

2019 - 2020

*Comprehensive Annual*  
**FINANCIAL REPORT**

FOR THE YEAR ENDED JUNE 30, 2020

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







**Laredo Independent School District  
Comprehensive Annual Financial Report  
For Fiscal Year Ended  
June 30, 2020**

**Prepared by:**

**Financial Management Department**

**This Page Left Blank Intentionally**

**LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR FISCAL YEAR ENDED JUNE 30, 2020**

TABLE OF CONTENTS

Page

**INTRODUCTORY SECTION**

Letter of Transmittal .....	v
District Officials, Staff, and Consultants .....	ix
Board of Trustees and Superintendent .....	x
Organizational Chart .....	xi
GFOA Certificate of Achievement .....	xii
Certificate of Board .....	xiii

**FINANCIAL SECTION**

**Exhibit**

Independent Auditors' Report .....	1
Management's Discussion and Analysis .....	4

**Basic Financial Statements**

Government-wide Financial Statements:		
A-1	Statement of Net Position .....	18
B-1	Statement of Activities .....	19
Governmental Fund Financial Statements:		
C-1	Balance Sheet - Governmental Funds .....	20
C-2	Reconciliation of the Governmental Funds Balance Sheet to the Statement of the Net Position .....	22
C-3	Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds .....	24
C-4	Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities .....	26
Proprietary Fund Financial Statements:		
D-1	Statement of Net Position .....	27
D-2	Statement of Revenues, Expenses, and Changes in Fund Net Position .....	28
D-3	Statement of Cash Flows .....	29
Fiduciary Fund Financial Statements:		
E-1	Statement of Fiduciary Net Position .....	30
E-2	Statement of Changes in Fiduciary Fund Net Position .....	31
	Notes to the Financial Statements .....	33

**Required Supplementary Information**

G-1	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual General Fund .....	76
	Notes to the Required Supplementary Information .....	77
G-6	Schedule of the District's Proportionate Share of the Net Pension Liability .....	78
G-7	Schedule of District Contributions for Pensions .....	80
G-8	Schedule of the District's Proportionate Share of the Net OPEB Liability .....	82
G-9	Schedule of the District's Contributions for Other Postemployment Benefits (OPEB) .....	83
	Notes to the Required Supplementary Information .....	84

**Combining and Other Statements**

Non-Major Governmental Funds Special Revenue Funds .....		86
H-1	Combining Balance Sheet – Non-Major Governmental Funds .....	90
H-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Governmental Funds .....	96
Custodial Funds:		
H-9	Combining Statement of Fiduciary Net Position .....	102
H-10	Combining Statement of Changes in Fiduciary Net Position .....	103



**LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR FISCAL YEAR ENDED JUNE 30, 2020**

TABLE OF CONTENTS

		Page
	<b><u>TEA Required Schedules</u></b>	
J-1	Schedule of Delinquent Taxes Receivables.....	106
J-4	Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – Food Service Fund.....	108
J-5	Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - Debt Service Fund.....	109
	<b><u>Capital Assets</u></b>	
	Schedule of General Fixed Assets - By Location and Activity .....	112
	Schedule of Changes in Capital Assets - By Location and Activity.....	114
	Schedule of Changes in Capital Assets - By Function and Activity.....	116

**STATISTICAL SECTION**

**Exhibit**

	Statistical Section (Unaudited) .....	119
S-1	Net Position by Component - Last Ten Fiscal Years .....	120
S-2	Expenses, Program Revenue, and Net (Expense)/Revenue - Last Ten Fiscal Years.....	121
S-3	General Revenues and Total Changes in Net Position - Last Ten Fiscal Years .....	122
S-4	Fund Balances, Governmental Funds - Last Ten Fiscal Years.....	123
S-5	Governmental Funds Revenues - Last Ten Fiscal Years.....	124
S-6	Governmental Funds Expenditures and Debt Service Ratio - Last Ten Fiscal Years .....	125
S-7	Other Financing Sources and Uses and Net Change in Fund Balances, Government Funds - Last Ten Fiscal Years .....	126
S-8	Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years .....	127
S-9	Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years .....	128
S-10	Principal Property Taxpayers - Current Year and Ten Years Ago .....	129
S-11	Property Tax Levies and Collections - Last Ten Fiscal Years .....	130
S-12	Outstanding Debt by Type - Last Ten Fiscal Years .....	131
S-13	Direct and Overlapping Governmental Activities Debt - As of June 30, 2019 .....	132
S-14	Debt Margin Information - Last Ten Fiscal Years .....	133
S-15	Ratio of General Obligation Bonded Debt to Taxable Assessed Value .....	134
S-16	Demographic and Economic Statistics - Last Ten Calendar Years .....	135
S-17	Principal Employers - Current Year and Ten Years Ago .....	136
S-18	Full-time Equivalent District Employees by Type - Last Ten Fiscal Years.....	137
S-19	Operating Statistics - Last Ten Fiscal Years .....	138
S-20	Teacher Base Salaries - Last Ten Fiscal Years .....	139
S-21	Measures of Capacity .....	140

**SINGLE AUDIT SECTION**

**Reports on Compliance, Internal Control, and Federal Awards**

Auditors Documents

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 .....	149
--	-----

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance .....	151
---	-----

Schedule of Findings and Questioned Costs .....	153
---	-----

**LAREDO INDEPENDENT SCHOOL DISTRICT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR FISCAL YEAR ENDED JUNE 30, 2020**

TABLE OF CONTENTS

	Page
K-1	
Schedule of Expenditures of Federal Awards.....	156
Notes to the Schedule of Expenditures of Federal Awards .....	158

**This Page Left Blank Intentionally**



# INTRODUCTORY SECTION

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

**L**  **ISD**  
**LAREDO**  
INDEPENDENT SCHOOL DISTRICT

Laredo, Texas





1702 Houston St. • Laredo, Texas 78040 • Ph. 956-273-1070



Dr. Sylvia G. Rios  
Superintendent of Schools

December 10, 2020

*Board of Trustees  
2019-2020*

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



Hector J. Noyola  
President, District 3

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 June 30, 2019. The report was prepared by the District’s Division of Finance and Business Services. The basic financial statements have been audited by the independent accounting firm of Weaver and Tidwell, LLP, 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”).



Hector J. Garcia  
Vice President, District 6

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.



Monica Garcia  
Secretary, District 7

United States 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.



Jose A. Valdez  
Trustee, District 1

**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 District is not included in any other governmental reporting entity as defined by Governmental Accounting Standards Board Statement No. 14. As required by GAAP, the financial statements of the reporting entity include those of the District (the primary government) and its component unit, if any, in conformity with GASB Statement No. 14, The Financial Reporting Entity. The District is not reporting component units.



Claudia V. Balli  
Trustee, District 2

The Board is required to adopt an initial budget for the fiscal year no later than June 30<sup>th</sup> preceding the beginning of the fiscal year on July <sup>1</sup>. This annual budget serves as the foundation for the District’s financial planning and control. The budget is prepared and approved at least at the fund and function levels to comply with the state’s legal level of control mandates.



Ricardo Garza  
Trustee, District 4

**Services Provided**

The District provides a safe learning environment that ensures a quality education. Beginning with 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, career studies, art, band, choir, orchestra, mariachi band and a foreign language. Similar individual educational needs continue at the four high schools.



Dr. Minita Ramirez  
Trustee, District 5

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 early college 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.

The District also has an alternative education school and a non-traditional high school to serve the at-risk population.

### ***Enrollment***

Our enrollment for school year 2019-2020 was 23,706 students of which 6,387 students were enrolled at the high school level, 3,706 at the middle school level, and 11,613 at the elementary level.

Over 96% of our students are classified as economically disadvantaged, 53% as English Learners, 9% as Special Education, and 9% participate in Gifted and Talented 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***

**Goal I:** Laredo ISD establishes and pursues expectations of excellence and equity to achieve college, career, and military readiness.

**Goal II:** Laredo ISD provides a safe, secure and healthy learning environment designed to nurture positive academic, social, and life skills development.

**Goal III:** Laredo ISD develops and maintains meaningful student-centered relationships with parents, businesses, and community leaders in support of campus and district initiatives.

**Goal IV:** Laredo ISD establishes and maintains efficient organizational support structures that promote positive performance outcomes and comply with financial accountability standards.

### ***Achievements***

The District received its eighteenth Superior or “A” rating on the School FIRST (Financial Integrity Rating System of Texas) financial accountability system for the fiscal year ended August 31, 2019. The rating system was established during the 77<sup>th</sup> Legislative session. School districts received their first official rating by TEA in August 2003 for the fiscal year 2001-2002.

### ***Economic Condition and Outlook***

Laredo, Texas, best known for its geographic location as the number one port along the US and Mexico Border, with one international airport, one rail bridge and four vehicles bridges (two for commercial and three for private vehicles), continues to be in the center of a lively era. With the creation of the North American Free Trade Agreement, which has enhanced trade between the United States and Mexico, provides for a growing tax base and attracting new industries in the City. The Port of Laredo crosses over \$500 billion in imports and exports. With IH-35 bisecting the city, all the industrial parks and logistical centers are within five miles.

Laredo Economic Development Corporation (formerly LDF), is a private non-profit corporation dedicated to the economic and industrial development of Laredo, Texas. Due to the unprecedented economic disruption community’s small businesses are facing because of the COVID-19 outbreak, the Laredo Economic Development Corporation, in conjunction with MileOne and the Laredo Chamber of Commerce, compiled important information on their websites for business owners and workers about the financial incentives provided by the U.S. Small Business Administration (SBA) such as:

- SBA Paycheck Protection Program (PPP)
- Federal Disaster Loans for Businesses, Private Non-Profits, Homeowners and Renters
- Other SBA Loans and Funding options.

In addition, a collaboration with the Laredo Licensed U.S. Customs Brokers Association was initiated to develop a “Best Practices” playbook for all trade industry office and warehouse personnel. The international trade transportation and logistics sector is deemed as essential workers for the trade and supply chain industry. It is also a key local employer. Employees were provided with best practices for safety and sanitation as per CDC guidelines and a link for downloading and printing posters that can be placed throughout each company’s work spaces.

Laredo Independent School District is located in the heart of the City of Laredo and encompasses approximately 13 square miles. With an estimated population of 236,057 in the year 2010, the City of Laredo has experienced a growth of 9.7% with an estimated population of 262,491 by July 2019. With approximately 412,365 living across the border in our Sister City of Nuevo Laredo, the Los Dos Laredos region has a combined population of over 674,856 habitants.

Our District is an inner city district which serves the community of Laredo and Webb County. The District serves a population slightly over 100,000 and a student enrollment of about 24,000. Average daily attendance (ADA) drives school funding and it has decreased slightly on an average annual basis due to the slight decrease in enrollment. The attendance rate remains constant at about 95% and the district continues to work with students to reduce truancy rates.

The District's financial position has experienced surpluses over the past years and the District reserves most of the excess revenues for property acquisition, construction and other capital improvements. The total fund balance is still beyond our policy requirement and it is an indicator of sound financial management mainly attributed to the enforcement of efficiency measures reflected in the capital and instructional improvement plans, in the application of staffing formulas, and in the elimination of costs not aligned with academic achievement strategies and funding sources.

### ***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 the needs for classroom space. The District's student population experiences no annual growth as the District boundaries are locked. The classroom environment is determined by the Division of Curriculum and 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 continues to renovate or newly construct schools. The construction projects began in 1999 with the sale of \$144,000,000 of bonds. With the addition of more bond sales, it reached \$419,230,133 in original general obligation bond issues in year 2007. In July 2014, the District issued \$67,940,000 for new projects and in July 2018, the District issued \$102,000,000 approved by the voters during the May 2018 election. The estimated final completion date for these projects is August 2025. The District still has \$48,475,000 of authorized but unissued bonds.

The Board approved policy establishing a capital improvement plan as a tool to assess long-term capital project requirements. This plan will assist the district in the prioritizing and financing of upcoming improvement projects. In addition, the capital improvement policy will prove beneficial during the assessment of the District's financial management by the credit agencies. The District plans to earmark annually \$1,000,000 for facility improvements and \$500,000 for equipment upgrades/replacements. However, due to the economic conditions due to the pandemic, this plan will be on hold; however, we will fund capital projects with sources that can be readily available to spend.

It is the responsibility of the Division of Finance to oversee all finance related issues, including the investment of construction funds and other funds for maximization of interest earnings, and to provide financial status reports to the Board with the purpose 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, self-funded health plan management, federal programs administration, grant writing, and special financial and policy analyses to District management. The Assistant Superintendent of Finance and Business Services, appointed by the Superintendent, has oversight responsibility for the division's operations.

The District's computer hardware includes file servers as well as numerous personal computers and laptops. The Alio software is used and deployed on an Oracle database and runs on Windows servers. The District utilizes Weidenhammer who develops and support the Alio suite of financial and human resources software, which includes a system of internal accounting controls. Such controls have been designed and are continually being reevaluated to provide reasonable, but not absolute, assurance for the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability over the District's assets.

The District also operates a student accountability system 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.

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

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

The annual operating budget or financial plan is proposed by the Superintendent and enacted by the Board 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, parents, and administrators. Their role is to build consensus and support all efforts consistent with reaching the campus 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 and Debt Service Fund budget. For Special Revenue Funds, budget amendments are 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 a strong budgetary control over expenditures.

### ***Independent Audit***

The Texas Education Agency requires that an annual audit of the books of account, financial records, and transactions of all administrative departments of the school district be performed by an independent certified public accountant(s). The firm of Weaver and Tidwell, LLP, 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 Title 2 U. S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 of the United States and Canada (GFOA) 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, 2019. This is the 22<sup>nd</sup> consecutive year that the District has achieved this prestigious award. In order to be awarded this Certificate of Achievement, the government 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 we are submitting it to the GFOA to determine its eligibility for another certificate.

### ***Acknowledgments***

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff in 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, Weaver and Tidwell, LLP.

Furthermore, we would like to especially acknowledge the President of the Board and the Board of Trustees who have consistently supported the school district's goals of excellence in all aspects of financial management.

Sincerely,



Flor Ayala, CPA

Assistant Superintendent for Finance and Business Services

**LAREDO INDEPENDENT SCHOOL DISTRICT  
DISTRICT OFFICIALS, STAFF & CONSULTANTS  
JUNE 30, 2020**

---

**ELECTED OFFICIALS**

Board of Trustees	Length of Service	Occupation
Hector J. Noyola President	6 Years	Executive Director - Boys and Girls Clubs of Laredo
Hector J. Garcia Vice-President	10 Years	General Manager - La Posada
Monica Garcia Secretary	2 Years	Community Outreach Coordinator / Public Information Officer–El Metro Transit
Jose A. Valdez Trustee	23 Years	Retired
Claudia V. Balli Trustee	2 Year	Attorney-at-Law – Balli & Balli Law Firm
Ricardo Garza Trustee	9 Year	Business Owner – Twins Mechanical, Inc.
Dr. Minita Ramirez Trustee	2 Year	Vice President for Student Success - TAMIU

**APPOINTED OFFICIALS**

Sylvia G. Rios, Ed.D ..... Superintendent of Schools

Flor Ayala, CPA ..... Assistant Superintendent for Finance & Business Services

Roberta Ramirez Ed.D.....Assistant Superintendent for Human Resources

Elva Margarita Martinez.....Assistant Superintendent for Student Support Services

Miguel Munoa .....Assistant Superintendent for Technology

Gerardo Cruz, Ed.D..... Assistant Superintendent for Curriculum, Instruction & Assessment

Oscar Perez..... Assistant Superintendent for Administration, Compliance & Student Safety

Angel Velazquez.....Assistant Superintendent for Plant Facilities & Support Services

**CONSULTANTS & ADVISORS**

Financial Advisor .....Estrada-Hinojosa & Company, Inc.  
Dallas and San Antonio, Texas

Bond Counsel ..... J. Cruz & Associates, LLC  
Laredo, Texas

Co-Bond Counsel ..... Winstead PC  
San Antonio, Texas

Certified Public Accountants.....Weaver and Tidwell, L.L.P.  
Austin, Texas

General Counsel ..... Kazen, Meurer & Perez, Attorneys-at-Law  
Laredo, Texas



# LAREDO INDEPENDENT SCHOOL DISTRICT

## Board of Trustees June 30, 2020



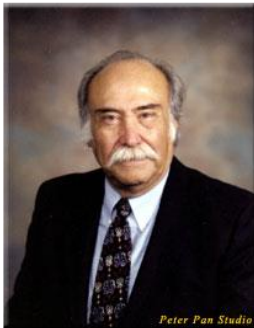
**Hector J. Noyola**  
President  
District 3



**Hector J. Garcia**  
Vice-President  
District 6



**Monica Garcia**  
Secretary  
District 7



**Jose A. Valdez**  
Trustee  
District 1



**Claudia Balli**  
Trustee  
District 2



**Ricardo Garza**  
Trustee  
District 4



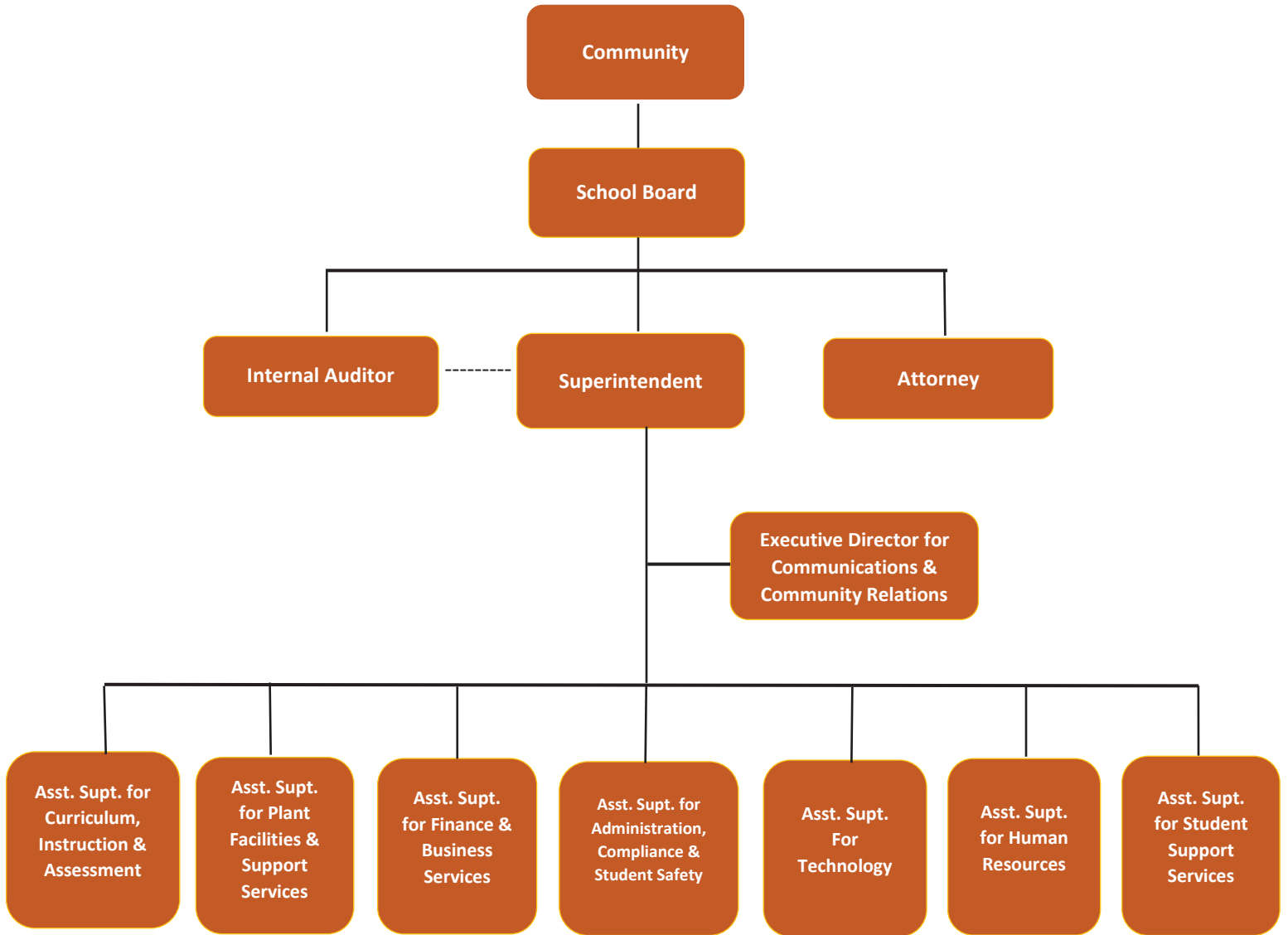
**Dr. Minita Ramirez**  
Trustee  
District 5

## Superintendent of Schools



**Dr. Sylvia G. Rios**  
July 18, 2017 to Present

**LAREDO INDEPENDENT SCHOOL DISTRICT**  
**Organizational Chart**  
**June 30, 2020**





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Laredo Independent School District  
Texas**

For its Comprehensive Annual  
Financial Report  
For the Ten Months Ended

June 30, 2019

*Christopher P. Morrill*

Executive Director/CEO

**CERTIFICATE OF BOARD**

---

**Laredo Independent School  
District**

**Webb**

**240-901**

*Name of School District*

*County*

*County District  
Number*

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 June 30, 2020 at a meeting of the Board of Trustees of such school district on the 10<sup>th</sup> day of December, 2020.

