	\$ 4,697,799.00	\$ 6,526,044	\$ 2,985,517	\$ 3,205,029
Capital Projects Funds	80,286,727	88,738,530	125,175,957	79,045,740	49,668,348	147,046,196	114,929,536	-	-	96,330,178
Debt Service Funds	<u>2,693,244</u>	<u>2,956,866</u>	<u>2,582,073</u>	<u>4,557,512</u>	<u>6,760,286</u>	<u>9,427,615</u>	<u>11,669,155</u>	<u>14,711,181</u>	<u>15,672,278</u>	<u>-</u>
Total all Other Governmental Funds	<u>\$ 84,215,874</u>	<u>\$ 92,266,554</u>	<u>\$ 130,788,684</u>	<u>\$ 87,297,683</u>	<u>\$ 58,792,061</u>	<u>\$ 159,726,234</u>	<u>\$ 131,296,490</u>	<u>\$ 168,670,637</u>	<u>\$ 138,279,217</u>	<u>\$ 126,785,450</u>

**Schedule 5**  
**Laredo Independent School District**  
**Governmental Funds Revenues,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

<b>FISCAL YEAR</b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2002</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>
Federal sources:										
Federal grants	\$ 17,413,460	\$ 15,479,064	\$ 16,626,672	\$ 23,092,971	\$ 25,877,336	\$ 29,906,211	\$ 32,960,541	\$ 34,948,185	\$ 29,766,786	\$ 34,064,047
Food services	<u>7,584,017</u>	<u>8,459,605</u>	<u>9,317,479</u>	<u>9,458,795</u>	<u>10,649,535</u>	<u>11,187,260</u>	<u>10,979,704</u>	<u>11,750,545</u>	<u>12,266,676</u>	<u>13,241,239</u>
Total federal sources	<u>24,997,477</u>	<u>23,938,669</u>	<u>25,944,151</u>	<u>32,551,767</u>	<u>36,526,871</u>	<u>41,093,471</u>	<u>43,940,245</u>	<u>46,698,730</u>	<u>42,033,462</u>	<u>47,305,286</u>
State sources:										
Per Capita and Foundation	96,323,830	97,023,045	109,242,308	111,916,178	131,713,457	119,915,636	121,242,425	140,171,354	153,808,970	158,289,910
Instructional Facilities Allotment	6,242,364	6,246,279	10,741,406	10,763,283	10,665,674	14,673,848	12,006,055	15,000,401	14,385,675	14,212,374
Teacher Retirement System on Behalf	5,368,792	5,262,434	5,445,715	8,696,250	7,981,849	6,356,609	8,532,673	6,995,207	7,785,412	8,164,503
Other State Programs	1,135,477	1,147,188	1,577,947	1,902,723	3,089,194	6,662,788	3,390,917	6,821,882	8,996,843	11,296,094
Other Governmental Agencies	<u>460,962</u>	<u>1,313,909</u>	<u>100,414</u>	<u>882,222</u>	<u>8,140</u>	<u>53,027</u>	<u>592,200</u>	<u>17,563</u>	<u>15,000</u>	<u>13,769</u>
Total state sources	<u>109,531,425</u>	<u>110,992,855</u>	<u>127,107,790</u>	<u>134,160,656</u>	<u>153,458,314</u>	<u>147,661,908</u>	<u>145,764,270</u>	<u>169,006,407</u>	<u>184,991,900</u>	<u>191,976,650</u>
Local sources:										
Property Taxes	-	-	18,802,149	20,310,907	22,072,076	23,948,120	26,759,747	28,217,513	25,781,018	26,517,619
Food service sales	-	-	216,005	98,673	91,252	275,421	342,424	-	-	-
Investment Income	-	-	5,085,365	2,852,918	1,522,487	1,468,715	8,939,430	12,653,464	8,773,586	5,969,438
Penalties, Interest, and Other Fees	-	-	715,659	82,882	715,290	5,898,531	730,655	793,048	762,789	767,477
Co-Curricular	-	-	191,057	209,986	175,860	185,958	210,761	528,836	201,995	208,305
Sale of WADA	-	-	3,943,211	5,260,737	5,025,976	7,043,169	6,640,127	-	-	-
Other revenues	-	-	2,383,625	2,760,105	1,498,481	2,181,473	4,555,304	3,493,578	5,725,649	5,269,978
Local Revenues	* <u>27,173,632</u>	* <u>29,413,492</u>	-	-	-	-	-	-	-	-
Total local sources	<u>27,173,632</u>	<u>29,413,492</u>	<u>31,337,071</u>	<u>31,576,208</u>	<u>31,101,422</u>	<u>41,001,387</u>	<u>48,178,448</u>	<u>45,686,439</u>	<u>41,245,037</u>	<u>38,732,817</u>
Total revenues	<u>\$ 161,702,534</u>	<u>\$ 164,345,016</u>	<u>\$ 184,389,011</u>	<u>\$ 198,288,631</u>	<u>\$ 221,086,607</u>	<u>\$ 229,756,766</u>	<u>\$ 237,882,963</u>	<u>\$ 261,391,576</u>	<u>\$ 268,270,399</u>	<u>\$ 278,014,753</u>

**Notes:** \* = Local revenue breakdown was not available.

**Schedule 6**  
**Laredo Independent School District**  
**Governmental Funds Expenditures and Debt Service Ratio,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
11 Instruction	\$ 88,242,553	\$ 87,320,665	\$ 94,229,126	\$ 108,533,210	\$ 115,051,643	\$ 121,436,722	\$ 120,677,728	127,566,003	124,574,273	132,562,305
12 Instructional Resources & Media Svcs.	3,431,296	4,070,386	3,981,668	4,540,795	5,591,014	4,722,348	4,783,647	5,117,287	5,015,429	5,645,227
13 Curriculum & Instructional Staff Devpt.	189,749	2,115,236	2,067,715	2,083,381	3,482,596	4,112,502	4,156,453	4,407,778	3,666,935	3,575,361
21 Instructional Leadership	2,842,999	2,759,544	3,025,587	3,517,336	3,677,251	3,995,905	5,038,242	4,593,480	4,808,484	4,841,743
23 School Leadership	7,618,999	7,969,685	8,613,079	9,459,702	10,213,257	10,199,530	10,334,223	11,496,485	11,506,313	11,393,756
31 Guidance, Counseling, and Evaluation Svcs.	5,106,040	5,491,285	5,831,200	6,216,362	7,117,540	7,655,899	7,848,384	7,973,115	7,928,395	7,929,295
32 Social Work Services	1,045,903	1,066,743	1,206,275	1,307,776	1,584,124	1,725,654	1,878,004	1,898,201	1,873,824	1,635,270
33 Health Services	2,157,677	2,192,328	2,354,821	2,529,828	2,717,525	2,703,162	2,833,087	2,914,709	3,029,224	3,152,483
34 Student (Pupil) Transportation	1,709,533	2,664,107	2,501,126	2,798,513	3,353,357	3,557,405	4,006,844	4,421,695	3,780,477	3,337,594
35 Food Services	7,227,903	7,789,238	8,344,431	10,705,893	10,488,447	11,112,037	14,060,478	14,019,024	13,050,876	13,273,870
36 Cocurricular/Extracurricular Activities	2,519,395	2,482,908	2,929,220	2,890,288	3,335,203	4,121,958	4,201,927	3,865,637	3,407,484	3,669,811
41 General Administration	4,007,453	4,638,056	4,967,619	5,908,368	5,902,123	6,013,068	6,462,377	6,414,077	6,151,232	7,128,076
51 Plant Maintenance & Operations	12,563,512	12,347,392	13,023,003	13,772,442	15,823,595	17,890,819	20,191,873	20,833,944	20,672,806	21,452,133
52 Security & Monitoring Services	903,531	1,211,915	1,600,958	2,249,899	2,589,363	2,560,883	3,649,274	3,658,629	3,084,521	3,090,286
53 Data Processing Services	1,266,074	1,323,168	1,578,117	2,020,913	2,724,200	3,550,847	3,089,698	3,246,059	2,947,023	3,397,514
61 Community Services	704,777	674,507	694,253	783,456	743,051	405,884	381,774	940,663	1,307,924	1,343,308
71 Principal	5,365,200	5,141,565	9,405,000	11,510,000	8,230,000	10,940,000	8,378,013	10,731,378	17,221,396	18,464,315
Interest	4,918,420	4,910,491	10,104,964	7,369,225	7,162,878	8,851,746	12,204,644	13,939,432	13,141,804	12,662,695
Other Debt Service Costs	43,888	44,103	965,764	167,651	104,836	7,129,465	94,524	700,532	107,750	20,350
81 Facilities acquisition/construction	1,534,807	5,704,033	39,542,651	48,771,194	34,035,840	36,178,910	50,483,909	33,927,132	34,907,736	18,227,796
Other capital outlay										
93 Payments to Fiscal Agents / Members.	13,284	9,418	6,875	6,200	6,675	6,000	11,000	8,903	8,391	6,637
95 Payments to Juvenile Justice Alternative Ed.	32,307	142,839	262,668	305,738	140,892	200,600	131,393	12,390	163,153	85,320
Total expenditures	<u>\$ 153,445,300</u>	<u>\$ 162,069,612</u>	<u>\$ 217,236,120</u>	<u>\$ 247,448,171</u>	<u>\$ 244,075,410</u>	<u>\$ 269,071,342</u>	<u>\$ 284,897,496</u>	<u>282,686,553</u>	<u>282,355,450</u>	<u>276,895,145</u>

Debt service as a percentage of noncapital expenditures	6.77%	6.43%	10.98%	9.50%	7.33%	8.50%	8.78%	9.94%	12.29%	12.09%
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Percentage was calculated as follows: (Debt Service Principal + Interest Payments) / (Total expenditures - Capital)  
(18,464,315 + 12,662,695) / (276,895,145 - 19,360,502)



Schedule 7  
Laredo Independent School District  
Other Financing Sources and Uses and Net Change in Fund Balances,  
Governmental Funds,  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

FISCAL YEAR	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Excess of revenues over (under) expenditures</b>	6,555,234	2,275,404	(32,847,108)	(49,157,540)	(22,988,803)	(39,314,576)	(47,014,533)	(21,294,977)	(14,085,051)	1,119,608
<b>Other Financing Sources (Uses)</b>										
Issuance of Loans	80,000,000	8,000,000	3,680,000	-	4,000,000	-	14,000,000	-	-	-
Issuance of Bonds	-	-	72,000,000	4,240,000	-	182,135,630	-	56,950,000	-	-
Lease Proceeds	-	-	-	-	-	-	-	-	-	154,728
Premium Issuance of Bond	-	-	3,578,158	113,701	80,430	5,815,205	-	668,061	-	-
Premium Issuance of Loans	-	-	-	-	36,695	-	23,032	-	-	-
Redemption of Refunded Bonds	-	-	-	-	-	(54,145,000)	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-	-	-
Transfers in	7,709,595	5,031,536	7,320,096	7,580,700	8,282,912	9,745,939	8,137,271	8,171,244	5,438,945	8,369,938
Transfers out	(7,709,595)	(5,031,536)	(7,320,096)	(7,580,700)	(8,282,912)	(9,745,939)	(8,137,271)	(8,171,244)	(5,438,945)	(8,369,938)
Special Item	-	-	-	-	-	-	-	7,731,745	-	-
Total other financing sources (uses)	<u>80,000,000</u>	<u>8,000,000</u>	<u>79,258,158</u>	<u>4,353,701</u>	<u>4,117,125</u>	<u>133,805,835</u>	<u>14,023,032</u>	<u>65,349,806</u>	<u>-</u>	<u>154,728</u>
<b>Net change in fund balances</b>	<u>86,555,234</u>	<u>10,275,404</u>	<u>46,411,050</u>	<u>(44,803,839)</u>	<u>(18,871,678)</u>	<u>94,491,259</u>	<u>(32,991,501)</u>	<u>44,054,829</u>	<u>(14,085,051)</u>	<u>1,274,336</u>