  
\_\_\_\_\_  
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):

**This Page Left Blank Intentionally**





# FINANCIAL SECTION

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

**L**  **I** **S** **D**  
**LAREDO**  
INDEPENDENT SCHOOL DISTRICT

Laredo, Texas







## Independent Auditor's Report

To the Board of Trustees  
Laredo Independent School District

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Laredo Independent School District (the District), as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

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

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

#### *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 June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As discussed in Note 1 to the basic financial statements, the District adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Introductory Section, Combining and Other Statements, TEA Required Schedules, Capital Assets, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

The Board of Trustees  
Laredo Independent School District

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

WEAVER AND TIDWELL, L.L.P.

Austin, Texas  
December 9, 2020

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

In this section of the Annual Financial and Compliance Report, we, the managers of Laredo Independent School District, discuss and analyze the District’s financial performance for the period ended June 30, 2020. Please read it in conjunction with our transmittal letter on page v, the independent auditor’s report on page 1, and the District’s Basic Financial Statements which begin on page 18.

## FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and inflows by \$104,867,793 (*net position*). Of this amount, the unrestricted net position is a negative \$109,587,730, affected primarily by a past adjustment as part of a new accounting rule change to improve the accounting and financial reporting by state and local governments for other post-employment benefits (OPEB) under GASB No. 75.
- During the twelve month period, the District had expenses that were \$4,976,277 less than the \$331,314,410 generated in tax and other revenues for governmental programs.
- The total cost of the District’s programs increased by \$50,361,434 due to approximately \$17,326,434 in combined salary and health benefit increases in the current period and about \$22,020,675 representing two months of payroll costs not included in the ten month prior period report (short year due to change in fiscal start date).
- The District’s governmental funds reported combined fund balances of \$252,719,172, a decrease of \$9,830,260 compared to last year. Approximately \$61,204,633 or 24% of the total is available for spending at the government’s discretion (*unassigned fund balance*).
- The total fund balance of the General Fund decreased by \$2,829,982 primarily due to the completion of committed projects.
- The resources available for appropriation were \$17,406,047 less than the original budgeted amount for the General Fund.

## 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-1, Required Components of the District’s Annual Financial Report**

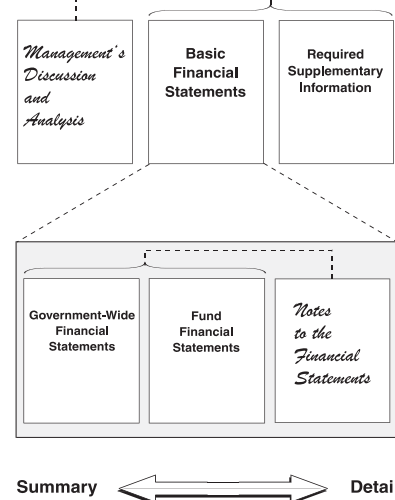


Figure A-1 above shows how the required parts of this annual report are arranged and related to one another. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required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

### Figure A-2 Major Features of the District’s Government-wide and Fund Financial Statements

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

Type of Statements	District-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<b>Scope</b>	Entire district, except fiduciary activities	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities of the district that operate like a business, such as self-insurance funds	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities money
<b>Required financial statements</b>	<ul style="list-style-type: none"> <li>Statement of Net Position</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 Balance</li> </ul>	<ul style="list-style-type: none"> <li>Statement of Net Position</li> <li>Statement of Revenues, Expenses &amp; Changes in Fund Balance</li> <li>Statement of Cash Flows</li> </ul>	<ul style="list-style-type: none"> <li>Statement of Net Position</li> </ul>
<b>Accounting basis and measurement focus</b>	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
<b>Type of asset/liability information</b>	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 short-term and long term; the district’s funds do not currently contain nonfinancial assets, though they can	All assets and liabilities, both short-term and long-term; the district’s funds do not currently contain nonfinancial assets, though they can
<b>Type of inflow/outflow information</b>	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 the year, regardless of when cash is received or paid	All revenues and expenses during the 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 position 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 position and how they have changed. Net Position, 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 position is 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 and the average daily attendance.

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 federal 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 District 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 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.

As presented, the District maintains 34 individual governmental funds. The following are considered major funds for the year ended June 30, 2020: General Fund, ESEA I - Part A Basic Program, ESSER –School Emergency Relief, Debt Service Fund and EDA 2018 Bond Series. Data from the other 29 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

- *Proprietary funds*—When a District charges other District funds for the services it provides, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and Statement of Activities. In fact, the District's Internal Service Fund is included within the governmental activities reported in the district-wide statements, but provides more detail and additional information, such as cash flows. The District uses the Internal Service Fund to report activities that relate to the District's self-insured health plan. The District implemented the self-insured plan on September 1, 2013.
- *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 position and a statement of changes in fiduciary net position. 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 are essential to a full understanding of the data provided in the government-wide and fund financial statements.

## **Required Supplementary Information and Other Supplementary 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. The Schedule of the District's Proportionate Share of the Net Pension Liability and the Schedule of District Contributions related to the Teacher Retirement System of Texas are also included as Required

Supplementary Information. In addition, budget to actual presentations for the Food Service Fund and 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.

### GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

The net position over time serves as a useful indicator of the District’s financial position. The District’s net position was \$104,867,793 for the fiscal year ended June 30, 2020 (See Table A-1). Compared to the prior year, the net position increased by \$4,976,277.

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

	Governmental Activities		Percentage Change
	2020	2019	
Current assets and other assets	\$ 313,834,465	\$ 302,404,434	4%
Capital assets, net	375,128,312	370,039,107	1%
Total assets	<u>688,962,777</u>	<u>672,443,541</u>	<u>2%</u>
Total deferred outflows of resources	<u>56,184,804</u>	<u>61,853,068</u>	<u>-9%</u>
Current liabilities	64,940,201	45,917,692	41%
Non-Current liabilities	<u>515,414,047</u>	<u>548,754,210</u>	<u>-6%</u>
Total liabilities	<u>580,354,248</u>	<u>594,671,902</u>	<u>-2%</u>
Total deferred inflows of resources	<u>59,925,540</u>	<u>39,733,191</u>	<u>51%</u>
Net position:			
Net investment in capital assets	169,839,144	151,440,521	12%
Restricted	44,616,379	41,302,694	8%
Unrestricted	<u>(109,587,730)</u>	<u>(92,851,699)</u>	<u>18%</u>
Total net position	<u>\$ 104,867,793</u>	<u>\$ 99,891,516</u>	<u>5%</u>

The District’s current assets of \$313,834,465 were sufficient to cover current liabilities (to include debt due within one year) of \$87,484,107. When applying solvency ratios, the current ratio was calculated at 3.59:1, which means that for every dollar the District owed it had \$3.59 available to pay obligations. Also, by using the same formula and reducing current assets by the inventory amount, the quick ratio (acid test – a more conservative version of the current ratio) calculated at 3.56:1 indicated the existence of liquid assets to pay immediate bills. Another financial metric representing operating liquidity, known as working capital, was \$224,350,358 representing the money available to meet current, short-term obligations.

Capital assets, which consisted of the District’s land, buildings and improvements, construction-in-progress and equipment, represented about 54% of total assets. The increase in the capital assets was mainly due to the construction in progress for various bond projects and the purchase of land and vehicles.

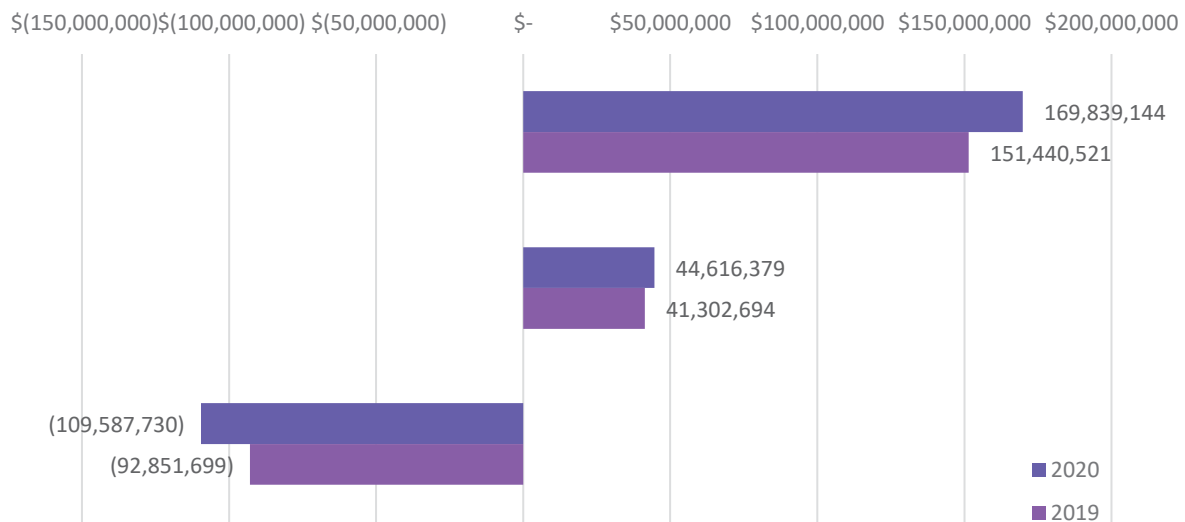
The District’s largest liabilities were for the repayment of general obligation bonds, the pension liabilities and other post-employment benefits liabilities. Other liabilities, representing about 8% of the District’s total liabilities, consist almost entirely of payables on accounts, salaries and for the reimbursement due to the State for the reduction in foundation aid due to the pandemic, but reimbursed through federal funds (ESSER). The debt to worth ratio, also called the leverage ratio, was at a very high percentage. This represented high debt financing which adds a level of risk, especially by creditors. However, this level of risk can be mitigated with the State Aid the District continues to qualify at an approximate rate of 72% of the annual general obligation debt payment.



As illustrated, Chart A-2 depicted the District’s net position at fiscal year-end. The largest portion the District’s net position was represented by investments in capital assets (e.g., land, buildings, machinery, equipment, and vehicles). All related outstanding debt that was used to acquire these assets is reduced from the calculation, net of unspent bond proceeds. The District acquired these assets to provide public education services to the public. Accordingly, these assets are not available for future spending. Although investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the associated liabilities.

An additional portion of the net position at \$44,616,379 represented resources subject to external restrictions on how they may be used. The remaining negative balance of \$109,587,730 reflected the impact of a major past adjustment as a result of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The District reported positive balances in two of the three categories of net position.

**Table A-2**  
**Laredo Independent School District Net Position**



**Governmental Activities**

Governmental activities increased the District’s net position by \$4,976,277 (See Table A-3). Total revenues for the District’s governmental activities increased by \$35,581,604 or 12% compared to the prior year. The increase was in State aid primarily due to House Bill 3. The bill provided more money for classrooms, increased teacher compensation, and cut local property taxes for Texas taxpayers. Of that increase, \$13,328,514 from the CARES Act’s ESSER funds were used as a method of finance for the reduction in state revenues due to COVID-19.

Total expenses were \$326,338,133, and the total expenses increased by \$50,361,434 or 18% due to approximately \$17,326,434 combined salary and health benefit increases in the current fiscal period and about \$22,020,675 which was the estimated payroll costs for two months not reported in the prior year which only included ten months as a result of the change in fiscal year start date.

Table A-3  
Laredo Independent School District's Changes in Net Position

	Governmental Activities		Percentage Change
	2020	2019	
Revenues:			
Program revenues:			
Charges for services	\$ 1,273,678	\$ 640,242	99%
Operating grants and contributions	86,919,687	61,674,934	41%
General revenues:			
Property taxes	33,348,571	32,121,686	4%
State aid	197,563,344	185,805,357	6%
Grants and contributions - unrestricted	5,644,011	7,186,508	-21%
Investment earnings	4,297,751	4,997,702	-14%
Miscellaneous	2,267,368	4,306,377	-47%
Total Revenues	<u>331,314,410</u>	<u>296,732,806</u>	<u>12%</u>
Expenses			
Instruction	175,226,247	153,783,312	14%
Instructional resources and media services	5,640,957	4,724,771	19%
Curriculum and staff development	3,935,336	3,141,298	25%
Instructional leadership	4,992,571	3,833,580	30%
School leadership	17,356,691	15,121,840	15%
Guidance, counseling, and evaluation services	10,272,349	8,592,604	20%
Social work services	2,322,490	1,903,535	22%
Health services	4,165,625	3,813,882	9%
Student transportation	7,944,882	4,622,935	72%
Food services	21,207,874	18,540,542	14%
Extracurricular activities	12,311,970	6,955,544	77%
General administration	9,079,236	6,780,208	34%
Plant maintenance and operations	26,306,593	21,748,435	21%
Security and monitoring services	7,241,364	4,863,589	49%
Data processing services	5,325,885	4,597,614	16%
Community service	1,760,562	1,869,949	-6%
Interest on long-term debt	11,176,910	11,031,825	1%
Bond Issuance Cost and Fees	5,500	7,000	-21%
Payments related to shared services arrangements	6,000	6,000	0%
Payments to Juvenile Justice Alt. Education Program	59,091	38,236	55%
Total Expenses	<u>326,338,133</u>	<u>275,976,699</u>	<u>18%</u>
Excess (deficiency) before special item	<u>4,976,277</u>	<u>20,756,107</u>	<u>-76%</u>
Special Item	<u>-</u>	<u>4,148,657</u>	<u>100%</u>
Increase in net position	<u>4,976,277</u>	<u>16,607,450</u>	<u>-76%</u>
Net position at beginning of year	<u>99,891,516</u>	<u>83,284,066</u>	<u>20%</u>
Net position at end of year	<u>\$ 104,867,793</u>	<u>\$ 99,891,516</u>	<u>5%</u>

Figure A-1 highlights the District's revenues by funding source for the governmental activities. As illustrated, State Aid comprised the majority of the total revenues by 59.6%, followed by 26.2% in operating grants and 10.1% in property taxes. Total revenues were \$331,314,410. Overall, total revenues were \$4,976,277 greater than total expenses for the year.

**Figure A-1 District's Total Revenues**

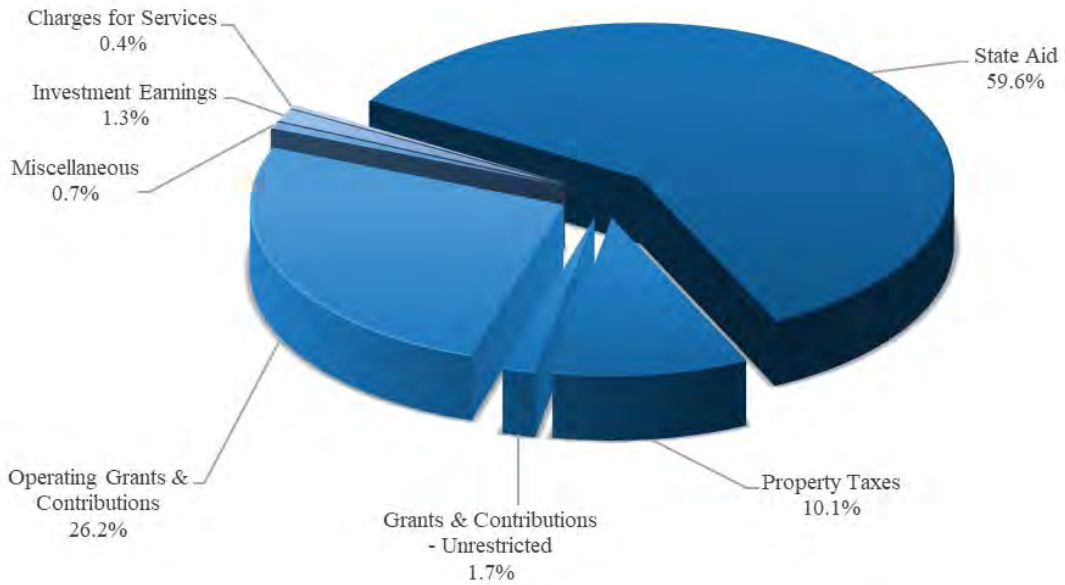
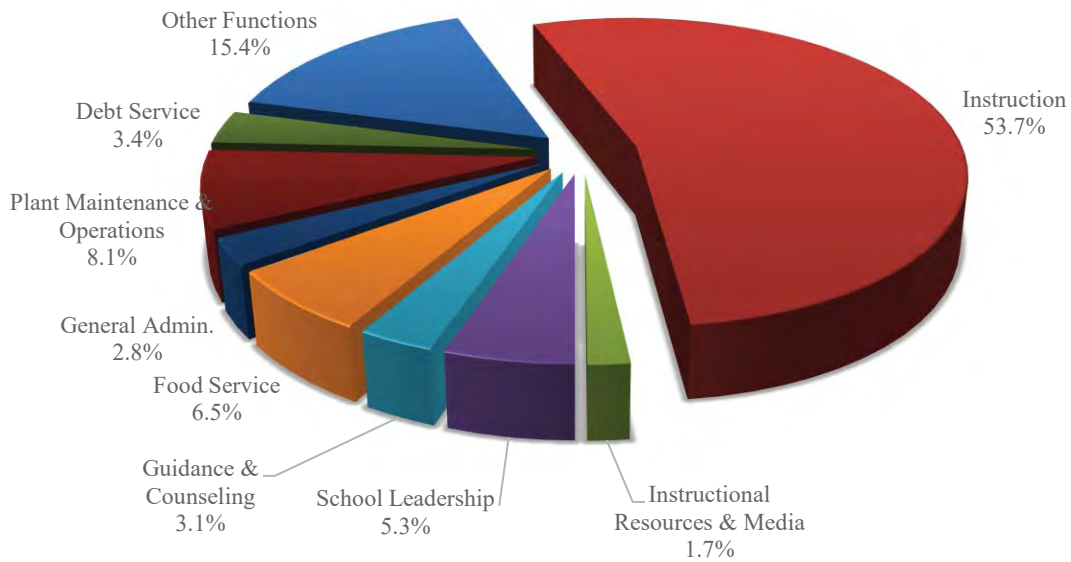


Figure A-2 presents the cost of each of the District's largest functions. Of the total expenses, instructional services represented the largest dollar expense at \$175,226,247 or 53.7%, followed by plant maintenance & operations at \$26,306,593 or 8.1% and food service at \$21,207,874 or 6.5%. Due to the nature of our public service, these three functions historically have been the highest costs to the District.