**Schedule 8**  
**Laredo Independent School District**  
**Assessed Value and Actual Value of Taxable Property,**  
**Last Ten Fiscal Years**

Fiscal Year	Actual Value		Less: Exemptions	Total Taxable Value	Total Direct Rate <sup>a</sup>
	Residential Property	Personal Property			
2000	1,663,129,956	228,116,930	561,939,788	1,329,307,098	1.326
2001	1,680,305,275	247,828,421	568,602,929	1,359,530,767	1.386
2002	1,726,945,838	256,727,464	592,553,187	1,391,120,115	1.426
2003	1,796,614,504	258,875,299	624,798,051	1,430,691,752	1.503
2004	1,897,272,357	270,837,330	675,710,242	1,492,399,445	1.503
2005	1,967,477,564	271,781,800	558,089,592	1,681,169,772	1.474
2006	2,087,865,861	277,897,380	565,792,825	1,799,970,416	1.554
2007	2,145,905,693	287,225,760	582,803,765	1,850,327,688	1.495
2008	2,347,904,503	312,600,408	622,347,599	2,038,157,312	1.274
2009	2,472,601,899	321,706,417	651,666,047	2,142,642,269	1.274

**Source:** LISD Tax Office

**Notes:** <sup>a</sup> Per \$100 of assessed value.

Property in the County of Webb is reassessed annually. The Webb County Appraisal District assesses property at 100% of its market value.

**Schedule 9**  
**Laredo Independent School District**  
**Direct and Overlapping Property Tax Rates,**  
**Last Ten Fiscal Years**  
*(rate per \$100 of assessed value)*

Fiscal Year	District Direct Rates			Overlapping Rates <sup>a</sup>		
	Maintenance & Operations	Debt Service	Total	Laredo Community College	City of Laredo	Webb County Road & Bridge
2000	1.223	0.103	1.326	0.164	0.569	0.536
2001	1.283	0.103	1.386	0.170	0.576	0.455
2002	1.323	0.103	1.426	0.217	0.576	0.445
2003	1.323	0.180	1.503	0.227	0.631	0.458
2004	1.323	0.180	1.503	0.236	0.642	0.472
2005	1.323	0.151	1.474	0.236	0.637	0.438
2006	1.383	0.171	1.554	0.234	0.637	0.438
2007	1.266	0.229	1.495	0.222	0.637	0.401
2008	1.040	0.234	1.274	0.256	0.256	0.187
2009	1.040	0.234	1.274	0.247	0.247	0.179

**Source:** LISD Tax Office.

**Note:**  
<sup>a</sup> Includes levies for operating and debt service costs.

**Schedule 10**  
**Laredo Independent School District**  
**Principal Property Tax Payers,**  
**Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>2009</u>			<u>2000</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Laredo Texas Hospital Co LP	\$ 94,016,920	1	4.39%	—		—
Webb Hospital Holdings LLC	20,163,140	2	0.94%	—		—
AEP Texas Central Company	19,177,910	3	0.90%	—		—
International Bank of Commerce	16,932,330	4	0.79%	6,961,450	10	—
HE Butt Grocery Co	15,268,590	5	0.71%	10,277,240	5	0.62%
Southwestern Bell Telephone LP	14,939,150	6	0.70%	20,684,780	2	1.24%
Laredo Specialty Hospital LP	14,801,760	7	0.69%	—		—
The Laredo National Bank	13,484,000	8	0.63%	10,420,790	4	0.63%
La Posada Hotel	10,917,760	9	0.51%	8,803,680	6	0.53%
B I A Acquisiton	9,118,290	10	0.43%	7,112,980	9	0.43%
Central Power & Light Co.	—		—	21,305,940	1	1.28%
Paragon Cable	—		—	12,236,690	3	0.73%
Mercy Hospital of Laredo	—		—	8,324,560	7	0.50%
The Pilsbury Company	—		—	7,808,940	8	0.47%
<b>Total Appraised Value</b>	<b>\$ 2,142,642,269</b>		<b>10.68%</b>	<b>\$ 1,665,964,331</b>		<b>6.42%</b>

**Source:** LISD Tax Office

**Schedule 11**  
**Laredo Independent School District**  
**Property Tax Levies and Collections,**  
**Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections and Adjustments in Subsequent Years	Total Collections to Date		
		Amount	Percentage of Levy		Amount	Outstanding Tax Levy	Percentage of Levy
2000	16,552,059	15,520,329	93.77	933,783	16,454,113	97,946	99.41%
2001	18,064,678	16,882,907	93.46	1,048,241	17,931,148	133,530	99.26%
2002	18,758,999	17,864,495	95.23	738,483	18,602,977	156,022	99.17%
2003	20,330,602	19,343,292	95.14	798,555	20,141,847	188,755	99.07%
2004	21,883,429	20,894,287	95.48	789,986	21,684,273	199,156	99.09%
2005	24,424,100	23,477,269	96.12	721,499	24,198,768	225,332	99.08%
2006	26,852,020	25,695,670	95.69	872,795	26,568,465	283,555	98.94%
2007	28,349,279	27,043,378	95.39	888,402	27,931,780	417,499	98.53%
2008	25,966,124	24,782,861	95.44	651,800	25,434,661	531,464	97.95%
2009	27,297,263	25,864,604	94.75	-	25,864,604	1,432,659	94.75%

**Source:** LISD Tax Office.

Schedule 12  
Laredo Independent School District  
Outstanding Debt by Type,  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>	Per capita Per. Inc. Table # 16	
	General Obligation Bonds	Loans				Per Capita <sup>a</sup>	Per Capita <sup>a</sup>
2000	\$ 91,403,357	\$ 6,435,000	\$ 97,838,357	3.34%	502	15,067	502.48
2001	80,321,639	20,670,000	100,991,639	3.13%	503	16,085	502.66
2002	146,095,695	21,630,000	167,725,695	4.89%	810	16,584	810.45
2003	140,023,093	20,355,000	160,378,093	4.42%	754	17,079	754.16
2004	134,411,482	22,225,000	156,636,482	4.05%	716	17,653	715.80
2005	254,032,558	20,480,000	274,512,558	6.49%	1,221	18,809	1,220.73
2006	247,637,999	32,675,000	280,312,999	6.12%	1,232	20,127	1,231.89
2007	296,751,137	31,360,000	328,111,137	6.62%	1,508	22,799	1,508.49
2008	287,630,128	29,640,000	317,270,128	5.99%	1,431	23,888	1,431.34
2009	278,289,348	27,855,000	306,144,348	N/A	N/A	-	

Notes: N/A = not available.

<sup>a</sup> See Schedule 16 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**Schedule 13**  
**Laredo Independent School District**  
**Direct and Overlapping Governmental Activities Debt**  
**As of August 31, 2009**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Direct and Overlapping Debt</u>
City of Laredo	\$ 341,288,002	24.740%	\$ 84,434,652
County of Webb	68,095,131	17.900%	12,189,028
Laredo Community College	72,876,943	24.740%	18,029,756
Subtotal, overlapping debt			114,653,436
<b>District direct debt</b>			<u>235,858,381</u>
<b>Total direct and overlapping debt</b>			<u>\$ 350,511,817</u>

**Sources:** Taxable value data used to estimate applicable percentages provided by the Webb County Property Appraiser. Debt outstanding data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the district. This process recognizes that, when considering the district's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

<sup>a</sup> The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing

**Schedule 14**  
**Laredo Independent School District**  
**Legal Debt Margin Information,**  
**Last Ten Fiscal Years**

**Legal Debt Margin Calculation for Fiscal Year 2009**

Assessed value of 2008 taxable property plus exemptions		\$	2,794,308,316
Debt limit (10% of assessed value)			279,430,832
Amount of debt applicable to said maximum debt limit:			
Total (net) general bonded debt	\$	235,858,381	
(Percentage of debt to assessed value)			8.44%
Less: Debt Service Fund Balance as of 8/31/09		17,679,592	
Total amount of debt applicable to debt limit			<u>218,178,789</u>
Legal debt margin			<u>\$ 61,252,043</u>

**Total Net Debt  
Applicable to the  
Limit As a  
Percentage of Debt  
Limit**

<u>Fiscal Year</u>	<u>Debt limit</u>	<u>Total net debt applicable to limit</u>	<u>Legal debt margin</u>	<u>Percentage of Debt Limit</u>
2000	\$ 132,930,710	\$ 76,606,756	\$ 56,323,954	57.63%
2001	135,950,941	73,003,135	62,947,806	53.70%
2002	139,112,012	146,290,098	(7,178,086)	105.16%
2003	149,239,945	133,968,230	15,271,715	89.77%
2004	168,116,972	127,395,117	40,721,855	75.78%
2005	180,836,742	245,496,793	(64,660,051)	135.76%
2006	194,474,196	224,767,220	(30,293,024)	115.58%
2007	185,032,769	245,415,822	(60,383,053)	132.63%
2008	203,815,731	232,617,536	(28,801,805)	114.13%
2009	279,430,832	218,178,789	61,252,043	78.08%

Notes: Currently, outstanding tax supported debt is supported with funds received by either the Existing Debt Allotment Program or the Instructional Facilities Allotment Program from the Texas Education Agency. Both the Existing Debt Allotment Program funds and the Instructional Facilities Allotment Program are subject to biennial appropriation by the Texas Legislature. The District's Series 2001, 2002, and 2005 Refunding Bonds are secured by the Permanent School Fund Guarantee.



**Schedule 15**

**Laredo Independent School District**

**Ratio of General Obligation Bonded Debt to Taxable Assessed Value,**

**General Obligation Bonded Debt Per Capita, and General Obligation Bonded Debt per Student**

**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Assessed Value</b>	<b>General Obligation Bonded Debt</b>	<b>State Revenue For Debt Service</b>	<b>Ratio Of Bonded Debt To Assessed Value</b>	<b>Population</b>	<b>Bonded Debt Per Capita</b>	<b>Student Enrollment</b>	<b>Bonded Debt per Student</b>
2000	1,329,307,098	91,403,357	N/A *	6.88%	194,706	469	22,524	4,058
2001	1,359,530,767	80,321,639	6,246,279	5.91%	200,917	400	22,547	3,562
2002	1,391,120,115	146,095,695	10,741,406	10.50%	206,952	706	23,188	6,300
2003	1,430,691,752	140,023,093	10,763,283	9.79%	212,661	658	23,881	5,863
2004	1,492,399,445	134,411,482	10,665,674	9.01%	218,833	614	24,359	5,518
2005	1,681,169,772	254,032,558	14,673,848	15.11%	224,874	1,130	24,745	10,266
2006	1,799,970,416	247,637,999	14,520,582	13.76%	227,544	1,088	24,876	9,955
2007	1,850,327,688	296,751,137	16,890,612	16.04%	217,506	1,364	24,795	11,968
2008	2,038,157,312	287,630,128	16,321,496	14.11%	221,000	1,301	25,075	11,471
2009	2,142,642,269	278,289,348	17,696,362	12.99%	255,926	1,087	24,903	11,175

\* Information not available.