**Figure A-2 District's Functional Expenses**

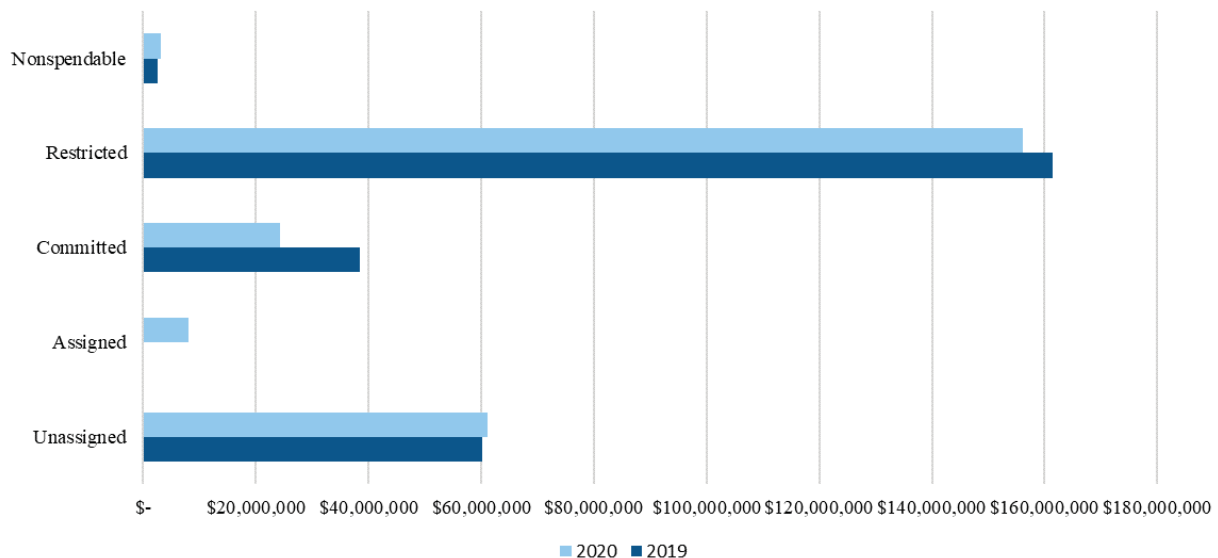


## Governmental Funds

The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose.

Below is a chart with the components of the combined Fund Balance compared to the prior year. At the end of the current fiscal year, the District’s governmental funds reported combined ending fund balance of \$252,719,172, a decrease of \$9,830,260 in comparison with the prior year. The decrease was primarily due to the completion of committed projects. Of the combined fund balance, \$61,204,633 constituted unassigned fund balance, which experienced in FYE 2017 a temporary decrease of \$4,246,107 due to a one time draw, as an alternative to a bank loan, to refresh the secondary schools technology devices. Through a board resolution, it is the intent of the district to restore the unassigned fund balance to \$62,652,991 in five years by increasing the unassigned fund balance by about \$880,000 each year. The ending unassigned fund balance reflects the third deposit. The remainder of fund balance is either nonspendable, restricted, committed or assigned to indicate that it is 1) not in spendable form such as inventories \$1,965,407 and as prepaid items \$1,077,968; 2) legally required to be maintained intact such as Federal and State Grants \$2,868,379, capital acquisition and contractual obligations \$113,832,494, from the Webb County Permanent School Fund for the administration building \$4,818,733, and for the retirement of long term debt \$34,675,881; 3) committed for construction projects \$19,174,034, other local projects \$5,138,603; and, 4) assigned balance for other projects \$7,963,040 (See Note S).

Components of Combined Fund Balance



*General Fund.* The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General fund was \$61,204,633, while total fund balance decreased to \$79,409,063. As a measure of the district’s financial wealth, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 27% of total general fund expenditures while total fund balance represents 35% of total general fund expenditures.

The unassigned fund balance gives the District a balance that is the equivalent of 97 days of expenditures based on 365 days of operations. This fund balance is adequate to minimize the likelihood of the District entering the short-term debt market to pay for current operating expenditures. The District continues to maintain the two month minimum expenditures required by the District’s policy in the amount of \$40,000,000. The unassigned fund balance is also useful in supporting supplemental programs without interruption while the District waits for state and federal reimbursements.

The fund balance of the general fund decreased by \$2,829,982 during the current fiscal year when compared to the prior year short year. The decrease was primarily due to the completion of committed projects.

*Food Service Fund.* The Food Service Fund is part of the General Fund. It had a total fund balance of \$3,660,254, a decrease of \$956,501 compared to the prior year. The program cannot carry a negative fund balance into the next school year or maintain an excessive fund balance (no more than three months of operating expenditures) on hand. At the end of the current fiscal year, there was no excess cash balance in the fund; therefore, the program was compliant.

The decrease in revenues was due to the pandemic. Due to school closure in which the students were not in school, the Texas Department of Agriculture (TDA) allowed all child nutrition program entities to provide grab n go curbside meals under the Summer Food Service Program (SFSP). One of the requirements during the start of the school closure which began on March 23rd, the students needed to be present in the vehicle in order to issue and claim meals. In this time period, many parents were not bringing their children in the vehicles so child nutrition programs could not issue the meals since that was a requirement. Parents were afraid of taking their children out from home because of fear that their children would get the virus. As a result, the district was not distributing as many meals as we would have anticipated. However, the Texas Department of Agriculture applied for a waiver of No Child Present (in vehicle) with the United States Department of Agriculture and received approval. The District opted in and requested for that waiver of No Child Present. This was a great benefit because meal participation increased each day. For the year ended June 30, 2020, the Summer Feeding Program increased revenues from \$431,872 to \$3,893,505 (includes interest earnings) accounted for in a Special Revenue Fund, Fund 242.

Table A-4  
Laredo Independent School District's Food Service Fund

	2020	2019	Percent Change
Local sources	\$ 130,427	\$ 172,576	-24.4%
State program revenues	85,719	93,373	-8.2%
Federal program revenues	15,430,998	17,283,314	-10.7%
Total revenues	<u>15,647,144</u>	<u>17,549,263</u>	<u>-10.8%</u>
Expenditures by function			
Food service	16,337,276	17,303,027	-5.6%
Facilities maintenance and operations	257,249	242,294	6.2%
Facilities acquisition and construction	9,119	-	100.0%
Total expenditures	<u>16,603,644</u>	<u>17,545,321</u>	<u>-5.4%</u>
Net change in fund balance	(956,500)	3,942	-24364.3%
Fund balance, beginning	4,616,754	4,612,813	0.1%
Fund balance, ending	<u>\$ 3,660,254</u>	<u>\$ 4,616,755</u>	<u>-20.7%</u>

*Debt Service Fund.* As illustrated in Table A-5, the Debt Service Fund ended with a fund balance of \$34,675,881, some of which was reserved for the payment of an outstanding \$8,000,000 Qualified Zone Academy Limited Maintenance Tax Note (QZAB) due to mature on October 3, 2021. The increase in fund balance during the current year in the Debt Service fund was \$2,817,871. The increase was due to payment adjustments made by the Texas Education Agency.

The District received funding and will continue to receive funding under the Instructional Facilities Allotment (IFA) and Existing Debt Allotment (EDA) programs to assist with the debt service payments on qualifying bonds. The State provided a guaranteed yield of \$35 per penny of tax effort per unweighted average daily attendance, which translated to about 73% in state aid for the annual debt payments. Since not all of our debt qualified, we used maintenance and operations (M&O) to pay for the QZAB.

Table A-5  
Laredo Independent School District's Debt Service Fund

	2020	2019	Percent Change
<b>Revenues</b>			
Property taxes	\$ 10,783,048	\$ 10,397,740	3.71%
State program revenues	22,624,166	19,097,341	18.47%
<b>Total revenues</b>	<b>33,407,214</b>	<b>29,495,081</b>	<b>13.26%</b>
<b>Expenditures by function</b>			
Principal long term debt	16,545,000	-	100.00%
Interest on long term debt	14,448,731	6,725,241	114.84%
Other fees	5,500	7,000	-21.43%
<b>Total expenditures</b>	<b>30,999,231</b>	<b>6,732,241</b>	<b>360.46%</b>
<b>Other financing sources (uses)</b>	<b>409,888</b>	<b>409,888</b>	<b>0.00%</b>
	409,888	409,888	0.00%
<b>Net change in fund balance</b>	<b>2,817,871</b>	<b>23,172,728</b>	<b>-87.84%</b>
Fund balance, beginning	31,858,010	8,685,282	266.80%
<b>Fund balance, ending</b>	<b>\$ 34,675,881</b>	<b>\$ 31,858,010</b>	<b>8.85%</b>

*Capital Project Funds.* The District's Capital Projects Funds are used to account for costs incurred in acquiring and improving sites, constructing and remodeling of facilities, and procuring necessary equipment to provide educational programs for all District students. These funds are also used to account for projects funded by bonds approved by the voters and other locally funded capital projects. The decrease of \$9,786,137 in the combined capital project fund balance over last year was attributed to the completion of on-going construction projects. In particular, the \$5,107,157 decrease in the EDA 2014 Series fund was attributed to the on-going construction of the Performance Arts Center; the \$2,392,101 decrease in the EDA 692 Series fund was due to on-going construction costs related to the Nixon High School Vocational and ROTC buildings and soft costs associated with the Cigarroa High School, Cigarroa Middle School, Kawas Elementary School, and Dovalina Elementary School projects; and, the \$2,286,879 decrease in the 616 Locally Funded fund was mainly attributed to on-going construction costs related to the new administration building.

### **Business-type Activities**

The District uses the Internal Service Fund to report activities that relate to the District's self-insured health plan. The District's self-funded plan is designed to provide quality, cost-effective health benefits to eligible employees. In its seventh year of implementation, the plan ended with \$1,662,369 in fund balance. The positive balance was the result of \$2,000,000 transfer into the plan to help defray projected costs. The plan is on a calendar year basis.

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

### *Variations – Original and Final Budget*

In general, the variances between the original and final budget are attributable to the timing and length of the budget preparation process. The original budget was prepared approximately nine months prior to the final budget approved in June 2019. The final budget reflects all budget revisions made throughout the fiscal year to adjust for known facts. Consequently, when the original budget is compared to the final budget, it would be expected that significant variances can occur.



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 and the original appropriations had a net increase of \$11,150,244, as of the final amended budget. The activities are listed below.

#### Revenues

- Increase to appropriate additional Foundation School Program revenues \$4,026,938

#### Expenditures

- Increase to fund the additional \$1,200 increase in teacher salary and to fund additional extra duty for state compensatory education \$3,599,954
- Increase to fund purchases of buses and demolition work for Tarver Elementary School playground \$2,790,672
- Increase to fund 5 replacement white fleet vehicles \$125,000
- Increase to fund roofing improvements for Martin High School \$420,000
- Increase to fund custodial equipment replacement \$30,000
- Increase to fund JROTC obstacle course \$120,000
- Increase to fund bus wash station equipment \$12,000
- Increase to fund new A/C units \$80,000
- Increase to fund ITV video camera \$2,500 and cameras and lenses for Communication Dept. \$4,500
- Increase to fund 3 police vehicles \$135,000
- Increase to fund software upgrades for Fixed Assets/Custodial Department \$26,500
- Increase to fund 3 light duty trucks for Athletics Department \$90,000
- Increase to fund digitize personnel \$125,000
- Increase to fund mechanical tools/equipment for Transportation \$25,000
- Increase to fund replacement cameras and fencing at Fixed Assets/Custodial Department \$55,000
- Increase to fund long jump/triple jump installation at Christen Middle School \$165,000
- Increase to fund Memorial Middle School Library carpet replacement \$20,000
- Increase to fund Nixon High School tuxedos \$19,628,
- Increase to fund Cigarroa High School mariachi uniforms \$30,065
- Increase to fund laptop cases \$40,322
- Increase to fund Education Service Center services \$40,000
- Increase to fund Cigarroa insurance reimbursement for water damage \$72,021
- Increase to fund copier maintenance \$185,840
- Increase to fund for the purchase of replacement custodial vehicles \$32,000
- Increase to fund HVAC upgrades at Daiches Elementary School and DD Hachar Elementary School \$60,000
- Increase to fund parking improvements at Division of Operations \$96,000
- Increase to fund district-wide security camera replacements \$1,567,550
- Increase to fund additional special education FTEs due to an increase in the special education student population \$426,984
- Increase to fund the purchase of Chromebooks for Elementary Schools \$2,022,428
- Increase to fund the purchase of misters, and supplies and materials due to COVID-19 \$1,237,345
- Increase to fund expenditures not spent during fiscal year 2018-2019 \$354,454

#### Other Sources and (Uses)

- Increase to other uses to the Health Insurance Program Fund to fund to the self-funded health plan with a contribution of \$2,000,000
- Increase to other sources to the Capital Projects Fund to fund Dr. Joaquin G. Cigarroa Middle School land acquisition \$2,869,360, Aquatic Center concrete floor upgrade \$75,000, cabling/equipment for the Administration Building \$1,224,203, cabling/equipment for the Performing Arts Complex \$268,894, and Heights Elementary School expansion project \$450,000

#### *Variances – Final Budget and Actual Results*

The significant budgetary variances between the final amended budget and the actual results are listed below.



#### Revenues

- The increase of local revenues was due to lower property tax collections of \$88,509, lower interest income of \$325,266, and higher miscellaneous income of \$477,547.
- The decrease of state revenues was due to decrease in foundation school program payments and TRS on behalf payments of \$13,199,130.
- The decrease of federal revenues was due to higher federal and grant indirect cost earnings of \$759,723, and lower food service revenues for breakfast, lunch, USDA commodities, fresh fruits and vegetables of \$6,884,354.

#### Expenditures

- The District had payroll, payroll taxes and benefits savings of \$20,423,165.
- The District did not complete the purchase of professional and contracted services for \$2,535,991.
- The District did not complete the purchase of supplies and materials for \$6,325,326.
- The District did not complete the purchase of miscellaneous operating expenditures for \$762,787.
- The District did not complete the purchase of capital outlay for building and equipment for \$3,394,754.

#### Other Sources and (Uses)

- The District did not require the transfer to Athletics of \$264,137.
- The District transferred out less funds to Jesus Martinez Performing Arts Center for \$393,923.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

At the end of the fiscal year, the District had invested a total of \$375,128,312 in a broad range of capital assets which included: equipment, buildings, and improvements as shown in Table A-6. This amount represented a net increase (additions and deductions) of \$5,089,205 over the previous year.

The increase in the land was due to the purchase of land at the Las Lomas Subdivision for the construction and relocation of Cigarroa Middle School. School buses, police cars, maintenance vehicles and activity buses were purchased and new construction contracts were awarded.

More information about the District's capital assets is presented in the notes to the financial statements (Note G).

Table A-6  
Laredo Independent School District's Capital Assets

	2020	2019	Percentage Change
Land	\$ 22,501,975	\$ 19,349,191	16.3%
Buildings and improvements	534,479,946	529,851,523	0.9%
Equipment	42,910,565	38,354,090	11.9%
Construction in progress	16,442,722	5,547,300	196.4%
Totals at historical cost	<u>616,335,208</u>	<u>593,102,104</u>	<u>3.9%</u>
Total accumulated depreciation	<u>241,206,896</u>	<u>223,062,997</u>	<u>8.1%</u>
Net capital assets	<u>\$ 375,128,312</u>	<u>\$ 370,039,107</u>	<u>1.4%</u>

#### Long Term Debt

At the end of the fiscal year, the District had loans, bonds, and compensated absences outstanding as shown in Table A-7. The table indicates a decrease in fund balance of \$20,092,928 or 5.7% compared to the previous year. The decrease was attributed to the payment of bond principal and interest. More information about the District's debt is presented in the notes to the financial statements (Note K).

Table A-7  
Laredo Independent School District's Long-Term Debt

	2020	2019	Percentage Change
Loans payable	\$ 8,000,000	\$ 8,000,000	0.0%
Bonds payable	321,907,367	342,121,822	-5.9%
Compensated absences	2,769,084	2,647,557	4.6%
Total long term debt payable	<u>\$ 332,676,451</u>	<u>\$ 352,769,379</u>	<u>-5.7%</u>

**Bond Ratings:**  
The District's bonds carry AAA rating with underlying ratings as follows:  
Moody's Investor Services A1,  
Fitch's AA- and  
Standard & Poor's AA-.

The District continues to maintain its credit ratings. A credit rating is a score that shows the capacity of the District to meet its financial payments to the investors. It is a financial indicator to potential investors that helps us achieve lower interest rate costs. The bonds issued by the District are fully guaranteed by the Permanent School Fund (PSF) Bond Guarantee Program for the timely payment of the principal and interest in the event the school district is unable to meet debt service requirements.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's board members considered many factors when setting the fiscal year 2020-2021 budget and tax rates. Some of these factors were the district needs, the campus needs, appraised values, and Laredo's economy. The following factors listed below are highlights of the budget.

- The District experienced a decrease in net taxable value of \$163,171,692 or 6%. The net taxable value under protest and not included in the 2020 certified value appraisal roll was \$169,463,757.
- The interest and sinking tax rate remained the same at .4265 per \$100 property value.
- The District's refined average daily attendance (ADA) was estimated at 21,400, compared to last year's actual of 21,433.
- The basic allotment, which is the amount every school district is guaranteed to receive in state and local funds for each student in ADA, remained the same at \$6,160.

The Board of Trustees approved a balanced budget for the fiscal year ending June 30, 2020. The health benefit plan employer monthly contribution increased from \$475 to \$525. Due to the pandemic, the Board of Trustees approved a one-time supplemental COVID19 payment of \$1,000 for professional and \$800 for paraprofessionals earned upon completion of safety instructional videos.

### CONTACTING THE DISTRICT'S DIVISION OF FINANCE

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 and transparency for the money it receives. If you have questions about this report or need additional financial information, please contact the District's Division of Finance and Business Services at (956) 273-1043.