**Schedule 16**  
**Laredo Independent School District**  
**Demographic and Economic Statistics,**  
**Last Ten Calendar Years**

<b>Calendar Year</b>	<b>Population<sup>a</sup></b>	<b>Personal Income<sup>a</sup></b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate<sup>d</sup></b>
2000	194,706	2,933,682,000	15,067	5.90
2001	200,917	3,231,723,000	16,085	6.30
2002	206,952	3,432,111,000	16,584	7.00
2003	212,661	3,631,991,000	17,079	7.10
2004	218,833	3,862,951,000	17,653	6.50
2005	224,874	4,229,695,000	18,809	5.70
2006	227,544	4,579,825,000	20,127	5.20
2007	217,506 <sup>b</sup>	4,959,000,000 <sup>c</sup>	22,799	4.60
2008	221,659 <sup>b</sup>	5,295,000,000 <sup>c</sup>	23,888	5.19
2009	255,926 <sup>c</sup>	N/A	N/A	7.69

**Tickmarks and Sources:**

N/A = not available

<sup>a</sup> Texas Workforce Commission

<sup>b</sup> U.S. Census Bureau

<sup>c</sup> Community Development Dept.

<sup>d</sup> Laredo Development Foundation

Note 1: Prior year figures have been revised in accordance with the appropriate sources.

Note 2: Population for 2009 represents a projected figure.

**Schedule 17**  
**Laredo Independent School District**  
**Principal Employers,**  
**Current Year and Nine Years Ago**

<u>Employer</u>	<u>2009</u>			<u>2000</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
United Independent School District	6,067	1	6.72%	3,669	1	5.54%
Laredo Independent School District	4,564	2	5.05%	3,461	2	5.23%
City of Laredo	2,414	3	2.67%	1,970	3	2.98%
Laredo Sector Border Patrol	1,700	4	1.88%	—		—
H.E.B. Grocery	1,640	5	1.82%	1,225	5	1.85%
Laredo Community College	1,564	6	1.73%	—		—
Webb County	1,500	7	1.66%	1,165	6	1.76%
McDonald's Restaurant	1,418	8	1.57%	800	8	1.21%
Laredo Medical Center	1,400	9	1.55%	1,553	4	2.35%
Wal-Mart	1,144	10	1.27%	—		—
INS	—		—	845	7	1.28%
APC Homemaker Service	—		—	713	9	1.08%
Texas A&M International University	—		—	672	10	1.02%
Annual Labor Force	<u>90,329</u>		<u>25.92%</u>	<u>66,182</u>		<u>24.29%</u>

**Source:** Laredo Development Foundation.

**Schedule 18**  
**Laredo Independent School District**  
**Full-time-Equivalent District Employees by Type,**  
**Last Ten Fiscal Years**

	Full-time-Equivalent Employees as of August 31										Percentage Change 2000-2009
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	
<b>Teachers</b>											
Pre-K & Kindergarten	N/A	9	158	165	169	188	205	222	230	228	
Elementary	N/A	691	567	620	644	640	638	631	631	629	
Secondary	N/A	472	545	568	566	553	565	599	624	605	
Special Education	N/A	96	167	153	163	177	170	156	N/A	N/A	
All Level	N/A	15	9	10	10	12	21	17	98	110	
Total Teachers	<u>1,383</u>	<u>1,283</u>	<u>1,445</u>	<u>1,515</u>	<u>1,553</u>	<u>1,570</u>	<u>1,599</u>	<u>1,625</u>	<u>1,583</u>	<u>1,589</u>	14.92%
<b>Support Staff</b>											
Supervisors	N/A	5	6	6	7	5	5	15	N/A	N/A	
Counselors	N/A	50	61	56	61	62	62	66	63	61	
Educ Diagnosticians	N/A	15	14	14	20	18	20	19	19	18	
Librarians	N/A	22	28	28	28	28	27	30	30	30	
Nurses/Physicians	N/A	32	30	35	40	38	40	38	39	42	
Therapists	N/A	15	18	21	23	20	18	21	21	13	
Other Support Staff	N/A	100	139	154	161	179	215	216	200	484	
Total Support Staff	<u>266</u>	<u>238</u>	<u>296</u>	<u>313</u>	<u>338</u>	<u>350</u>	<u>386</u>	<u>405</u>	<u>372</u>	<u>648</u>	40.01%
<b>Administrators</b>											
Admin/Instr Officers	N/A	9	9	7	15	13	24	19	35	37	
Principals	N/A	30	28	28	28	27	28	29	29	27	
Assistant Principals	N/A	34	49	50	54	55	53	59	59	54	
Superintendents	N/A	1	1	-	-	1	1	1	1	1	
Asst Superintendents	N/A	-	-	-	5	4	3	-	1	1	
Total Administrators	<u>86</u>	<u>74</u>	<u>87</u>	<u>85</u>	<u>102</u>	<u>99</u>	<u>108</u>	<u>108</u>	<u>125</u>	<u>120</u>	44.84%
<b>Educational Aides</b>	510	387	531	451	484	482	479	477	492	484	-3.57%
<b>Auxiliary Staff</b>	<u>1,073</u>	<u>1,126</u>	<u>1,025</u>	<u>1,095</u>	<u>1,089</u>	<u>1,235</u>	<u>1,311</u>	<u>1,318</u>	<u>1,286</u>	<u>1,274</u>	19.83%
<b>Total</b>	<u>3,318</u>	<u>3,108</u>	<u>3,384</u>	<u>3,458</u>	<u>3,566</u>	<u>3,736</u>	<u>3,884</u>	<u>3,933</u>	<u>3,858</u>	<u>4,115</u>	16.27%