# **BASIC FINANCIAL STATEMENTS**

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2020

EXHIBIT A-1

Data Control Codes	Primary Government Governmental Activities
<b>ASSETS</b>	
1110 Cash and Cash Equivalents	\$ 230,014,672
1120 Current Investments	38,836,499
1220 Property Taxes - Delinquent	4,180,581
1230 Allowance for Uncollectible Taxes	(2,383,007)
1240 Due from Other Governments	39,795,556
1250 Accrued Interest	293,748
1290 Other Receivables, Net	53,041
1300 Inventories	1,965,407
1410 Prepayments	1,077,968
Capital Assets:	
1510 Land	22,501,975
1520 Buildings, Net	324,189,141
1530 Furniture and Equipment, Net	11,994,474
1580 Construction in Progress	16,442,722
1000 Total Assets	688,962,777
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
1701 Deferred Charge on Refunding	4,808,254
1705 Deferred Outflow Related to TRS Pension	37,825,778
1706 Deferred Outflow Related to TRS OPEB	13,550,772
1700 Total Deferred Outflows of Resources	56,184,804
<b>LIABILITIES</b>	
2110 Accounts Payable	9,612,346
2140 Interest Payable	6,611,242
2150 Payroll Deductions and Withholdings	2,341,302
2160 Accrued Wages Payable	26,483,296
2180 Due to Other Governments	15,457,322
2200 Accrued Expenses	1,139,856
2300 Unearned Revenue	3,294,837
Noncurrent Liabilities:	
2501 Due Within One Year	22,543,906
2502 Due in More Than One Year	310,132,545
2540 Net Pension Liability (District's Share)	82,289,307
2545 Net OPEB Liability (District's Share)	100,448,289
2000 Total Liabilities	580,354,248
<b>DEFERRED INFLOWS OF RESOURCES</b>	
2602 Deferred Gain on Refunding	451,497
2605 Deferred Inflow Related to TRS Pension	14,703,169
2606 Deferred Inflow Related to TRS OPEB	44,770,874
2600 Total Deferred Inflows of Resources	59,925,540
<b>NET POSITION</b>	
3200 Net Investment in Capital Assets	169,839,144
3820 Restricted for Federal and State Programs	4,204,084
3850 Restricted for Debt Service	34,675,881
3860 Restricted for Capital Projects	5,736,414
3900 Unrestricted	(109,587,730)
3000 Total Net Position	\$ 104,867,793

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

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT B-1

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

**Primary Government:**

GOVERNMENTAL ACTIVITIES:

11 Instruction	\$ 175,226,247	\$ 911,486	\$ 49,744,019	\$ (124,570,742)
12 Instructional Resources and Media Services	5,640,957	-	696,380	(4,944,577)
13 Curriculum and Instructional Staff Development	3,935,336	-	2,528,385	(1,406,951)
21 Instructional Leadership	4,992,571	-	1,390,502	(3,602,069)
23 School Leadership	17,356,691	-	1,830,403	(15,526,288)
31 Guidance, Counseling and Evaluation Services	10,272,349	-	2,929,755	(7,342,594)
32 Social Work Services	2,322,490	-	449,404	(1,873,086)
33 Health Services	4,165,625	-	1,421,847	(2,743,778)
34 Student (Pupil) Transportation	7,944,882	109,378	494,082	(7,341,422)
35 Food Services	21,207,874	71,165	19,456,078	(1,680,631)
36 Extracurricular Activities	12,311,970	178,185	452,456	(11,681,329)
41 General Administration	9,079,236	-	744,153	(8,335,083)
51 Facilities Maintenance and Operations	26,306,593	-	1,694,405	(24,612,188)
52 Security and Monitoring Services	7,241,364	-	1,168,488	(6,072,876)
53 Data Processing Services	5,325,885	-	464,571	(4,861,314)
61 Community Services	1,760,562	3,464	1,448,759	(308,339)
72 Debt Service - Interest on Long-Term Debt	11,176,910	-	-	(11,176,910)
73 Debt Service - Bond Issuance Cost and Fees	5,500	-	-	(5,500)
93 Payments Related to Shared Services Arrangements	6,000	-	6,000	-
95 Payments to Juvenile Justice Alternative Ed. Prg.	59,091	-	-	(59,091)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 326,338,133	\$ 1,273,678	\$ 86,919,687	(238,144,768)

Data	General Revenues:		
Control	Taxes:		
Codes			
MT	Property Taxes, Levied for General Purposes		23,485,236
DT	Property Taxes, Levied for Debt Service		9,863,335
SF	State Aid - Formula Grants		197,563,344
GC	Grants and Contributions not Restricted		5,644,011
IE	Investment Earnings		4,297,751
MI	Miscellaneous Local and Intermediate Revenue		2,267,368
TR	Total General Revenues		243,121,045
CN	Change in Net Position		4,976,277
NB	Net Position - Beginning		99,891,516
NE	Net Position - Ending		\$ 104,867,793

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

LAREDO INDEPENDENT SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020

Data Control Codes	10 General Fund	20 ESEA I, A Basic Program	20 ESSER-School Emerg Relief
<b>ASSETS</b>			
1110 Cash and Cash Equivalents	\$ 76,080,551	\$ -	\$ -
1120 Investments - Current	10,000,000	-	-
1220 Property Taxes - Delinquent	3,089,990	-	-
1230 Allowance for Uncollectible Taxes	(1,761,350)	-	-
1240 Due from Other Governments	17,470,308	5,440,189	13,328,514
1250 Accrued Interest	74,590	-	-
1260 Due from Other Funds	20,216,866	3,557	-
1290 Other Receivables	50,567	-	-
1300 Inventories	1,965,407	-	-
1410 Prepayments	1,077,968	-	-
1000 Total Assets	<u>\$ 128,264,897</u>	<u>\$ 5,443,746</u>	<u>\$ 13,328,514</u>
<b>LIABILITIES</b>			
2110 Accounts Payable	\$ 5,376,112	\$ 237,965	\$ -
2150 Payroll Deductions and Withholdings Payable	2,341,302	-	-
2160 Accrued Wages Payable	23,747,515	1,551,471	-
2170 Due to Other Funds	999,170	3,538,475	13,328,514
2180 Due to Other Governments	14,646,423	-	-
2300 Unearned Revenue	885,689	115,835	-
2000 Total Liabilities	<u>47,996,211</u>	<u>5,443,746</u>	<u>13,328,514</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
2601 Unavailable Revenue - Property Taxes	859,623	-	-
2600 Total Deferred Inflows of Resources	<u>859,623</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable Fund Balance:			
3410 Inventories	1,965,407	-	-
3430 Prepaid Items	1,077,968	-	-
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	2,120,418	-	-
3470 Capital Acquisition and Contractual Obligation	-	-	-
3480 Retirement of Long-Term Debt	-	-	-
3490 Administration Building WCPSF	-	-	-
Committed Fund Balance:			
3510 Construction	320,000	-	-
3545 Other Committed Fund Balance	4,781,858	-	-
Assigned Fund Balance:			
3590 Other Assigned Fund Balance	7,938,779	-	-
3600 Unassigned Fund Balance	61,204,633	-	-
3000 Total Fund Balances	<u>79,409,063</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 128,264,897</u>	<u>\$ 5,443,746</u>	<u>\$ 13,328,514</u>

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



50 Debt Service Fund	60 EDA 2018 Series	Other Funds	Total Governmental Funds
\$ 7,475,036	\$ 101,969,246	\$ 39,071,527	\$ 224,596,360
26,872,499	-	1,964,000	38,836,499
1,090,591	-	-	4,180,581
(621,657)	-	-	(2,383,007)
-	-	3,556,545	39,795,556
203,288	-	15,870	293,748
396,048	-	6,850	20,623,321
-	-	1,509	52,076
-	-	-	1,965,407
-	-	-	1,077,968
<u>\$ 35,415,805</u>	<u>\$ 101,969,246</u>	<u>\$ 44,616,301</u>	<u>\$ 329,038,509</u>
\$ -	\$ 654,176	\$ 2,745,429	\$ 9,013,682
-	-	-	2,341,302
-	-	1,184,310	26,483,296
61,238	-	2,695,746	20,623,143
414,344	-	396,555	15,457,322
-	-	275,103	1,276,627
<u>475,582</u>	<u>654,176</u>	<u>7,297,143</u>	<u>75,195,372</u>
<u>264,342</u>	<u>-</u>	<u>-</u>	<u>1,123,965</u>
<u>264,342</u>	<u>-</u>	<u>-</u>	<u>1,123,965</u>
-	-	-	1,965,407
-	-	-	1,077,968
-	-	747,961	2,868,379
-	101,315,070	12,517,424	113,832,494
34,675,881	-	-	34,675,881
-	-	4,818,733	4,818,733
-	-	18,854,034	19,174,034
-	-	356,745	5,138,603
-	-	24,261	7,963,040
-	-	-	61,204,633
<u>34,675,881</u>	<u>101,315,070</u>	<u>37,319,158</u>	<u>252,719,172</u>
<u>\$ 35,415,805</u>	<u>\$ 101,969,246</u>	<u>\$ 44,616,301</u>	<u>\$ 329,038,509</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
JUNE 30, 2020

EXHIBIT C-2

<b>Total Fund Balances - Governmental Funds</b>	\$	252,719,172
1 The District uses internal service funds to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.		1,662,369
2 Capital assets used in governmental 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 \$593,102,104 and the accumulated depreciation was (\$223,062,997). In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.		15,412,877
3 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 including the 2020 capital outlays and debt principal payments is to increase net position.		44,417,332
4 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68. The net position related to TRS included a deferred resource outflow in the amount of \$37,825,778, deferred resource inflow in the amount of \$14,703,169, and a net pension liability in the amount of \$82,289,307. This resulted in a decrease in net position.		(59,166,698)
5 Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75. The net position related to TRS included a deferred resource outflow in the amount of \$13,550,772, a deferred resource inflow in the amount of \$44,770,874, and a net OPEB liability in the amount of \$100,448,289. This resulted in a decrease in net position.		(131,668,391)
6 The 2020 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.		(19,632,833)
7 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.		1,123,965
<b>19 Net Position of Governmental Activities</b>	<b>\$</b>	<b>104,867,793</b>

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

**This Page Left Blank Intentionally**

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

Data Control Codes	10 General Fund	20 ESEA I, A Basic Program	20 ESSER-School Emerg Relief
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 27,144,607	\$ 131,833	\$ -
5800 State Program Revenues	186,872,874	-	-
5900 Federal Program Revenues	20,330,843	15,957,832	12,766,654
5020 Total Revenues	<u>234,348,324</u>	<u>16,089,665</u>	<u>12,766,654</u>
EXPENDITURES:			
Current:			
0011 Instruction	120,815,816	10,440,354	12,766,654
0012 Instructional Resources and Media Services	4,610,008	201,295	-
0013 Curriculum and Instructional Staff Development	1,332,552	1,675,179	-
0021 Instructional Leadership	3,391,089	493,189	-
0023 School Leadership	15,299,638	84,704	-
0031 Guidance, Counseling, and Evaluation Services	7,206,387	764,104	-
0032 Social Work Services	1,863,966	280,468	-
0033 Health Services	2,630,872	991,534	-
0034 Student (Pupil) Transportation	5,245,150	-	-
0035 Food Services	16,337,276	-	-
0036 Extracurricular Activities	7,695,637	-	-
0041 General Administration	8,002,121	-	-
0051 Facilities Maintenance and Operations	24,127,853	34,150	-
0052 Security and Monitoring Services	4,867,001	16,200	-
0053 Data Processing Services	4,512,823	171	-
0061 Community Services	235,379	1,108,317	-
Debt Service:			
0071 Principal on Long-Term Debt	-	-	-
0072 Interest on Long-Term Debt	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-
Capital Outlay:			
0081 Facilities Acquisition and Construction	1,428,036	-	-
Intergovernmental:			
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-
0095 Payments to Juvenile Justice Alternative Ed. Prg.	59,091	-	-
6030 Total Expenditures	<u>229,660,695</u>	<u>16,089,665</u>	<u>12,766,654</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,687,629</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):			
7915 Transfers In	2,126,193	-	-
8911 Transfers Out (Use)	(9,643,804)	-	-
7080 Total Other Financing Sources (Uses)	<u>(7,517,611)</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balances	(2,829,982)	-	-
0100 Fund Balance - July 1 (Beginning)	<u>82,239,045</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 79,409,063</u>	<u>\$ -</u>	<u>\$ -</u>

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

	50 Debt Service Fund	60 EDA 2018 Series	Other Funds	Total Governmental Funds
\$	10,783,048	\$ 1,619,520	\$ 3,295,156	\$ 42,974,164
	22,624,166	-	6,594,419	216,091,459
	-	-	13,056,288	62,111,617
	33,407,214	1,619,520	22,945,863	321,177,240
	-	-	12,967,416	156,990,240
	-	-	14,824	4,826,127
	-	-	870,097	3,877,828
	-	-	566,763	4,451,041
	-	-	39,825	15,424,167
	-	-	1,410,722	9,381,213
	-	-	-	2,144,434
	-	-	161,785	3,784,191
	-	-	-	5,245,150
	-	-	3,939,361	20,276,637
	-	-	420,830	8,116,467
	-	-	63,666	8,065,787
	-	-	135,463	24,297,466
	-	-	613,533	5,496,734
	-	-	31,512	4,544,506
	-	-	386,557	1,730,253
	16,545,000	-	-	16,545,000
	14,448,731	-	-	14,448,731
	5,500	-	-	5,500
	-	4,012,258	13,850,643	19,290,937
	-	-	6,000	6,000
	-	-	-	59,091
	30,999,231	4,012,258	35,478,997	329,007,500
	2,407,983	(2,392,738)	(12,533,134)	(7,830,260)
	409,888	-	5,107,723	7,643,804
	-	-	-	(9,643,804)
	409,888	-	5,107,723	(2,000,000)
	2,817,871	(2,392,738)	(7,425,411)	(9,830,260)
	31,858,010	103,707,808	44,744,569	262,549,432
\$	34,675,881	\$ 101,315,070	\$ 37,319,158	\$ 252,719,172

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 JUNE 30, 2020

EXHIBIT C-4

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$	(9,830,260)
<p>The District uses internal service funds to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase net position.</p>		
		2,063,566
<p>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 2020 capital outlays and debt principal payments is to decrease net position.</p>		
		44,417,332
<p>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 position.</p>		
		(19,632,833)
<p>Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.</p>		
		56,090
<p>GASB 68 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$5,240,581. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. This caused a decrease in the change in net position totaling \$4,591,757. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense decreased the change in net position by \$11,527,882. The net result is a decrease in the change in net position.</p>		
		(10,879,058)
<p>GASB 75 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$1,318,455. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net OPEB liability. This caused a decrease in the change in net position totaling \$1,246,004. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense increased the change in net position by \$1,291,011. The net result is a decrease in the change in net position.</p>		
		(1,218,560)
<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b>4,976,277</b>

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



LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2020

	Governmental Activities -
	Health Plan Internal Service Fund
<hr/>	
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 5,418,312
Other Receivables	<u>965</u>
Total Assets	<u>5,419,277</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	598,664
Due to Other Funds	178
Accrued Expenses	1,139,856
Unearned Revenues	<u>2,018,210</u>
Total Liabilities	<u>3,756,908</u>
NET POSITION	
Unrestricted Net Position	<u>1,662,369</u>
Total Net Position	<u><u>\$ 1,662,369</u></u>

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

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

	Governmental Activities -
	Health Plan Internal Service Fund
<hr/>	
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 24,197,434
Total Operating Revenues	<u>24,197,434</u>
OPERATING EXPENSES:	
Other Operating Costs	24,133,868
Total Operating Expenses	<u>24,133,868</u>
Income Before Transfers	63,566
Transfer In	<u>2,000,000</u>
Change in Net Position	2,063,566
Total Net Position - July 1 (Beginning)	<u>(401,197)</u>
Total Net Position - June 30 (Ending)	<u><u>\$ 1,662,369</u></u>

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

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

	Governmental Activities -
	Health Plan Internal Service Fund
<u>Cash Flows from Operating Activities:</u>	
Cash Received from User Charges	\$ 24,359,205
Cash Payments for Insurance Claims	(22,003,954)
Cash Payments for Suppliers	(2,538,626)
Net Cash Used for Operating Activities	(183,375)
<u>Cash Flows from Non-Capital Financing Activities:</u>	
Operating Transfers In	3,200,000
Net Cash Provided by Non-Capital Financing Activities	3,200,000
Net Increase in Cash and Cash Equivalents	3,016,625
Cash and Cash Equivalents at Beginning of Year	2,401,687
Cash and Cash Equivalents at End of Year	\$ 5,418,312
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Used for Operating Activities:</u>	
Operating Income:	\$ 63,566
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease in Due from Other Funds	395
Decrease in Receivables	5,283
Decrease in Accounts Payable	(188,118)
Increase in Due to Other Funds	178
Increase in Unearned Revenues	252,432
Decrease in Accrued Expenses	(317,111)
Net Cash Used for Operating Activities	\$ (183,375)
<u>Reconciliation of Total Cash and Cash Equivalents:</u>	
Cash and Cash Equivalents on Balance Sheet	\$ 5,418,312
Total Cash and Cash Equivalents	\$ 5,418,312

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

LAREDO INDEPENDENT SCHOOL DISTRICT  
 STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2020

	Total Custodial Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,005,259
Total Assets	<u>1,005,259</u>
<b>NET POSITION</b>	
Restricted for Scholarships	96,293
Restricted for Individuals and Organizations	908,966
Total Net Position	<u>\$ 1,005,259</u>

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

LAREDO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

	Total Custodial Funds
<b>ADDITIONS:</b>	
Student Group Fundraising Activities	\$ 1,543,684
Earnings from Temporary Deposits	10,192
Contributions, Gifts and Donations	68,918
Total Additions	1,622,794
<b>DEDUCTIONS:</b>	
Professional and Contracted Services	374,987
Supplies and Materials	394,992
Other Deductions	525,964
Total Deductions	1,295,943
Change in Fiduciary Net Position	326,851
 Total Net Position - July 1 (Beginning)	 -
Prior Period Adjustment	678,408
Total Net Position - June 30 (Ending)	\$ 1,005,259

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

**This Page Left Blank Intentionally**



LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**A. Summary of Significant Accounting Policies**

Laredo Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven member Board of Trustees (the "Board") elected by registered voters of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in GASB Statement No. 76, and it complies with the requirements of the appropriate version of Texas Education Agency's Financial Accountability System Resource Guide (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

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

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

Laredo Independent School District applies Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. The District's investments are accounted for using the cost amortization method.

1. Reporting Entity

The Board of School Trustees ("Board"), a seven-member group and elected by the public, 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 to 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 GASB Statement No.61, *The Financial Reporting Entity: Omnibus*. There are no component units included within the reporting entity.

2. Basis of Presentation, Basis of Accounting

a. Government-Wide and Fund Financial Statements

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

Government-wide Statements: The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Laredo Independent School District nonfiduciary activities with most of the interfund activities removed. Governmental activities include programs supported primarily by taxes, State foundation funds, grants and other intergovernmental revenues. Business-type activities include operations that rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. The "charges for services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include tuition paid by students not residing in the district, school lunch charges, etc. The "grants and contributions" column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If a revenue is not a program revenue, it is a general revenue used to support all of the District's functions. Taxes are always general revenues.

The fund financial statements provide reports on the financial condition and results of operations for three fund categories - governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide statements. The District considers some governmental funds major and reports their financial condition and results of operations in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

**b. Fund Accounting**

The District reports the following major governmental funds:

1. **The General Fund** – The general fund 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 except those required to be accounted for in another fund.
2. **ESEA I, A Basic Program** – The District accounts, 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.
3. **ESSER – Elementary and Secondary School Emergency Relief Fund** – The District accounts for emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools. District must provide equitable services to students and teachers in non-public schools as required under the CARES Act.
4. **Debt Service Fund** – Governmental fund that must be used to account for general long-term debt principal and interest for debt issues and other long-term debts for which a tax has been dedicated.
5. **EDA 2018 Bond Series Fund** – 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 this fund. The Board approves project budgets, not annual appropriated budgets.

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

Additionally, the District reports the following fund type(s):

Governmental Funds:

1. Special Revenue Funds – The District accounts for resources restricted to, or designated for, specific purposes by the District or a grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a Special Revenue Fund, and sometimes unused balances must be returned to the grantor at the close of specified project periods.
2. Debt Service Funds – The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund.
3. Capital Projects Funds – The proceeds from long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund.

Proprietary Funds:

4. Internal Service Funds – Revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis are accounted for in an internal service fund. The Internal Service Fund accounts for the operations of the self-funded health insurance program.

Fiduciary Funds:

5. Custodial Funds – The District accounts for resources held for others in a custodial capacity in agency funds. Custodial Funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, scholarships and/or other governmental units. These Fiduciary Funds consist of District Student Activity Funds, Donations and Scholarship Funds.

Fiduciary Fund Financial Statement are referenced as Exhibits E-1, E-2, H-9 and H-10.

**c. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The District considers all revenues available if they are collectible within 60 days after year end.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the "susceptible to accrual" concept, that is, when they are both measurable and available. The District considers them "available" if they will be collected within 60 days of the end of the fiscal year. 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.

Unavailable revenue from property taxes arises only under modified accrual basis of accounting. The governmental funds report this unavailable revenue as a deferred inflow of resources, which is recognized as revenue in the period the amounts become available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

The Proprietary Fund Types and Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless these pronouncements conflict or contradict GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Position. The fund equity is segregated into invested in capital assets net of related debt, restricted net assets, and unrestricted net assets.

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. Furthermore, committed fund balances are reduced first, followed by assigned amounts and then unassigned amounts where expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

Custodial Funds utilize the accrual basis of accounting but do not have a measurement focus as they report only assets and liabilities.

GASB Statement No. 84, Fiduciary Activities, was issued in January 2017. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. On May 8, 2020, GASB postponed the required implementation date for GASB 84. Districts must now implement GASB 84 no later than fiscal year 2021. GASB 84 allows for early implementation, therefore, Laredo ISD decided to implement in fiscal year 2020.

GASB Statement No. 90, Majority Equity Interests, an Amendment to GASB Statements No. 14 and No. 61. Statement 90 was issued in August 2018. The primary objectives of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statements information for certain component units. The Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. On May 8, 2020, GASB postponed the required implementation date for GASB 90. Districts must now implement GASB 90 no later than fiscal year 2021. The District has not yet determined the impact of this statement.

3. Other Accounting Policies

a. Deposits

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 or trust with the District's agent bank or letters of credit from FHLB 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.

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 unearned

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

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

revenues when received. When requisitioned, inventory and unearned revenues are relieved, expenditures are charged, and revenue is recognized for an equal amount. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenditures.

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 located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 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.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. Allowances for uncollectible tax receivables within the General Fund are \$1,761,350 and \$621,657 for the Debt Service Fund.

d. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of 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. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000.

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

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



LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

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 interfund receivables and payables as appropriate and are 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 presented gross on the governmental fund financial statements. The effect of interfund activity has been eliminated on 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 during the reported period. Actual results could differ from those estimates. Significant assumptions are required in the calculation of the revenue from the Foundation School Program. It is possible this estimate could be revised in the near term and that the revision could be material.

h. Data Control Codes

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

i. Encumbrances

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at June 30. However, encumbrances outstanding at year end, not otherwise restricted or committed, are reported as assignments of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.



LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

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

Significant encumbrances included in governmental fund balances are as follows:

	Encumbrances included in:
	Restricted Fund Balance
EDA 2018 Bond Series	\$ 33,598,341
Nonmajor Governmental Funds	29,618,920
Total	\$ 63,217,261

j. 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. There is no District liability as of June 30, 2020.

k. Unearned Revenues

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

l. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts 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.

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.

m. Pensions

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

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

n. Other Post-Employment Benefits

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

o. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category.

The deferred charge on refunding reported in the government-wide statement of net position results from the difference in the reacquisition price over the carrying value of the refunded debt. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred outflows of resources for pension and OPEB are reported in the government-wide financial statement of net position. Deferred outflows result from pension plan contributions made after the measurement date of the net pension liability. Deferred outflows also include the District's proportionate share of the deferred outflows of resources of the TRS plan and TRS Care Plan. These deferred outflows include the differences between expected and actual economic experience and changes in actuarial assumptions. The deferred outflows of resources related to the District's contributions which are subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension and OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Accordingly, the District reports a deferred gain on refunding and Deferred Inflow related to TRS pension and TRS OPEB in the government-wide statement of net position, and unavailable revenue-property taxes in the governmental balance sheet.

A deferred gain on refunding results from the difference in the carrying value of refunded debt over its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources for pension and OPEB are reported in the government-wide financial statement of net position. These deferred inflows result primarily from differences between projected

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

and actual earnings on pension plan investments and changes in actuarial assumptions. These amounts will be amortized over a closed five-year period.

Unavailable revenue-property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available. These are reported as deferred inflows of resources at the fund level and are recognized as revenues at the government-wide level.

p. Investment Policy

The District's general policy is to report money market investments, short-term participating interest-earning investment contracts, and investments in certain qualifying external investment pools 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.

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 June 30, 2020, the District invested part of its money with Texas DAILY and TexPool, which hold an AAAM rating from Standard and Poor's (S&P).

TexPool and TexasDAILY are external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share, have weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. Texpool and Texas DAILY have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

q. Fund Balance and Net Position

*Governmental Fund Financial Statements*

In accordance with GASB 54, the District classifies governmental fund balances as follows:

Nonspendable - includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories and prepaid items.

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts restricted due to constitutional provisions or enabling legislation. This classification includes Federal, State and local grants, contractual obligations for personal property, bond proceeds, and retirement of long-term debt.

Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the District through formal action of the highest level of decision-making authority. Committed fund balance is reported pursuant to resolution passed by the District's Board of Trustees. This classification includes construction projects not funded by bonded debt, retirements of loans or notes committed by the Board, equipment not funded by bonded debt and local Special Revenue funds.

Assigned - includes fund balance amounts that are self-imposed by the District to be used for a particular purpose. As per the District's policy, fund balance can only be assigned by the District Board of Trustees. This classification includes construction and encumbrances.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes. In this category funds are available for appropriation at Board's discretion as per Fund Balance policy.

*Government-Wide Financial Statements*

Net position on the Statement of Net Position includes the following:

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

Restricted for Federal and State Programs - the component of net position that reports the difference between assets and liabilities for all state and federal programs.

Restricted for Debt Service - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by law.

Restricted for Capital Projects - the component of net position that accounts for the difference between assets and liabilities for all district construction projects.

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

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

Unrestricted - the difference between the assets and liabilities that is not reported in any of the classifications above.

**B. Reconciliation of Government –Wide and Fund Financial**

Explanation of certain differences between the governmental fund balance sheet and the Government-Wide Statement of Net Position:

Exhibit C-2 provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net position for governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported as liabilities in the funds.

The details of the \$44,417,332 difference is as follows:

Assets:

Increase in Land	\$	3,152,784
Increase in Buildings and Improvements		4,628,423
Increase in Furniture and Equipment		4,556,475
Depreciation on Disposed Equipment		1,488,934
Increase in Construction in Progress		10,895,422
Subtotal	\$	24,722,038

Deferred Outflows of Resources:

Decrease in Deferred Charge for Refunding		(565,020)
---	--	-----------

Long - Term Liabilities:

Increase in Termination Benefits & Compensated Absences		(121,527)
Decrease in Interest Payable		118,126
Accreted Interest on Bonds Payable		(1,999,218)
Amortization of Premium on Bonds		4,318,673
Principal Payments on Bonds Payable		17,895,000
Subtotal		20,211,054

Deferred Inflows of Resources:

Decrease in Deferred Gain for Refunding		49,260
---	--	--------

Net Adjustment to Decrease Fund Balance - Total Governmental Funds to Arrive at Net Position - Governmental Activities		\$ 44,417,332
--	--	---------------

**C. Compliance and Accountability**

1. Budgetary Data

The Board of Trustees adopts an "appropriated budget" for the General Fund, Debt Service Fund and the Food Service Fund (which is included in the General Fund). The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares

**C. Compliance and Accountability (Continued)**

the final amended budget to actual revenues and expenditures. The General Fund Budget report appears in Exhibit G-1 in RSI and the other two reports are in Exhibit J4 and J5.

The following procedures are followed in establishing the budgetary data reflected in the general-purpose financial statements:

- 1) Prior to June 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 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. At least ten days' public notice of the meeting must be given.
- 3) Prior to July 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.
- 4) Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund, General Fund – Food Service, and Debt Service Fund. The Food Service Fund is accounted in the general fund. A more detailed budget versus actual presentation for the Food Service Fund is reported as supplementary information to demonstrate legal compliance at the legal level of budgetary control.
- 5) 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. Expenditures may not legally exceed budgeted appropriations at the function level.
- 6) Each budget is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year-end. Budget information is summarized next:

	Original Budget	Increase / (Decrease)	Amended Budget
General Fund	\$226,390,315	\$14,010,763	\$240,401,078
General Fund – Food Service	22,701,759	-	22,701,759
Debt Service Fund	31,013,732	-	31,013,732

It is noted that during this fiscal year, the budget appropriations in General Fund were increased to appropriate revenues and expenditures based on Texas Education Agency updates to compensatory education allotment calculation to fund an additional \$1,200 increase in teacher salary based on guidance



LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**C. Compliance and Accountability (Continued)**

from TEA and TRS and to fund additional extra duty pay needed to be in compliance with the minimum required expenditures for the state compensatory education program in the amount of \$3,599,954.

Budget appropriations in the General Fund were also increased to appropriate expenditures from committed fund balance for the purchase of buses in the amount of \$2,782,272, and demolition work for Tarver elementary playground in the amount of \$8,400.

Additionally, budget appropriations in the General Fund were increased to appropriate expenditures from committed and other committed fund balance for the purchase of five replacement white fleet vehicles in the amount of \$125,000, roofing improvements for Martin High School in the amount of \$420,000, custodial equipment replacement in the amount of \$30,000, JROTC obstacle course in the amount of \$120,000, bus wash station equipment in the amount of \$12,000, new A/C units in the amount of \$80,000, ITV Department video camera in the amount of \$2,500, cameras and lenses for Communication Department in the amount of \$4,500, three police vehicles in the amount of \$135,000, software upgrades for Fixed Assets/Custodial Department in the amount of \$26,500, three light duty trucks for Athletics in the amount of \$90,000, digitize personnel files in the amount of \$125,000, mechanical tools/equipment for Transportation in the amount of \$25,000, replacement of cameras and fencing at Fixed Assets/Custodial Department in the amount of \$55,000, long jump/triple jump installation at Christen Middle School in the amount of \$165,000, Memorial Middle School library carpet replacement in the amount of \$20,000, Nixon High School tuxedos in the amount of \$19,628, Cigarroa High School mariachi uniforms in the amount of \$30,065, laptop cases in the amount of \$40,322, service center services in the amount of \$40,000, Cigarroa High School insurance reimbursement for water damage in the amount of \$72,021, and copier maintenance in the amount of \$185,840.

Similarly, budget appropriations in the General Fund were increased to appropriate expenditures from committed and other committed fund balance for the purchase of replacement custodial vehicles in the amount of \$32,000, upgrade HVAC controls at Daiches Elementary and DD Hachar Elementary in the amount of \$60,000, parking improvements at Division of Operations in the amount of \$96,000, and district-wide security cameras replacement in the amount of \$1,567,550.

Moreover, budget appropriations in the General Fund were increased to appropriate additional revenues and expenditures for additional special education FTEs due to an increase in the special education student population in the amount of \$426,984.

Furthermore, budget amendments in the General Fund were increased to appropriate expenditures from other committed fund balance – stabilization arrangement for the purchase of chromebooks for elementary schools in the amount of \$2,022,428, and purchase of misters with related supplies due to COVID 19 in the amount of \$1,237,345.

Lastly, budget appropriations in the General Fund (E-Rate) computer equipment purchases were increased due to the additional funding in the amount of \$354,454.

2. Excess Actual Over Budget

For the year ended June 30, 2020, appropriations exceeded expenditures in all legally budgeted funds.



LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**D. Cash, Cash Equivalent and Investments**

Cash Deposits: The District's cash and cash equivalents are considered to be cash on hand and demand deposits. The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities and letters of credit which comply with state. These securities are held for safekeeping and trust with the District's and the depository banks' agent bank. The pledged securities and letters of credit are in compliance with the Texas Government Code, Chapter 2257 "Collateral for Public Funds", and are sufficient to meet the terms agreed to in the current depository contract as approved by TEA. The pledge of approved securities and letter of credits is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

Investments: Investments, except for the investment pools, for the District are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. The District's investment policy is in accordance with the Public Funds Investment Act, the Public Funds Collateral Act, and federal and state laws. The District further limits its investments to U.S. Agencies, certificates of deposit, money market accounts and investment pools.

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

Cash in Bank or On Hand - Primary Government	\$	61,132,698
Cash Equivalents		
Investment Pools Accounts:		
TexasDAILY	159,022,645	
TexPool	9,227,434	
Money Market Accounts:		
BBVA	631,895	
Current Investments		
Certificates of Deposit:		
BBVA	30,000,000	
Texas Term	1,964,000	
Discount Notes:		
U S Treasury Bill	6,872,499	
Total Cash Equivalents and Current Investments		207,718,473
 Total Deposits and Investments - Primary Government	 \$	 <u><u>268,851,171</u></u>

Deposits:

At June 30, 2020, the District's bank deposits (cash and interest bearing accounts) were \$230,958,522. The District's cash deposits at June 30, 2020 were entirely covered by FDIC insurance and by pledged collateral held by the District's agent bank in the District's name and letters 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:

- a. Depository: BBVA Bank. The total collateral amount at the highest combined balance on deposits was \$155,000,000 which is the sum of five letters of credit.

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**D. Cash, Cash Equivalent and Investments (Continued)**

- b. The highest combined balances of cash, savings, and time deposit accounts amounted to \$136,124,295 and occurred during the month of January 2020.
- c. Total amount of FDIC coverage at the time of the largest combined balance was \$500,000.

Investments:

Investments, except for the investment pools, for the District are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. The District's investment policy is in accordance with the Public Funds Investment Act, the Public Funds Collateral Act, and federal and state laws.

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 and Share Certificates, (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.

External Investment Pool-Primary Government:

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 Public Funds Investment Act and other similar cooperative statutes and under the statutes governing investment of funds by those local governments.

TexPool is a local government investment pool created on behalf of Texas entities whose investment objectives are preservation and safety of principal, liquidity and yield consistent with the Public Funds Investment Act. Pursuant to subchapter G of chapter 404, the Comptroller of Public Accounts administers the Texas Local Government Investment Pools (the "TexPool Portfolios") as public funds investment pools through the Texas Treasury Safekeeping Trust Company (the "Trust Company").

The Trust Company is a special-purpose trust company authorized to receive, transfer, and disburse money and securities as provided by statute or belonging to the state, agencies, and local political subdivisions and other organizations created on behalf of the state or agency or political subdivision of the state.

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**D. Cash, Cash Equivalent and Investments (Continued)**

The Comptroller and the Trust Company have contracted with Federated Investors, Inc. (“Federated”), as administrator and investment manager for the TexPool Portfolios.

As noted in the District’s Significant Accounting Policies, the District reports its local government investment pools at amortized cost as permitted by GASB Statement No. 79 *Certain External Investment Pools and Pool Participants*.

*Credit Risk.* In accordance with state law and the District’s investment policy, investments in 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 June 30, 2020, Texas Daily and Texpool were rated AAAM by Standard and Poor’s (S&P). The District did not have any investments in commercial paper as of June 30, 2020.

*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 deposits and investments are allocated as follows: US Treasury Bill (2.56%), Texas DAILY (59.15%), Texas Term (.73%), TexPool (3.43%), and BBVA (34.13%).

*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 two and a half (2.5) years for its Operating Funds.

The investment maturities in the following table reflect the maturity date of the investments in each category due 12 months from the balance sheet date. The District uses its investments in the investment pools, money market accounts, certificates of deposits and a discount note to further mitigate interest rate risk.

The District’s investments at June 30, 2020 are shown below:

Investment	Investment Maturities in Years		
	Book Value	Less than 1 Year	1 to 2 Years
<b>Agency Bonds &amp; Discount Notes</b>			
U S Treasury Bill	\$ 6,872,499	\$ 6,872,499	\$ -
	<u>6,872,499</u>	<u>6,872,499</u>	<u>-</u>
<b>Investment Pools</b>			
Texpool	9,227,434	9,227,434	-
Texas DAILY	159,022,645	159,022,645	-
	<u>168,250,079</u>	<u>168,250,079</u>	<u>-</u>
<b>Money Market Accounts</b>			
BBVA	631,895	631,895	-
	<u>631,895</u>	<u>631,895</u>	<u>-</u>
<b>Certificates of Deposit</b>			
BBVA	30,000,000	30,000,000	-
Texas Term	1,964,000	1,964,000	-
	<u>31,964,000</u>	<u>31,964,000</u>	<u>-</u>
<b>Total Book Value</b>	<u>\$ 207,718,473</u>	<u>\$ 207,718,473</u>	<u>\$ -</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**D. Cash, Cash Equivalent and Investments (Continued)**

TexPool and Texas DAILY are external investment pools measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share, have weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. Texpool and Texas DAILY have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

Fair Value of Investments:

The District's investments, whether recorded at fair value, cost, or amortized cost, at June 30, 2020 are shown below:

Investment Type	Cost or Amortized Cost	Fair Value Measurements			Total
		Level 1	Level 2	Level 3	
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	
Agency Bonds & Discount Notes					
U S Treasury Bill	\$ -	\$ -	\$ 6,872,499	\$ -	\$ 6,872,499
	-	-	6,872,499	-	6,872,499
Investment Pools					
Texpool	9,227,434	-	-	-	9,227,434
Texas DAILY	159,022,645	-	-	-	159,022,645
	168,250,079	-	-	-	168,250,079
Money Market Accounts					
BBVA	631,895	-	-	-	631,895
	631,895	-	-	-	631,895
Certificates of Deposit					
BBVA	30,000,000	-	-	-	30,000,000
Texas Term	1,964,000	-	-	-	1,964,000
	31,964,000	-	-	-	31,964,000
Total Investments	\$ 200,214,079	\$ -	\$ 6,872,499	\$ -	\$ 207,718,473

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

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that government can access at the measurement date.

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**D. Cash, Cash Equivalent and Investments (Continued)**

- Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

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

The fair value of agency bonds and discount notes is determined using quoted prices for comparable instruments, which is considered a market approach. The fair value of the investments in U.S. Government Agency securities is based on quoted market prices. The amount of increase in the fair value of these investments is \$107,160 during the year ended June 30, 2020. The total investment income for the year is \$225,382.

**E. 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 June 30, 2020 are summarized below and are reported on the government-wide statement of net position.

	Due to Other Governments	Due from Other Governments
<b><u>Major Governmental Funds:</u></b>		
General Fund	\$ 14,646,423	\$ 17,470,308
ESEA, Title I Part-A, Improving Basic Program	-	5,440,189
CARES Act - ESSER Relief Fund	-	13,328,514
Debt Service Fund	414,344	-
<b>Total Major Governmental Funds</b>	<b>15,060,767</b>	<b>36,239,011</b>
<b><u>Nonmajor Governmental Funds:</u></b>		
ESEA, Title X Part-C, Homeless Education	-	503
ESEA, Title I Part-C, Education of Migratory Children	-	17,735
IDEA, Part-B Formula	396,555	1,360,314
IDEA, Part-B Preschool	-	187
IDEA, Part-B Discretionary	-	924
Summer Feeding Program	-	774,051
Carl D. Perkins Career and Technical Education Grant	-	66,083
ESEA, Title II Part-A, Support Effective Instruction	-	442,595
ESEA, Title III Part-A, English Lang. Acquisition	-	262,976
College Now Career Connected!	-	285,570
ESSA, Title IV Part-A, Student Support	-	183,178
Other State Grants	-	87,789
SSA Regional Day School Deaf	-	10,675
OCDETF Grant	-	19,455
AEP Foundation Grant	-	44,510
<b>Total Nonmajor Governmental Funds</b>	<b>396,555</b>	<b>3,556,545</b>
<b>Total Governmental Funds</b>	<b>\$ 15,457,322</b>	<b>\$ 39,795,556</b>

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**F. Interfund Balances and Activities**

1. Interfund Receivables and Interfund Payables

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All amounts due are scheduled to be repaid within one year. Interfund balances between governmental funds and proprietary funds are eliminated in the statement of net position and reported as internal balances.