**Notes:** N/A = not available.

**Source:** Texas Education Agency Fall PEIMS Submission

Schedule 19  
 Laredo Independent School District  
 Operating Statistics,  
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Enrollment<sup>1</sup></u>	<u>Operating Expenditures<sup>2</sup></u>	<u>Cost per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil-Teacher Ratio</u>	<u>Percentage of Students Receiving Free or Reduced-Price Meals</u>
2000	22,524	143,284,985	6,361	0.00%	1,383	16.3	91.40%
2001	22,547	146,269,420	6,487	1.98%	1,283	17.6	91.10%
2002	23,188	157,217,740	6,780	4.51%	1,445	16.0	96.20%
2003	23,881	179,630,101	7,522	10.94%	1,515	15.8	95.50%
2004	24,359	194,541,856	7,986	6.18%	1,553	15.7	95.60%
2005	24,745	205,971,221	8,324	4.22%	1,570	15.8	96.20%
2006	24,876	213,736,406	8,592	3.22%	1,599	15.6	96.80%
2007	24,795	223,388,079	9,009	4.86%	1,625	15.3	96.50%
2008	25,075	216,976,764	8,653	-3.95%	1,583	15.8	96.00%
2009	24,903	227,519,989	9,136	5.58%	1,589	15.7	96.50%

**Source:** Texas Education Agency AEIS Reports and District's CAFRs.

**Notes:** N/A = not available.

<sup>1</sup> Enrollment is as of the October reporting date to TEA through the Public Education Information System (PEIMS).

<sup>2</sup> Operating Expenditures are total governmental fund expenditures less debt service and capital projects (functions 70's and 81).

**Schedule 20**  
**Laredo Independent School District**  
**Teacher Base Salaries,**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>0 Years Experience Salary<sup>a</sup></b>	<b>40+ Years Experience Salary<sup>a</sup></b>	<b>District Average Salary<sup>b</sup></b>	<b>County Average Salary<sup>b</sup></b>	<b>Statewide Average Salary<sup>b</sup></b>
2000	29,000	45,426	39,081	37,567	37,624
2001	29,000	48,066	39,756	37,173	38,359
2002	31,000	50,066	40,739	38,001	39,230
2003	32,500	52,066	40,392	38,631	39,972
2004	34,000	53,666	41,801	40,119	40,476
2005	36,000	55,666	43,071	41,800	41,009
2006	37,000	56,666	43,361	42,371	41,743
2007	39,500	59,166	46,236	45,164	44,897
2008	41,000	60,074	47,416	46,505	46,178
2009	41,000	62,399	49,021	47,938	47,158

**Sources:**

<sup>a</sup> District records.

<sup>b</sup> Texas Education Agency Fall PEIMS Submission

**Note:** Amounts do not include additional stipends based on experience or academic credentials, nor fringe benefits such as pension, health insurance, disability, etc.

**Schedule 21**  
**Laredo Independent School District**  
**Measures of Capacity**

<b>School</b>	<b>Total Square Feet</b>	<b>Max. Cap. Based on Sq. Feet</b>	<b>Practical Capacity Sq. Feet</b>	<b>Total Classrooms</b>	<b>Max. Cap. Based on Classrooms</b>	<b>Practical Capacity Classrooms</b>	<b>Architect's Capacity</b>	<b>Average Practical Capacity</b>
<b>High Schools</b>								
Cigarroa	250,000	1,667	1,497	54	1,620	1,458	1,500	1,404
Martin	309,569	2,100	1,890	93	2,790	2,511	2,100	2,201
Nixon	274,834	615	553	83	2,490	2,241	1,606	1,467
Nixon Freshman Annex	26,837	179	160	15	450	405	-	405
Nixon Church Annex	32,600	217	195	13	390	351	-	351
<b>Total High Schools:</b>	<b>893,840</b>	<b>4,778</b>	<b>4,295</b>	<b>258</b>	<b>7,740</b>	<b>6,966</b>	<b>5,206</b>	<b>5,828</b>
<b>Middle Schools</b>								
Christen	215,347	1,312	1,181	45	1,125	1,013	1,450	1,097
Cigarroa	216,000	1,728	1,555	56	1,400	1,260	1,349	1,237
Lamar	132,380	1,059	953	63	1,575	1,418	1,448	1,185
Memorial	134,245	1,074	967	30	750	675	950	821
<b>Total Middle Schools:</b>	<b>697,972</b>	<b>5,173</b>	<b>4,656</b>	<b>194</b>	<b>4,850</b>	<b>4,366</b>	<b>5,197</b>	<b>4,340</b>
<b>Elementary Schools</b>								
Bruni	81,576	878	790	29	638	574	725	682
Buenos Aires	92,305	1,026	923	29	638	574	870	749
Daiches	84,751	942	848	-	-	-	873	786
Dovalina	55,454	546	491	28	616	554	603	523
Farias	85,535	840	756	29	638	574	650	665
Hachar	88,214	980	882	29	638	574	650	692
Heights	68,500	761	685	19	418	376	-	531
Kawas	72,810	795	715	34	748	673	850	694
Leyendecker	99,255	853	767	37	814	733	838	750
Ligarde	80,379	893	804	39	858	772	870	788
Macdonell	78,571	863	776	29	638	574	650	675
Martin	94,964	803	723	31	682	614	650	668
Miton	85,897	819	737	38	836	752	873	745
Pierce	86,689	964	867	42	924	832	850	849
Ryan	93,456	883	795	38	836	752	873	773
Sanchez/Ochoa	89,450	956	860	34	748	673	850	767
Santa Maria	81,667	872	785	29	638	574	650	680
Santo Niño	92,078	973	875	43	946	851	850	863
Tarver	84,561	877	789	30	660	594	650	691
Zachry	76,401	801	721	33	726	653	644	687
<b>Total Elem. Schools:</b>	<b>1,672,513</b>	<b>17,325</b>	<b>15,589</b>	<b>620</b>	<b>13,640</b>	<b>12,273</b>	<b>14,469</b>	<b>14,258</b>
<b>Total Campuses:</b>	<b>3,264,325</b>	<b>27,276</b>	<b>24,540</b>	<b>1,072</b>	<b>26,230</b>	<b>23,605</b>	<b>24,872</b>	<b>24,426</b>

**Source:** Laredo Independent School District Construction Department



# Single Audit Section



# Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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

Board of School Trustees  
Laredo Independent School District  
Laredo, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Laredo Independent School District (the District), as of and for the year ended August 31, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 21, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

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

We noted certain matters that we reported to management of the District, in a separate letter dated December 21, 2009.