The composition of interfund balances as of June 30, 2020 is as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b><u>Governmental Funds:</u></b>		
General Fund	\$ 20,216,866	\$ 999,170
ESEA, Title I Part-A, Improving Basic Program	3,557	3,538,475
CARES Act - ESSER Relief Fund	-	13,328,514
Debt Service Fund	396,048	61,238
Nonmajor Governmental Funds	6,850	2,695,746
<b>Total Governmental Funds</b>	<b>20,623,321</b>	<b>20,623,143</b>
 <b><u>Proprietary Fund:</u></b>		
Health Plan Internal Service Fund	-	178
 <b>Total – All Funds</b>	<b>\$ 20,623,321</b>	<b>\$ 20,623,321</b>

2. Transfers To/From Other Funds

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.

Interfund transfers for the year ended June 30, 2020 were as follows:

Transfers From	Transfers To	Amount	Purpose
General Fund	Capital Projects	\$ 4,887,457	Transfer to cover for capital improvement projects.
General Fund	Debt Service Fund	409,888	Transfer to cover for principal payments and agent fees.
General Fund	Athletics Program	1,671,193	Transfer to cover athletic costs for the District.
General Fund	J. Martinez PAC	220,266	Transfer to cover J. Martinez PAC costs for the District.
General Fund	E-Rate	455,000	Transfer to cover local 10% share of grant and items ineligible for E-Rate.
General Fund	Health Plan ISF	2,000,000	Transfer to cover a lump-sum employer contribution to support the self-funded health plan.
		<b>\$ 9,643,804</b>	

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**G. Capital Assets**

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning Balances	Additions	Dispositions and Adjustments	Ending Balances
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 19,349,191	\$ 3,152,784	\$ -	\$ 22,501,975
Construction in Progress	5,547,300	15,531,085	4,635,663	16,442,722
Total capital assets not being depreciated	<u>24,896,491</u>	<u>18,683,869</u>	<u>4,635,663</u>	<u>38,944,697</u>
Capital assets being depreciated:				
Buildings and Improvements	529,851,523	4,635,663	7,240	534,479,946
Furniture and Equipment	38,354,090	6,089,352	1,532,877	42,910,565
Total capital assets being depreciated	<u>568,205,613</u>	<u>10,725,015</u>	<u>1,540,117</u>	<u>577,390,511</u>
Less accumulated depreciation:				
Building and Improvements	193,294,080	16,996,725	-	210,290,805
Furniture and Equipment	29,768,917	2,636,108	1,488,934	30,916,091
Total accumulated depreciation	<u>223,062,997</u>	<u>19,632,833</u>	<u>1,488,934</u>	<u>241,206,896</u>
Total capital assets being depreciated, net	<u>345,142,616</u>	<u>(8,907,818)</u>	<u>51,183</u>	<u>336,183,615</u>
Governmental activities capital assets, net	<u>\$370,039,107</u>	<u>\$ 9,776,051</u>	<u>\$ 4,686,846</u>	<u>\$ 375,128,312</u>

Depreciation was charged to the following functions as follows:

Instruction	\$ 4,558,131
Instruction Resources and Media Services	381,870
Instructional Leadership	172,946
School Leadership	160,336
Guidance, Counseling & Evaluation Services	25,667
Social Work Services	31,318
Health Services	78,504
Student (Pupil) Transportation	3,503,717
Food Services	1,221,189
Extracurricular Activities	5,923,831
General Administration	340,684
Facilities Maintenance and Operations	894,942
Security and Monitoring Services	1,864,077
Data Processing Services	446,085
Community Services	29,536
Total Depreciation	<u>\$ 19,632,833</u>



LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**H. Unearned Revenues**

Unearned revenues at June 30, 2020 consisted of the following:

**Major Governmental Funds:**

General Fund- Food Service	\$	789,638
General Fund- Headstart Program		45,833
General Fund- Escrow Taxes		50,218
ESEA, Title I Part-A, Improving Basic Program		115,835
<b>Total Major Governmental Funds</b>		<b>1,001,524</b>

**Nonmajor Governmental Funds:**

ESEA, Title III Part-A, English Lang. Acquisition	44,049
LEP Summer School	65,447
Instructional Materials Allotment	36,946
LEOSE	6,778
Equitable Sharing Program	117,853
Texas Mutual Grant	330
J. Martinez Performing Arts Complex	3,687
AEP Foundation Credis	13
<b>Total Nonmajor Governmental funds</b>	<b>275,103</b>

<b>Total Governmental Funds</b>	<b>1,276,627</b>
---------------------------------	------------------

**Proprietary Fund:**

Health Plan Internal Service Fund	2,018,210
-----------------------------------	-----------

<b>Total - All Funds</b>	<b>\$ 3,294,837</b>
--------------------------	---------------------

**I. Loans Payable**

The District may borrow money for the purpose of paying maintenance expenses and may evidence those loans with negotiable notes. The District pledged proceeds of its maintenance tax to secure maintenance tax notes for the purpose of financing the renovation and equipment of qualified zone academies, within the meaning of section 1397(d) of the Internal Revenue Code of 1986, located within the District in accordance with the provisions of Section 45.108, Texas Education Code, as amended.

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 academies for three middle schools and two high schools. The loan has an interest rate of 0% and an original term of sixteen 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.

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**I. Loans Payable (Continued)**

The following is a summary of loan transaction of the District for the year ending June 30, 2020.

Description	Balance Outstanding 7/1/2019	Issued Current Year	Retired Current Year	Balance Outstanding 6/30/2020	Amounts Due Within One Year
Note - October 3, 2005	\$ 8,000,000	\$ -	\$ -	\$ 8,000,000	\$ -
	<u>\$ 8,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,000,000</u>	<u>\$ -</u>

No interest was paid during the year on loans. All loans are funded from Maintenance and Operations (M&O) tax.

The following is a schedule of the required payments for this loan:

Year Ending June 30,	Principal	Interest	Total
2021	\$ -	\$ -	\$ -
2022	8,000,000	-	8,000,000
	<u>\$ 8,000,000</u>	<u>\$ -</u>	<u>\$ 8,000,000</u>

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

Year Ending June 30,	Amount
2021	\$ 389,887
2022	389,887
Total	<u>\$ 779,774</u>

**J. Long-Term Obligations**

The District issues general obligation bonds for the governmental activities to provide funds for the acquisition and construction of major capital facilities. The bonds are supported by a pledge of the District's full faith and credit and require a levy and collection of taxes without limitation as to rate or amount on all property subject to taxation by the District sufficient in amount to pay the principal and interest on such bonds as they become due. The indentures also require that a Debt Service Fund be created and administered by the District solely for paying principal and interest when due.

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  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2020 are as follows:

Description	Rate Payable	Original Issue	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<i>Unlimited Tax Refunding Bonds, Series 2010:</i>							
Current Interest	4.00-5.00%	\$ 18,420,000	\$ 18,420,000	\$ -	\$ -	\$ 18,420,000	\$ 2,725,000
<i>Unlimited Tax Refunding Bonds, Series 2011:</i>							
Current Interest	2.00-5.00%	18,415,000	7,835,000	-	1,000,000	6,835,000	1,035,000
<i>Unlimited Tax School Building Bonds, Series 2013:</i>							
Current Interest	4.00-5.00%	43,425,000	32,820,000	-	2,315,000	30,505,000	2,430,000
<i>Unlimited Tax School Building Bonds, Series 2014:</i>							
Current Interest	4.00-5.00%	67,160,000	60,170,000	-	2,545,000	57,625,000	2,670,000
<i>Unlimited Tax School Refunding Bonds, Series 2014:</i>							
Current Interest	4.00%	11,310,000	11,310,000	-	-	11,310,000	-
Capital Appreciation	9.63-9.68%	22,690,000	21,963,811	1,999,218	3,625,000	20,338,029	2,065,000
<i>Unlimited Tax School Refunding Bonds, Series 2015:</i>							
Current Interest	2.00-5.00%	65,560,000	56,555,000	-	8,410,000	48,145,000	6,105,000
<i>Unlimited Tax School Building Bonds, Series 2018:</i>							
Current Interest	3.125-5.00%	<u>90,375,000</u>	<u>90,375,000</u>	<u>-</u>	<u>-</u>	<u>90,375,000</u>	<u>2,065,000</u>
<b>TOTALS</b>		<u>\$ 337,355,000</u>	<u>\$ 299,448,811</u>	<u>\$ 1,999,218</u>	<u>\$ 17,895,000</u>	<u>\$ 283,553,029</u>	<u>\$ 19,095,000</u>

Interest paid on bonded indebtedness during the current year was \$14,448,731.

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

Year Ending June 30,	Capital Appreciation		Interest	Total
	Principal	Bond		
2021	\$ 19,095,000	\$ 1,392,489	\$ 13,891,582	\$ 32,986,582
2022	19,725,000	1,265,848	13,225,041	32,950,041
2023	20,445,000	1,149,548	12,486,975	32,931,975
2024	21,235,000	1,046,079	11,698,825	32,933,825
2025-2029	84,525,000	3,324,066	45,265,206	129,790,206
2030-2034	55,010,000	-	19,262,087	74,272,087
2035-2039	27,270,000	-	10,004,500	37,274,500
2040-2044	<u>28,070,000</u>	<u>-</u>	<u>3,645,509</u>	<u>31,715,509</u>
	<u>\$ 275,375,000</u>	<u>\$ 8,178,030</u>	<u>\$ 129,479,725</u>	<u>\$ 404,854,725</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

Capital Appreciation Bonds

The total accretion of discount on capital appreciation bonds that is included in the June 30, 2020 ending balance of \$283,553,030 is \$8,178,030.

Defeased Bonds

In prior years, the District defeased certain general obligation bonds by placing the proceeds of the bonds in an irrevocable trust for all future debt service payments on the refunded bonds. Accordingly, the trust accounts for the assets and liabilities for the defeased bonds and are not included in the District's financial statements in the amount of \$205,622,670.

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

Long-term liability activity for the governmental activities as of June 30, 2020, was as follows:

Description	Balance	Issued/Increase	Retired/Decrease	Balance	Amounts
	Outstanding 9/1/2019	Current Year	Current Year	Outstanding 6/30/2020	Due Within One Year
Loans	\$ 8,000,000	\$ -	\$ -	\$ 8,000,000	\$ -
Total Loans Payable	8,000,000	-	-	8,000,000	-
General Obligation Bonds	299,448,811	1,999,218	17,895,000	283,553,029	19,095,000
Bonds Premium Amortization - Net	42,673,011	-	4,318,673	38,354,338	3,149,772
Total Bonds Payable	342,121,822	1,999,218	22,213,673	321,907,367	22,244,772
Other Liabilities					
Compensated Absences	2,647,557	420,661	299,134	2,769,084	299,134
Total Other Liabilities	2,647,557	420,661	299,134	2,769,084	299,134
Total Governmental Activities					
Long-term Liabilities	\$ 352,769,379	\$ 2,419,879	\$ 22,512,807	\$ 332,676,451	\$ 22,543,906

General Operating Fund is used to liquidate the liability for compensated absences.

**L. 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 Local Policy. 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.

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

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

*Rate for professional employees* – A professional employee who retires meeting the eligibility criteria specified above shall be paid for accumulated leave up to a maximum of 40 days of state/personal leave, of which 5 days are at 100% daily base rate, 10 days at 75% daily base rate, and 25 days at 50% of the daily base 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 up to a maximum of 80 days of leave combination of state/personal plus local leave, of which the first 10 days are at 100% daily base rate, the next 15 days are at 75% daily base rate, and the next 55 days are at 50% of the daily base rate of pay.

As of June 30, 2020, the balance for the State Personal and Sick Leave is \$2,769,084. The estimated amount due within a year is \$299,134. The General Fund and Special Revenue Funds, if allowed, are expected to pay for these.

**M. Major Sources of Revenue from Local and Intermediate Sources**

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

	General Fund	ESEA Title I Part-A	Debt Service Fund	EDA 2018 Series	Other Governmental Funds	Total
Property Taxes	\$ 23,044,497	\$ -	\$ 10,094,662	\$ -	\$ -	\$ 33,139,159
Penalties & Interest	515,566	-	196,666	-	-	712,232
Investment Income	1,452,534	-	491,720	1,619,520	741,448	4,305,222
Rental of Facilities & Insurance	1,007	-	-	-	11,636	12,643
Co-curricular	250,409	-	-	-	-	250,409
Webb County Permanent Fund	-	-	-	-	835,173	835,173
Miscellaneous	1,880,594	131,833	-	-	1,706,899	3,719,326
	<u>\$ 27,144,607</u>	<u>\$ 131,833</u>	<u>\$ 10,783,048</u>	<u>\$ 1,619,520</u>	<u>\$ 3,295,156</u>	<u>\$ 42,974,164</u>

**N. 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 2020, 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.

**Workers' Compensation**

The District was self-insured for workers' compensation claims in fiscal years 2002, 2003, and 2004. The following liabilities reported are based on the reserves that were earmarked through June 30, 2020. These reserves are estimates based on client's current medical condition and medical plan but may change as client's condition changes in either a positive or negative manner. Laredo ISD has partnered with Broadspire to manage the historical claims for clients. Broadspire will continue to perform the daily management of the

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**N. Risk Financing Activities (Continued)**

client’s medical treatment plan. Laredo ISD shall oversee the medical expenses periodically through client review on at least a quarterly basis to ensure efficient and effective expenditures. The medical expenditures of the client are based on client’s current health but can change dependent on client’s health. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. The District accounts for claim payments in the General Fund.

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

Year	Beginning of Fiscal Year Liability	Current Year Claims &/or changes in Estimate	Claims Payments	Balance at Fiscal Year-End
2018-2019	\$58,937	-	\$2,589	\$56,348
2019-2020	\$56,348	-	\$2,454	\$53,894

**Health Insurance**

The claims for the health insurance liability of \$1,139,856 reported in the Health Plan Internal Service Fund at June 30, 2020 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the Fund’s claims liability amounts are as follows:

	2019	2020
Beginning of the year liability	\$ 1,158,190	\$ 1,456,967
Current year claims	17,311,528	21,776,036
Changes in estimates	298,777	(317,111)
Claims payments	<u>(17,311,528)</u>	<u>(21,776,036)</u>
End of year liability	<u>\$ 1,456,967</u>	<u>\$ 1,139,856</u> <sup>1</sup>

<sup>1</sup>Claim liabilities are due within one year of the date of net position.

**O. Defined Benefit Pension Plan**

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

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**O. Defined Benefit Pension Plan (Continued)**

It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

***Pension Plan Fiduciary Net Position.*** Detail information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [https://www.trs.texas.gov/TRS%20Documents/cafr\\_2020.pdf](https://www.trs.texas.gov/TRS%20Documents/cafr_2020.pdf), selecting *About TRS* then *Publications* then *Financial Reports* or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698.

***Benefits Provided.*** TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description in (A) above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. In May, 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, the legislature to approve funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in either the matching amount of their monthly annuity or \$2,000, whichever was less.

***Contributions.*** Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension eform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 through 2025. Contribution Rates can be found in the TRS 2019 CAFR, Note 12, on page 76.



LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**O. Defined Benefit Pension Plan (Continued)**

	<b>Contribution Rates</b>	
	<b><u>2019</u></b>	<b><u>2020</u></b>
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	6.8%	7.5%
Employers	6.8%	7.5%
Current Fiscal Year Employer Contributions		\$6,189,516
Current Fiscal Year Member Contributions		\$13,765,797
2019 NECE On-Behalf Contributions		\$7,782,885

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

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- The district shall contribute 1.5% of covered payroll to the pension fund beginning in fiscal year 2020. This contribution rate called the Public Education Employer Contribution will replace the Non(OASDI) surcharge that was in effect in fiscal year 2019.

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

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.
- When a school district does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees. This surcharge was in effect through fiscal year 2019 and was replaced with the Public Education Employer Contribution explained above.

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**O. Defined Benefit Pension Plan (Continued)**

**Actuarial Assumptions.** The total pension liability in the August 31, 2018 actuarial valuation was determined using the following actuarial assumptions: *Actuarial Assumptions can be found in the 2019 TRS CAFR, Note F page 77.*

Valuation Date	August 31, 2018 rolled forward to August 31, 2019
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term expected Investment Rate of Return	7.25%
Inflation	2.30%
Municipal Bond Rate as of August 2019 <sup>1</sup>	2.63%
Salary Increases Including Inflation	3.05 to 9.05%
Last yr. ending Aug 31 in Projection Period (100 yrs.)	2116
Ad hoc Post Employment Benefit Changes	None

<sup>1</sup>Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."

The actuarial methods and assumptions are used in determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2018. For a full description of these assumptions please see the actuarial valuation report dated November 9, 2018.

**Discount Rate.** A single discount rate of 7.25 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.25 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the longterm expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2019 (see page 52 of the TRS CAFR) are summarized below:

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**O. Defined Benefit Pension Plan (Continued)**

Asset Class	FY 2019 Target Allocation <sup>1</sup>	New Target Allocation <sup>2</sup>	Long-Term Expected Geometric Real Rate of Return <sup>3</sup>
<b>Global Equity</b>			
U.S.	18.0%	18.0%	6.4%
Non-U.S. Developed	13.0%	13.0%	6.3%
Emerging Markets	9.0%	9.0%	7.3%
Directional Hedge Funds	4.0%	-	-
Private Equity	13.0%	14.0%	8.4%
<b>Stable Value</b>			
U.S. Treasuries <sup>4</sup>	11.0%	16.0%	3.1%
Stable Value Hedge Funds	4.0%	5.0%	4.5%
Absolute Return	0%	0%	0%
<b>Real Return</b>			
Global Inflation Linked Bonds <sup>4</sup>	3.0%	-	-
Real Assets	14.0%	15.0%	8.5%
Energy, Natural Resources & Infrastructure	5.0%	6.0%	7.3%
Commodities	0%	0%	0%
<b>Risk Parity</b>			
Risk Parity	5.0%	8.0%	
<b>Leverage</b>			
Cash	1.0%	1.0%	5.8%/6.5% <sup>5</sup>
Asset Allocation Leverage	-	-6.0%	2.50%
<b>Expected Return</b>	<b>100%</b>	<b>100%</b>	<b>7.23%</b>

<sup>1</sup>Target allocations are based on the Strategic Asset Allocation as of FY2019

<sup>2</sup>New allocations are based on the Strategic Asset Allocation to be implemented FY2020

<sup>3</sup>10-Year annualized geometric nominal returns include the real rate of return and inflation of 2.1%

<sup>4</sup>New Target Allocation groups Government Bonds within the stable value allocation. This includes global sovereign nominal and inflation-linked bonds

<sup>5</sup>15.8% (6.5%) return expectation corresponds to Risk Parity with a 10% (12%) target volatility

**Discount Rate Sensitivity Analysis.** The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.25%) in measuring the Net Pension Liability. *The discount rate can be found in the 2019 TRS CAFR, Note I, page 78.*

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Proportionate share of the net pension liability:	<u>\$126,490,619</u>	<u>\$82,289,307</u>	<u>\$46,477,712</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**O. Defined Benefit Pension Plan (Continued)**

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At June 30, 2020, the District reported a liability of \$82,289,307 for its proportionate share of the TRS’s net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District’s proportionate share of the collective net pension liability	\$82,289,307
State’s proportionate share that is associated with District	115,594,823
Total	\$197,884,130

The District utilizes funds based on employee assignments to liquidate the Pension liability through employer contributions in the payroll process. The majority of the liability is paid from General Fund and the remaining is from various federal/state grants.

The net pension liability was measured as of August 31, 2018 and rolled forward to August 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The employer’s proportion of the net pension liability was based on the employer’s contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2018 thru August 31, 2019.

At August 31, 2019 the employer’s proportion of the collective net pension liability was 0.1583000346% which was a decrease of -0.0029280715% from its proportionate measured as of August 31, 2018.

**Changes Since the Prior Actuarial Valuation.**

- The single discount rate as of August 31, 2018 was a blended rate of 6.907 percent and that has changed to the long-term rate of return of 7.25 percent as of August 31, 2019.
- With the enactment of SB 3 by the 2019 Texas Legislature, an assumption has been made about how this would impact future salaries. It is assumed that eligible active members will each receive a \$2,700 increase in fiscal year 2020. This is in addition to the salary increase expected in the actuarial assumptions.
- The Texas legislature approved funding for the 13<sup>th</sup> check. All eligible members retired as of December 31, 2018 will receive extra annuity check in September 2019 in either the matching amount of their monthly annuity payment or \$2,000, whichever is less.

For the year ended June 30, 2020, the District recognized pension expense of \$34,277,957 and revenue of \$18,158,318 for support provided by the State.

At June 30, 2020, the District reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**O. Defined Benefit Pension Plan (Continued)**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual actuarial experience	\$345,689	\$2,857,215
Changes in actuarial assumptions	25,530,184	10,550,280
Difference between projected and actual investment earnings	826,279	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	5,883,045	1,295,674
Total as of August 31, 2019 measurement date	32,585,197	14,703,169
Contributions paid to TRS subsequent to the measurement date	5,240,581	-
Total as of fiscal year-end	\$37,825,778	\$14,703,169

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

Year ended June 30:	Pension Expense Amount
2021	\$4,937,426
2022	3,936,011
2023	4,398,363
2024	4,129,436
2025	1,301,817
Thereafter	(821,025)

**P. Health Care Coverage**

The District is self-funded with Blue Cross Blue Shield of Texas (BCBSTX) acting as the health plan administrator. BCBSTX as well as the local servicing agency, Laurel Insurance Agency, services the group health program. The District maintains both aggregate and individual stop-loss coverage for catastrophic losses. The stop loss contracts renew on a calendar year basis. From 1/1/19 through 12/31/19 the individual stop loss deductible was \$250,000 per individual.

The District contributed \$475.00 for all Teacher Retirement System (TRS) qualified employees towards the cost of participation in the Preferred Provider Organization (PPO) medical plan program from 7/1/2019 through 8/30/2020.

The District offered three (3) benefit plan options: Basic, Low, High, (1/1/2019-12/31/2019) as well as four (4) tier coverage levels (Employee Only, Employee & Spouse, Employee & Children, Employee & Family) within each option. The District complies with all federal law and state laws, mandates or requirements in the administration and offering of its health plan.

The District's self-funded approach to financing its health plan 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 plan is at

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

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

2,995 employees as of June 30, 2020. Upon review by TRS, via the mandatory comparability reporting requirements, it was determined that the District satisfied all of the reporting requirements of the Education Code for the ongoing required 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.

**Medicare Part D.** The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. In accordance with GASB Statement No. 24, the District has recognized as revenues and expenditures, contributions made by the State to TRS on-behalf of the District's employees. For the year ended June 30, 2020, the state made contributions of \$848,942 related to on-behalf Medicare Part D payments. These revenues equal expenditures and are reflected in the fund financial statements for the General Fund.

**Q. Construction Commitments**

As of June 30, 2020, the District was obligated under the terms of various agreements for the construction of the following projects:

Project Name	Contract Amount	Paid to Date	Commitment Balance Remaining	Retainage Payable Amount
New School				
Construction/Improvements	\$ 69,963,822	\$ 10,225,500	\$ 59,738,322	\$ 831,401
Environmental Services	330,474	103,015	227,459	-
Architect Services	6,137,262	2,885,782	3,251,480	-
Total	<u>\$ 76,431,558</u>	<u>\$ 13,214,297</u>	<u>\$ 63,217,261</u>	<u>\$ 831,401</u>

**R. 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

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**R. Commitments and Contingencies (Continued)**

material adverse effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying financial statements for such contingencies.

**S. Fund Balance**

*Minimum fund balance policy.* The Board of Trustees has adopted a financial policy to maintain a minimum level of unassigned fund balance in the general fund. The target level is set at two months of general fund operations costs. This amount is intended to provide fiscal stability when economic downturns and other unexpected events occur. To achieve or maintain this goal, the Superintendent and Assistant Superintendent for Finance and Business Services are instructed to follow a financial plan. The policy provides for actions to implement this financial plan.

As of June 30, 2020, the District has classified its Committed and Assigned Fund Balances as follows:

	<b>General Funds</b>	<b>Nonmajor Funds</b>	<b>Total Governmental Funds</b>
<b><u>Committed Fund Balance</u></b>			
<i>Other Committed Fund Balance</i>			
E-Rate projects	\$ 954,699	\$ -	\$ 954,699
Martin High School roofing	325,985	-	325,985
Security camera replacement	1,228,074	-	1,228,074
Roof Repair on Cedar -Technology Dept.	13,851	-	13,851
Stabilization arrangement <sup>1</sup>	2,259,249	-	2,259,249
Campus activity funds	-	356,745	356,745
<b><i>Total Other Committed Fund Balance</i></b>	<b>\$ 4,781,858</b>	<b>\$ 356,745</b>	<b>\$ 5,138,603</b>
<b><u>Assigned Fund Balance</u></b>			
<i>Other Assigned Fund Balance</i>			
Cigarroa High School roofing	\$ 139,022	\$ -	\$ 139,022
Property & Casualty Deductible	400,000	-	400,000
Covid-19 Rapid Tests	100,000	-	100,000
One-Time COVID19 Supplemental Pay	3,549,098	-	3,549,098
Emergency Funds - Capital Repairs	100,000	-	100,000
Roof Repair at MHS Flores Gym	384,000	-	384,000
Roof Repair on Cedar -Technology Dept.	64,600	-	64,600
Chain Link Fence at Montes Field	65,000	-	65,000
Technology COM account	100,000	-	100,000
District-Wide Projects	3,037,059	24,261	3,061,320
<b><i>Total Other Assigned Fund Balance</i></b>	<b>\$ 7,938,779</b>	<b>\$ 24,261</b>	<b>\$ 7,963,040</b>

<sup>1</sup>Stabilization arrangement



LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

**S. Fund Balance (Continued)**

**Stabilization arrangement.** On September 17, 2019, the Board of Trustees approved the establishment of the stabilization arrangement in the general fund. The principal resource for this stabilization arrangement was derived from the excess revenue due to short year revenue funds for the fiscal year ended June 30, 2019. Stabilization amounts are reported in the general fund as other committed fund balance.

The criteria for the use of the stabilization arrangement was established for the following purposes:

**For Major Emergent Operating Issues** - the District is exposed to major non-reoccurring costs related to various emergency events or situations as a result of catastrophic events. These emergent situations cannot

be anticipated and budgeted for and it is not feasible to absorb the cost of such events in other budget areas in any given year. These emergent situations should fit the definition of a catastrophe as defined below:

- Fire, flood, earthquake, hurricane, tornado, or wind, rain, or snow storm;
- Power failure, transportation failure, or interruption of communication facilities;
- Epidemic; or
- Riot, civil disturbance, enemy attack, or other actual or threatened act of lawlessness or violence.

**For One-Time and Intermittent Projects** - the District undertakes certain one-time and/or intermittent projects that are larger in terms of costs. If these projects were funded from state aid and tax collections, annual spikes and subsequent declines may result; therefore, it is not prudent to fund these projects from current funding sources. These funds will be used to cover the underfunded costs of projects when such costs are 5% or more of the total project cost.

**T. Defined Other Post-Employment Benefit Plans**

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

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

**Benefits Provided.** TRS-Care health insurance coverage to retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic postemployment benefit changes; including automatic COLAs.

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**T. Defined Other Post-Employment Benefit Plans (Continued)**

The premium rates for retirees are reflected in the following table.

<b>TRS-Care Monthly for Retirees</b>		
	<b>Medicare Basic Plan</b>	<b>Non-Medicare Basic Plan</b>
Retiree*	\$ 135	\$200
Retiree and Spouse	529	689
Retiree* and Children	468	408
Retiree and Family	1,020	999

*\*or surviving spouse*

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

Texas Insurance Code, section 1575.202 establishes the state’s contribution rate which is 1.25% of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is .75% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

<b>Contribution Rates</b>		
	<b><u>2019</u></b>	<b><u>2020</u></b>
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private Funding remitted by Employers	1.25%	1.25%
2020 Employer Contributions		\$1,579,934
2020 Member Contributions		\$1,162,054
2020 NECE On-Behalf Contributions		\$2,002,980

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

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$73.6 million in fiscal year 2019.

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**T. Defined Other Post-Employment Benefit Plans (Continued)**

**Actuarial Assumptions**

The total OPEB liability in the August 31, 2018 was rolled forward to August 31, 2019. The actuarial valuation was determined using the following actuarial assumptions: *Actuarial Assumptions can be found in the 2019 TRS CAFR, Note F, page 70.*

The following assumptions and other inputs used for members of TRS are identical to the assumptions employed in the August 31, 2018 TRS annual pension actuarial valuation that was rolled forward to August 31, 2019:

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

***Additional Actuarial Methods and Assumptions:***

Valuation Date	August 31, 2018, rolled forward to August 31, 2019
Actuarial Cost Method	Individual Early Age Normal
Inflation	2.30%
Single Discount Rate <sup>1</sup>	2.63% as of August 31, 2019
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected Salary Increases <sup>2</sup>	3.05% to 9.05%
Healthcare Trend Rates <sup>3</sup>	7.50% to 10.25%
Election Rates	Normal Retirement: 65% participation prior to age 65 and 50% participation after age 65
Ad hoc post-employment benefit changes	None

<sup>1</sup>This was a decrease of 1.06 percent from the previous year. Because the plan is pay-as-you-go plan, the single discount rate is equal to the prevailing municipal bond rate.

<sup>2</sup>Includes Inflation increases

<sup>3</sup>Initial trend rates were 10.25% for Medicare retirees and 7.50% for non-Medicare retirees. Initial prescription drug trend rate of 10.25% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.5% over a period of 13 years.

**Other Information:** In this valuation, the impact of the Cadillac Tax that is returning in fiscal year 2023, has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

- 2018 thresholds of \$850/\$2,292 were indexed annually by 2.30 percent.
- Premium data submitted was not adjusted for permissible exclusions to the Cadillac Tax.
- There were no special adjustments to the dollar limit other than those permissible for non-Medicare retirees over 55.

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**T. Defined Other Post-Employment Benefit Plans (Continued)**

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

**Discount Rate.** A single discount rate of 2.63% was used to measure the total OPEB liability. There was a decrease of 1.06 percent in the discount rate since the previous year. *The Discount Rate can be found in the 2019 TRS CAFR on page 70.* Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Discount Rate Sensitivity Analysis.** The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.63%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (1.63%)	Discount Rate (2.63%)	1% Increase in Discount Rate (3.63%)
Proportionate share of the net OPEB liability:	\$121,273,317	\$100,448,289	\$84,156,853

**Healthcare Cost Trend Rates Sensitivity Analysis.** The following presents the impact of the Net OPEB Liability if a healthcare trend rate that is 1% less than and 1% greater than the assumed 8.5% rate used.

	1% Decrease in Healthcare Trend Rate	Current Single Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
Proportionate share of the net OPEB liability:	\$81,942,192	\$100,448,289	\$125,237,965

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.** At June 30, 2020, the District reported a liability of \$100,448,289 for its proportionate share of the TRS’s Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District’s proportionate share of the collective net OPEB liability	\$100,448,289
State’s proportionate share that is associated with District	133,473,310
Total	\$233,921,599

The District utilizes funds based on employee assignments to liquidate the OPEB liability through employer contributions in the payroll process. The majority of the liability is paid from General Fund and the remaining is from various federal/state grants.

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**T. Defined Other Post-Employment Benefit Plans (Continued)**

The net OPEB liability was measured as of August 31, 2018 and rolled forward to August 31, 2019 and the Total OPEB Liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB relative to the contributions of all employers to the plan for the period September 1, 2018 thru August 31, 2019.

At August 31, 2019, the employer's proportion of the collective net OPEB liability was 0.2124036554% which was an increase of -0.0023750384% from its proportion measured as of August 31, 2018.

**Changes Since the Prior Actuarial Valuation.** The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability (TOL) since the prior measurement period: *These can be found in the TRS CAFR on page 71.*

- The discount rate changed from 3.69 percent as of August 31, 2018 to 2.63 percent as of August 31, 2019. This change increased the TOL.
- The health care trend rates were reset to better reflect the plan's anticipated experience. This change increased the TOL.
- The participation rate for pre-65 retirees was lowered from 70 percent to 65 percent. The participation rate for post-65 retirees was lowered from 75 percent to 50 percent. 25 percent of pre-65 retirees are assumed to discontinue their coverage at age 65. There was no lapse assumption in the prior valuation. These changes decreased the TOL.
- The percentage of retirees who are assumed to have two-person coverage was lowered from 20 percent to 15 percent. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20 percent to 10 percent. These changes decreased the TOL.
- Change of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement period.

For the year ended June 30, 2020, the District recognized OPEB expense of \$6,054,823 and revenue of \$3,517,808 for support provided by the State.

At June 30, 2020, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual actuarial experience	\$4,927,842	\$16,437,297
Changes in actuarial assumptions	5,579,119	27,018,125
Difference between projected and actual investment earnings	10,837	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	1,714,519	1,315,452
Total as of August 31, 2019 measurement date	12,232,317	44,770,874
Contributions paid to TRS subsequent to the measurement date	1,318,455	-
Total as of fiscal year-end	\$13,550,772	\$44,770,874

LAREDO INDEPENDENT SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2020

**T. Defined Other Post-Employment Benefit Plans (Continued)**

The net amounts of the employer’s balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	OPEB Expense Amount
2021	(\$ 5,462,455)
2022	(\$ 5,462,455)
2023	(\$ 5,465,963)
2024	(\$ 5,467,969)
2025	(\$ 5,467,419)
Thereafter	(\$ 5,212,296)

**U. Shared Service Arrangements**

The Laredo Independent School District (LISD) participates in the Regional Day School Program for the Deaf (RDSPD), a shared service arrangement with school districts: United Independent School District (UISD), Jim Hogg County Independent School District (JHCISD), and Webb Consolidated Independent School District (WCISD). The District is acting as the fiscal agent for the parties 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	\$ 238,978
UISD	594,000
JHCISD	16,000
WCISD	<u>16,000</u>
	<u>\$ 864,978</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.

**V. Subsequent Events**

In March 2020, the World Health Organization declared the novel coronavirus (“COVID-19”) a global pandemic and recommended containment and mitigation measures worldwide. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected public education, workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses and organizations. It is not possible for management to predict the duration or magnitude of the adverse results of the outbreak and its disruptive effects on the District’s operations and financial results at this time.

In July 2020, the District issued \$14,370,000 Unlimited Tax Refunding Bonds, Series 2020. Proceeds from the sale of the Bonds were utilized to refund Unlimited Tax Refunding Bonds, Series 2010. This refunding resulted in a savings amount of \$1,596,100.

**This Page Left Blank Intentionally**



**REQUIRED SUPPLEMENTARY  
INFORMATION**

LAREDO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2020

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	\$ 27,080,836	\$ 27,080,836	\$ 27,144,607	\$ 63,771
5800 State Program Revenues	196,045,066	200,072,004	186,872,874	(13,199,130)
5900 Federal Program Revenues	26,455,484	26,455,484	20,330,843	(6,124,641)
5020 Total Revenues	249,581,386	253,608,324	234,348,324	(19,260,000)
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	130,859,415	136,992,948	120,815,816	16,177,132
0012 Instructional Resources and Media Services	4,642,802	4,780,775	4,610,008	170,767
0013 Curriculum and Instructional Staff Development	1,698,516	1,816,952	1,332,552	484,400
0021 Instructional Leadership	3,437,955	3,471,811	3,391,089	80,722
0023 School Leadership	15,701,753	15,701,878	15,299,638	402,240
0031 Guidance, Counseling, and Evaluation Services	7,365,440	7,367,880	7,206,387	161,493
0032 Social Work Services	1,809,647	1,962,127	1,863,966	98,161
0033 Health Services	2,654,338	2,706,618	2,630,872	75,746
0034 Student (Pupil) Transportation	4,691,703	5,682,475	5,245,150	437,325
0035 Food Services	22,452,392	22,363,249	16,337,276	6,025,973
0036 Extracurricular Activities	6,619,966	8,685,608	7,695,637	989,971
0041 General Administration	9,223,636	8,804,694	8,002,121	802,573
0051 Facilities Maintenance and Operations	25,745,795	27,654,084	24,127,853	3,526,231
0052 Security and Monitoring Services	5,423,152	7,093,189	4,867,001	2,226,188
0053 Data Processing Services	4,648,385	4,866,917	4,512,823	354,094
0061 Community Services	425,895	451,959	235,379	216,580
Capital Outlay:				
0081 Facilities Acquisition and Construction	1,591,284	2,599,673	1,428,036	1,171,637
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	100,000	100,000	59,091	40,909
6030 Total Expenditures	249,092,074	263,102,837	229,660,695	33,442,142
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	489,312	(9,494,513)	4,687,629	14,182,142
<b>OTHER FINANCING SOURCES (USES):</b>				
7915 Transfers In	2,390,330	2,390,330	2,126,193	(264,137)
8911 Transfers Out (Use)	(3,414,407)	(10,301,864)	(9,643,804)	658,060
7080 Total Other Financing Sources (Uses)	(1,024,077)	(7,911,534)	(7,517,611)	393,923
1200 Net Change in Fund Balances	(534,765)	(17,406,047)	(2,829,982)	14,576,065
0100 Fund Balance - July 1 (Beginning)	82,239,045	82,239,045	82,239,045	-
3000 Fund Balance - June 30 (Ending)	\$ 81,704,280	\$ 64,832,998	\$ 79,409,063	\$ 14,576,065

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2020

**A. Budgetary Information**

The Board of Trustees adopts an "appropriated budget" for the General Fund, Debt Service Fund and the Food Service Fund (which is included in the General Fund). The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures.

The following procedures are followed in establishing the budgetary data reflected in the general-purpose financial statements:

- 1) Prior to June 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 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. At least ten days' public notice of the meeting must be given.
- 3) Prior to July 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.
- 4) Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund, General Fund – Food Service, and Debt Service Fund. The Food Service Fund is accounted in the general fund. A more detailed budget versus actual presentation for the Food Service Fund is reported as supplementary information to demonstrate legal compliance at the legal level of budgetary control.
- 5) 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. Expenditures may not legally exceed budgeted appropriations at the function level.
- 6) Each budget is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year-end.