This report is intended solely for the information and use of management, the audit committee, Board of Trustees, federal awarding agencies, and pass-through entities, and is not intended to be used and should not be used by anyone other than these specified parties.



Liza Longley  
& Associates

December 21, 2009

# Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of School Trustees  
Laredo Independent School District  
Laredo, Texas

### Compliance

We have audited the compliance of Laredo Independent School District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended August 31, 2009. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended August 31, 2009.

207 Arden Grove  
San Antonio, TX 78215  
210/227-1389  
Fax 227-0716

### Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the District's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of School Trustees, management, Texas Education Agency, federal awarding agencies, and pass-through entities, and is not intended to be used and should not be used by anyone other than these specified parties.

*Laura Longley*  
*& Associate*

December 21, 2009

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended August 31, 2009

**SECTION I --- SUMMARY OF AUDITORS' RESULTS**

<b><i>Financial Statements</i></b>			
Type of auditor's report issued: <u>Unqualified</u>			
Internal control over financial reporting: • Material weakness (es) identified?		<u>    </u> Yes	<u>  X  </u> No
• Significant deficiencies identified not considered to be material weaknesses?		<u>    </u> Yes	<u>  X  </u> None Reported
Noncompliance material to financial statements noted?		<u>    </u> Yes	<u>  X  </u> No

<b><i>Federal Awards</i></b>			
Internal control over major programs: • Material weakness (es) identified?		<u>    </u> Yes	<u>  X  </u> No
• Significant deficiencies identified not considered to be material weaknesses?		<u>    </u> Yes	<u>  X  </u> None Reported
Type of auditor's report issued on compliance for major programs		<u>Unqualified</u>	
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section. 510(a)?		<u>    </u> Yes	<u>  X  </u> No

<b><i>Identification of Major Programs</i></b>			
<b>CFDA Numbers(s)</b>		<b>Name of Federal Program or Cluster</b>	
10.553, 10.555, 10.559		Child Nutrition Cluster	
Dollar threshold used to distinguish between Type A and Type B programs:		\$1,416,281	
Auditee qualified as low-risk auditee?		<u>  X  </u> Yes	<u>    </u> No

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended August 31, 2009

**SECTION II --- FINANCIAL STATEMENT FINDINGS**

The audit disclosed no findings required to be reported.

**SECTION III --- FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no federal award findings or questioned costs required to be reported in accordance with OMB Circular A-133.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

SCHEDULE OF STATUS OF PRIOR AUDIT FINDINGS

Year Ended August 31, 2009

**Prior Year Finding/ Status**

**08-II-01 – Student Activity Accounting**

The district does not have adequate internal control procedures in place to safeguard student activity funds. Currently, each school maintains its own books of account and bank accounts. The bookkeeper at the school maintains the books, reconciles the bank accounts, pays bills, and in some cases collects cash from club sponsors. Performing all of these functions by only one individual increases the risk of misuse of student activity funds. Further, the district does not adequately monitor student activity transactions. As a result, immaterial fraud did occur at three of the schools.

**Status:** In-Progress.

**08-II-02 – Internal Audit Function**

The internal audit function is an important element of internal control in an organization. The main function of internal audit is that it assists management in monitoring the design and proper functioning of internal control policies and procedures. The District has an internal audit department staffed by two auditors. We reviewed the work conducted by internal audit in the current year and offer the following observations:

- The Internal audit charter has not been amended to reflect the State law requiring that the Internal Audit reports directly to the Board of Trustees.
- In 2007-2008 a significant portion of the internal auditor's time was devoted to special investigations requested by the Board of Trustees and management. As a result, many of the audits planned were not performed.
- The audit plan for 2008 was not presented for approval to the Board of Trustees. The 2008-2009 audit plan has not been completed.
- The audit plan should be prepared based on the District's audit risk assessment. Such a risk assessment has not been performed for 2008-2009.
- Only thirteen (13) of thirty one (31) schools were audited in 2007-2008. During our fieldwork we noted that eight (8) of the thirty-one (31) schools have been audited for the 2008-2009 year in addition to several surprise cash count audits. Even though more audits are being conducted in 2008-2009, the District does not have an adequate plan in place to ensure that all schools are timely audited.

**Status:** Cleared.

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2009

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. DEPARTMENT OF DEFENSE</b>			
<u>Direct Programs</u>			
	12.9999	ROTC	\$ 146,352
Total Direct Programs			\$ 146,352
<b>TOTAL DEPARTMENT OF DEFENSE</b>			<b>\$ 146,352</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<u>Passed Through State Department of Education</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A		\$ 15,429,613
ESEA, Title I, Part A - Improving Basic Programs	84.010A	1061010124901	4,788,991
ESEA, Title I, Part A - Improving Basic Programs	84.010A	9610104240901001	310,490
ESEA, Title I, Part A - Improving Basic Programs	84.010A	9610104240901002	148,009
ESEA, Title I, Part A - Improving Basic Programs	84.010A	9610104240901041	91,091
ESEA, Title I, Part A - Improving Basic Programs	84.010A	9610104240901042	82,837
ESEA, Title I, Part A - Improving Basic Programs	84.010A	9610104240901043	133,424
ESEA, Title I, Part A - Improving Basic Programs	84.010A	9610104240901044	38,516
Total CFDA Number 84.010A			21,022,971
ESEA, Title I, Part C - Migratory Children	84.011A	9615001240901	221,527
ESEA, Title I, Part C - Migratory Children	84.011A	1061500124901	20,341
Total CFDA Number 84.011A			241,868
IDEA - Part B, Formula	84.027A	96600012409016600	2,976,748
IDEA - Part B, Formula	84.027A	10660001240901600	145,379
Total CFDA Number 84.027A			3,122,127
IDEA - Part B, Preschool	84.173A	96610001240901600	40,109
IDEA - Part B, Discretionary (Deaf)	84.027A	96622409016673	32,297
IDEA - Part B, Formula (Deaf)	84.027A	966012409016601	14,092
Total CFDA Number 84.027A			46,389
IDEA - Part B, Preschool (Deaf)	87.173A	966112409016611	7,776
Career and Technical - Tech Prep	84.243A	N/A	2,387
Career and Technology - Basic Grant	84.048A	942000624090101	450,008
Career and Technology - Basic Grant	84.048A	1042000624090100	13,081
Total CFDA Number 84.048A			463,089
IDEA - Part C, Intervention	84.181A	93911012409013900	1,020
ESEA, Title II Part A - Teacher and Principal Trai	84.367A	9694501240901	2,827,973
ESEA, Title II Part A - Teacher and Principal Trai	84.367A	10694501240901	183,383
Total CFDA Number 84.367A			3,011,356
Texas Reading First Grant	84.357A	86455017110037	2,071,806
Texas Reading First Grant	84.357A	96455017110035	52,012
Total CFDA Number 84.357A			2,123,818
ESEA Title II, Part D, Subpart 1, Enhancing Educat	84.318A	9630001240901	118,902
ESEA Title II, Part D, Subpart 1, Enhancing Educat	84.318A	10630001240901	7,383
Total CFDA Number 84.318A			126,285
Title III, Part A, English Language Acquisition an	84.365A	9671001240901	2,246,764
Title III, Part A, English Language Acquisition an	84.365A	10671001240901	115,435
Total CFDA Number 84.365A			2,362,199
Title V - Part A, Innovative Programs	84.298A	10671001240901	19,687
ESEA, Title I SIP Academy	84.377A	9610701240901002	20,086



LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2009

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
ESEA, Title 1 SIP Academy	84.377A	9610701240901041	\$ 46,641
ESEA, Title 1 SIP Academy	84.377A	1610701240901041	12,427
ESEA, Title 1 SIP Academy	84.377A	9610701240901042	9,979
ESEA, Title 1 SIP Academy	84.377A	1610701240901042	12,176
ESEA, Title 1 SIP Academy	84.377A	9610701240901043	18,726
ESEA, Title 1 SIP Academy	84.377A	1610701240901043	20,803
ESEA, Title 1 SIP Academy	84.377A	9610701240901044	63,660
ESEA, Title 1 SIP Academy	84.377A	1610701240901044	616
Total CFDA Number 84.377A			205,114
Teaching American History	84.215X	U215X060280	310,906
Summer School LEP	84.369A	69550802	204,989
Drug Free Schools and Communities Act	84.186A	969100124901	173,916
Drug Free Schools and Communities Act	84.186A	10691001240901	9,251
Total CFDA Number 84.186A			183,167
Total Passed Through State Department of Education			\$ 33,495,257
<b>TOTAL DEPARTMENT OF EDUCATION</b>			<b>\$ 33,495,257</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<u>Passed Through Texas Dept of Human Services</u>			
Medicaid Administrative Claiming Program - MAC	93.778	N/A	\$ 70,946
Total Passed Through Texas Dept of Human Services			\$ 70,946
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>\$ 70,946</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<u>Passed Through the State Department of Agriculture</u>			
School Breakfast Program*	10.553	N/A	\$ 3,288,896
National School Lunch Program - Cash Assistance*	10.555	N/A	9,232,877
National School Lunch Prog. - Non-Cash Assistance*	10.555	N/A	155,678
Total CFDA Number 10.555			9,388,555
ARRA Equipment Grant	10.579	N/A	128,382
Summer Feeding Program - Cash Assistance	10.559	N/A	690,993
Total Passed Through the State Department of Agriculture			\$ 13,496,826
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>			<b>\$ 13,496,826</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 47,209,381</b>

\*Clustered Programs as required by Compliance Supplement March, 2009

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED AUGUST 31, 2009

1. The District utilizes the fund types specified in the Texas Education Agency's Financial Accountability System Resource Guide (FASRG).

General Fund - is accounted for, among other things, resources related to the United States Department of Defense ROTC program.

Special Revenue Funds - are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

Capital Projects Funds - are used to account for, among other things, resources related to the U.S. Department of Education's Impact Aid Section 8008 reimbursement and for construction grants from the Department of Defense. These funds are restricted for construction expenditures.

2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All federal grant funds were accounted for in the General Fund, the Special Revenue Funds, or the Capital Projects Funds, components of the Governmental Fund type. With this measurement focus, only current assets and current liabilities are generally 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. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual (i.e., both measurable and available), and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for certain compensated absences, which are recognized when the obligations are expected to be liquidated with expendable, available financial resources.

Federal grant funds are generally 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.

3. The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H period of availability of Federal Funds, Part 3, *OMB Circular A-133 Compliance Supplement*.
4. Federal revenues in the General Fund consist of amounts attributed to the National School Lunch Program, the ROTC Program and the Medicaid Administrative Program. Expenditures are not specifically attributable to these revenue sources and are shown as amounts equal to federal revenues. The revenue for indirect costs is recognized in the General Fund. Additionally, the SHARS Program is accounted for in the General Fund. SHARS revenue is not considered federal financial assistance and is therefore not included in the schedule.

LAREDO INDEPENDENT SCHOOL DISTRICT  
Laredo, Texas

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED AUGUST 31, 2009

4. (Continued)

Total Expenditures of Federal Awards, Exhibit K-1	\$ 47,209,381
SHARS Program Reimbursement	<u>116,851</u>
Federal Program Revenues, Exhibit C-3	<u><u>\$ 47,326,232</u></u>



It is the policy of the Laredo Independent School District not to discriminate on the basis of race, color, national origin, gender, limited English proficiency or handicapping conditions in its programs.