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR THE YEAR ENDED JUNE 30, 2020

	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Pension Liability (Asset)	0.158300035%	0.161228106%	0.157603622%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 82,289,307	\$ 88,743,863	\$ 50,393,148
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	115,594,823	127,332,071	77,759,695
Total	<u>\$ 197,884,130</u>	<u>\$ 216,075,934</u>	<u>\$ 128,152,843</u>
District's Covered Payroll	\$ 169,037,866	\$ 166,820,641	\$ 163,525,595
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	48.68%	53.20%	30.82%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.24%	73.74%	82.17%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

<u>FY 2017</u> <u>Plan Year 2016</u>	<u>FY 2016</u> <u>Plan Year 2015</u>	<u>FY 2015</u> <u>Plan Year 2014</u>
0.159388778%	0.1644294%	0.1020927%
\$ 60,230,649	\$ 58,123,604	\$ 27,270,373
94,490,295	91,324,939	78,764,172
<u>\$ 154,720,944</u>	<u>\$ 149,448,543</u>	<u>\$ 106,034,545</u>
\$ 160,736,603	\$ 156,283,905	\$ 146,636,889
37.47%	37.19%	18.60%
78.00%	78.43%	83.25%

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR FISCAL YEAR 2020

	2020	2019	2018
Contractually Required Contribution	\$ 6,189,516	\$ 4,591,757	\$ 5,431,403
Contribution in Relation to the Contractually Required Contribution	(6,189,516)	(4,591,757)	(5,431,403)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 178,778,811	\$ 139,962,727	\$ 166,820,641
Contributions as a Percentage of Covered Payroll	3.46%	3.28%	3.26%

Note: GASB Codification, Vol. 2, P20.183 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

	2017	2016	2015
\$	5,165,135	\$ 5,064,178	\$ 4,868,826
	(5,165,135)	(5,064,178)	(4,868,826)
\$	-	\$ -	\$ -
\$	163,525,595	\$ 160,736,603	\$ 156,283,905
	3.16%	3.15%	3.12%



LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR THE YEAR ENDED JUNE 30, 2020

	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.212403655%	0.214778694%	0.211202855%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 100,448,289	\$ 107,240,968	\$ 91,844,198
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	133,473,310	135,014,322	120,356,713
Total	<u>\$ 233,921,599</u>	<u>\$ 242,255,290</u>	<u>\$ 212,200,911</u>
District's Covered Payroll	\$ 169,037,866	\$ 166,820,641	\$ 163,525,595
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	59.42%	64.29%	56.17%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	2.66%	1.57%	0.91%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. Therefore the amounts reported for FY 2020 are for the measurement date of August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR FISCAL YEAR 2020

	2020	2019	2018
Contractually Required Contribution	\$ 1,579,934	\$ 1,246,004	\$ 1,481,666
Contribution in Relation to the Contractually Required Contribution	(1,579,934)	(1,246,004)	(1,481,666)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 178,778,811	\$ 139,962,727	\$ 166,820,988
Contributions as a Percentage of Covered Payroll	0.88%	0.89%	0.89%

Note: GASB Codification, Vol. 2, P50.238 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

Information in this schedule should be provided only for the years where data is available. Eventually 10 years of data should be presented.

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2020

**A. TRS Pension**

*1. Changes of Benefit Terms*

There were no changes of benefit terms that affected measurement of the Total Pension Liability during the measurement period.

*2. Changes in Assumptions*

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

1. The single discount rate as of August 31, 2018 was a blended rate of 6.907 percent and that has changed to the long-term rate of return of 7.25 percent as of August 31, 2019.
2. With the enactment of SB 3 by the 2019 Texas Legislature, an assumption has been made about how this would impact future salaries. It is assumed that eligible active members will each receive a \$2,700 increase in fiscal year 2020. This is in addition to the salary increase expected in the actuarial assumptions.
3. The Texas legislature approved funding for the 13<sup>th</sup> check. All eligible members retired as of December 31, 2018 will receive extra annuity check in September 2019 in either the matching amount of their monthly annuity payment or \$2,000, whichever is less.

**B. TRS OPEB Plan**

*1. Changes of Benefit Terms*

Change of Benefit Terms Since the Prior Measurement Date – There were no changes of benefit terms since the prior measurement period.

*2. Changes in Assumptions*

The following were changes to the actuarial assumptions or other inputs that affected measurement of Total OPEB Liability (TOL) since the prior measurement period:

1. The discount rate changed from 3.69 percent as of August 31, 2018 to 2.63 percent as of August 31, 2019. This change increased the TOL.
2. The health care trend rates were reset to better reflect the plan's anticipated experience. This change increased the TOL.
3. The participation rate for pre-65 retirees was lowered from 70 percent to 65 percent. The participation rate for post-65 retirees was lowered from 75 percent to 50 percent. 25 percent of pre-65 retirees are assumed to discontinue their coverage at age 65. There was no lapse assumption in the prior valuation. These changes decreased the TOL.
4. The percentage of retirees who are assumed to have two-person coverage was lowered from 20 percent to 15 percent. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20 percent to 10 percent. These changes decreased the TOL.

## **COMBINING AND OTHER STATEMENTS**

## NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

---

Special Revenue Funds are used to account for resources restricted to specific purposes by a grantor or for purposes committed by the Board of Trustees. Federal financial assistance often is accounted for in a Special Revenue Fund. In most Special Revenue funds, unused balances are recorded as unearned revenue and carried forward to the succeeding fiscal year, provided the amount carried forward is within the limits established by the grantor. The District budgets for Special Revenue Funds as grants are awarded by the various grantors. The District uses project accounting for them in order to maintain integrity for the various sources of funds. These funds utilize the modified accrual basis of accounting and budgeting. Included in the District's Special Revenue Funds are:

### **206 ESEA, Title X, Part C – Homeless Education**

Texas Education for Homeless Children and Youth (TEHCY), as reauthorized by Title IX, Part A, of the Every Student Succeeds Act (ESEA) facilitates the identification, enrollment, attendance and academic success of homeless children and youth by removing barriers and promote school stability for students experiencing homelessness.

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

This fund classification supports high quality education programs for migratory children and help ensure that migratory children who move among the states are not penalized in any manner by disparities among states in curriculum, graduation requirements, or state academic content and student academic achievement standards. Fund ensure that migratory children receive full and appropriate opportunities to meet the same challenging state academic achievement and support programs that help migrant students overcome the challenges of mobility, cultural and language barriers, social isolation, and other difficulties associated with a migratory lifestyle.

### **224 IDEA, Part B - Formula**

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

### **225 IDEA, Part B - Preschool**

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

### **226 IDEA, Part B - Discretionary (Deaf)**

This fund classification is to be used to account for funds granted to provide special education and related services to children with disabilities ages 3-21 in a Regional Day School Program for the Deaf.

### **242 Summer Feeding Program, Texas Department of Agriculture (TDA)**

This fund classification is to be used to account, on a project basis, for funds received from the Department of Human Services that are awarded for meals provided to the community based on the average number of daily participants. This fund should be used regardless of whether a school district's National School Breakfast and Lunch Program is accounted for in the General Fund (101), a Special Revenue Fund (240) or an Enterprise Fund (701).

## NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

---

### **244 Title I, Part C – Carl D. Perkins Career and Technical Education Grant**

This fund classification is to develop the academic, career, and technical skills of secondary students who enroll in CTE programs by assisting CTE students in meeting challenging academic and technical standards. Fund supports the preparation for high skill, high wage, or high demand occupations by promoting the integration of academic, career, and technical instruction that links secondary and postsecondary education for CTE students. Fund increases flexibility in providing services and activities designed to develop, implement, and improve CTE programs.

### **255 ESEA, Title II, Part A – Support Effective Instruction**

This fund classification is to increase student achievement consistent with the challenging State academic standards and improve the quality and effectiveness of teachers, principals, and other school leaders. Fund increases the number of effective teachers, principals, and other school leaders who are effective in improving student academic achievement in schools and provide low-income and minority students' greater access to effective teachers, principals, and other school leaders. The intent of the funding is to support educators in their work to improve the overall quality of instruction and ensure equity of educational opportunity for all students.

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

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

### **274 College Now – Career Connected!**

This fund classification is to be used to account for funds granted to increase the number of low-income students who are prepared to enter and succeed in postsecondary education. An entire cohort of students are served beginning no later than the seventh grade and followed through high school.

### **289 ESSA, Title IV, Part A - Student Support and Academic Enrichment**

This fund classification is to increase the capacity of state education agencies, local educational agencies (LEAs), campuses, and communities to provide all students access to a well-rounded education, improve academic outcomes by maintaining safe and healthy students, and improve the use of technology to advance student academic achievement.

### **397 Advanced Placement Incentives**

This fund classification is to be used to recognize and reward those students, teachers, and schools that successfully achieve the educational goals of the state. The subsidies and awards granted are for the purpose of promoting academic enhancement.

### **410 Instructional Materials Allotment**

This fund classification is to be used to account, on a project basis, for funds awarded to school districts to purchase technological software, equipment, or textbooks that contribute to student learning, or to pay for training for educational personnel involved in the use of these materials.

### **424 LEOSE (Law Enforcement Officer Standards and Education)**

This fund classification is to be used to account, on a project basis, for funds awarded to qualified Law Enforcement Agencies for costs related to the continuing education of persons licensed under Chapter 1701, Occupations Code.

## NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

---

### **427 Math and Literacy Academies**

This fund classification is to be used to account for funds granted for math and literacy achievement academies for payment of teacher stipends.

### **429 Other State Grants**

State funded special revenue funds not listed above are to be accounted for in this fund. The following grants are to be converted to Fund 429 for PEIMS reporting:

- 426-CTE Summer Career Technical Education Grant
- 429-GYO Grow Your Own Grant, Cycle 2
- 429-MIE Math Innovation zones Grant, Cycle 2, Year 2 Execution
- 426-MIP Math Innovation Zones Grant, Cycle 1, Year 2 Pilot
- 429-MIZ Math Innovation Zones Grant, Cycle 2, Year 1 Planning
- 429-NCS National Crime Statistics Exchange Implementation Grant
- 429-PTC P-Tech and ICIA Success Grant
- 429-RTR Read to Succeed Grant

### **435 Regional Day School for the Deaf**

This fund classification is to be used by the fiscal agent of a shared services arrangement to account, on a project basis for funds allocated for staff and activities of the Regional Day School Program for the Deaf (RDSPD). These funds are not to be used to pay salaries of teachers with a teaching assignment other than deaf students in the RDSPD. State Deaf funds should not be used to pay the salary of teachers of American Sign Language as a foreign language at the junior high or high school level, as this is a course for regular education credit.

### **461 Campus Activity**

This fund classification is to be used to account for transactions related to a principal's activity fund if the monies generated are not subject to recall by the school district's board of trustees into the General Fund.

### **482 Dr. Hochman Classroom Grant**

This fund classification is to be used to account for awards granted to teachers on a need basis allowing purchases for educational materials and supplies.

### **483 Equitable Sharing Program**

This fund classification is to be used to account, on a project basis, for funds awarded to the Laredo ISD Police Department for law enforcement investigations, training, equipment, travel, awareness, gang education and awareness programs.

### **484 OCDEF (Organized Crime Drug Enforcement Task Force) Grant**

This fund classification is used to account, on a project basis, for funds granted to the Laredo ISD Police Department for overtime and/or other costs associated with law enforcement.

### **488 Advertising**

This fund classification is to be used, on a project basis, to account for proceeds from advertising activities and to earmark the proceeds. Promote school projects and educational programs that directly benefit students.



## NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

---

### **489 Texas Mutual Grant**

Grant will directly support workforce development initiatives designed to strengthen job-skill training, influence statewide change and empower community collaboration.

### **490 Jesus Martinez Performing Arts Complex**

This fund classification is to be used to account for rental receipts from the Aquatic Center and the disbursements for its operation and maintenance.

### **497 AEP Foundation Grant**

This fund classification is to be used to account for funds awarded to Laredo ISD from the AEP Foundation Credits Count Grant. The AEP Foundation funds will support STEM exploration for students at three middle schools; readiness assessments for 9<sup>th</sup> and 10<sup>th</sup> graders; summer bridge program at Laredo College; dual credit college courses for 9<sup>th</sup> and 10<sup>th</sup> grade students; scholarships and books and professional development opportunities for faculty.

### **499 Strength Breakfast Grant**

This fund classification is to be used to account for funds awarded to Laredo ISD from the Share our Strength's No Kid Hungry grants. The purpose of these grants is to provide startup-funds to increase student participation in the school breakfast program, and to support Laredo ISD critical work to bring nutritious meals to kids and families in response to the coronavirus emergency.

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2020

Data Control Codes	206 ESEA Title X, Pt.C Homeless	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	\$ -	\$ -	\$ 396,555	\$ -
1120 Investments - Current	-	-	-	-
1240 Due from Other Governments	503	17,735	1,360,314	187
1250 Accrued Interest	-	-	-	-
1260 Due from Other Funds	-	84	1,597	-
1290 Other Receivables	-	-	-	-
1000 Total Assets	<u>\$ 503</u>	<u>\$ 17,819</u>	<u>\$ 1,758,466</u>	<u>\$ 187</u>
<b>LIABILITIES</b>				
2110 Accounts Payable	\$ -	\$ -	\$ 35	\$ -
2160 Accrued Wages Payable	-	-	525,658	-
2170 Due to Other Funds	503	17,819	836,218	187
2180 Due to Other Governments	-	-	396,555	-
2300 Unearned Revenue	-	-	-	-
2000 Total Liabilities	<u>503</u>	<u>17,819</u>	<u>1,758,466</u>	<u>187</u>
<b>FUND BALANCES</b>				
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	-	-
3470 Capital Acquisition and Contractual Obligation	-	-	-	-
3490 Administration Building WCPSF	-	-	-	-
Committed Fund Balance:				
3510 Construction	-	-	-	-
3545 Other Committed Fund Balance	-	-	-	-
Assigned Fund Balance:				
3590 Other Assigned Fund Balance	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	<u>\$ 503</u>	<u>\$ 17,819</u>	<u>\$ 1,758,466</u>	<u>\$ 187</u>

226 IDEA - Part B Discretionary	242 Summer Feeding Program	244 Title I, C Carl Perkins	255 ESEA II,A Support	263 Title III, A English Lang. Acquisition	274 College Now Career Connected!	289 ESSA Title IV Part A	397 Advanced Placement Incentives
\$ -	\$ 637,602	\$ -	\$ -	\$ -	\$ -	\$ 82,936	\$ 3,730
-	-	-	-	-	-	-	-
924	774,051	66,083	442,595	262,976	285,570	183,178	-
-	-	-	-	-	-	-	-
-	112	84	420	812	84	-	-
-	-	-	-	-	-	-	-
<u>\$ 924</u>	<u>\$ 1,411,765</u>	<u>\$ 66,167</u>	<u>\$ 443,015</u>	<u>\$ 263,788</u>	<u>\$ 285,654</u>	<u>\$ 266,114</u>	<u>\$ 3,730</u>
\$ -	\$ 51,688	\$ 5,001	\$ 10,400	\$ -	\$ 219,517	\$ 162,892	\$ 2,353
-	215,984	-	180,669	61,878	34,350	37,775	-
924	1,144,093	61,166	251,946	157,861	31,787	-	-
-	-	-	-	-	-	-	-
-	-	-	-	44,049	-	65,447	-
<u>924</u>	<u>1,411,765</u>	<u>66,167</u>	<u>443,015</u>	<u>263,788</u>	<u>285,654</u>	<u>266,114</u>	<u>2,353</u>
-	-	-	-	-	-	-	1,377
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,377</u>
<u>\$ 924</u>	<u>\$ 1,411,765</u>	<u>\$ 66,167</u>	<u>\$ 443,015</u>	<u>\$ 263,788</u>	<u>\$ 285,654</u>	<u>\$ 266,114</u>	<u>\$ 3,730</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2020

Data Control Codes	410 Instructional Materials Allotment	424 LEOSE	427 Math & Literacy Academies	429 Other State Grants	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ 54,988	\$ 6,778	\$ -	\$ -
1120	Investments - Current	-	-	-	-
1240	Due from Other Governments	-	-	-	87,789
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	969	-	-	28
1290	Other Receivables	-	-	-	-
1000	Total Assets	<u>\$ 55,957</u>	<u>\$ 6,778</u>	<u>\$ -</u>	<u>\$ 87,817</u>
<b>LIABILITIES</b>					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ -
2160	Accrued Wages Payable	-	-	-	-
2170	Due to Other Funds	-	-	-	87,817
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenue	36,946	6,778	-	-
2000	Total Liabilities	<u>36,946</u>	<u>6,778</u>	<u>-</u>	<u>87,817</u>
<b>FUND BALANCES</b>					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	19,011	-	-	-
3470	Capital Acquisition and Contractual Obligation	-	-	-	-
3490	Administration Building WCPSF	-	-	-	-
Committed Fund Balance:					
3510	Construction	-	-	-	-
3545	Other Committed Fund Balance	-	-	-	-
Assigned Fund Balance:					
3590	Other Assigned Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>19,011</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 55,957</u>	<u>\$ 6,778</u>	<u>\$ -</u>	<u>\$ 87,817</u>

435 SSA Regional Day School - Deaf	461 Campus Activity Funds	482 Dr. Hochman Classroom Grant	483 Equitable Sharing Program	484 OCDETF	488 Advertising Fund	489 Texas Mutual Grant	490 J. Martinez Performing Arts Complex
\$ 841,483	\$ 363,971	\$ 779	\$ 117,863	\$ -	\$ 24,261	\$ 9,905	\$ 17,205
-	-	-	-	-	-	-	-
10,675	-	-	-	19,455	-	-	-
-	-	-	-	-	-	-	-
588	1,971	-	-	-	-	-	84
-	1,509	-	-	-	-	-	-
<u>\$ 852,746</u>	<u>\$ 367,451</u>	<u>\$ 779</u>	<u>\$ 117,863</u>	<u>\$ 19,455</u>	<u>\$ 24,261</u>	<u>\$ 9,905</u>	<u>\$ 17,289</u>
\$ -	\$ 9,638	\$ -	\$ -	\$ -	\$ -	\$ 9,575	\$ 13,602
125,952	-	-	-	2,044	-	-	-
-	1,068	-	10	17,411	-	-	-
-	-	-	-	-	-	-	-
-	-	-	117,853	-	-	330	3,687
<u>125,952</u>	<u>10,706</u>	<u>-</u>	<u>117,863</u>	<u>19,455</u>	<u>-</u>	<u>9,905</u>	<u>17,289</u>
726,794	-	779	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	356,745	-	-	-	-	-	-
-	-	-	-	-	24,261	-	-
<u>726,794</u>	<u>356,745</u>	<u>779</u>	<u>-</u>	<u>-</u>	<u>24,261</u>	<u>-</u>	<u>-</u>
<u>\$ 852,746</u>	<u>\$ 367,451</u>	<u>\$ 779</u>	<u>\$ 117,863</u>	<u>\$ 19,455</u>	<u>\$ 24,261</u>	<u>\$ 9,905</u>	<u>\$ 17,289</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2020

Data Control Codes	497 AEP Foundation Grant	499 Strength Breakfast Grant	Total Nonmajor Special Revenue Funds	616 Local Funds Capital Projects	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ -	\$ 15,000	\$ 2,573,056	\$ 25,960,774
1120	Investments - Current	-	-	-	-
1240	Due from Other Governments	44,510	-	3,556,545	-
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	-	-	6,833	17
1290	Other Receivables	-	-	1,509	-
1000	Total Assets	<u>\$ 44,510</u>	<u>\$ 15,000</u>	<u>\$ 6,137,943</u>	<u>\$ 25,960,791</u>
<b>LIABILITIES</b>					
2110	Accounts Payable	\$ -	\$ -	\$ 484,701	\$ 1,344,639
2160	Accrued Wages Payable	-	-	1,184,310	-
2170	Due to Other Funds	44,497	15,000	2,668,307	25,704
2180	Due to Other Governments	-	-	396,555	-
2300	Unearned Revenue	13	-	275,103	-
2000	Total Liabilities	<u>44,510</u>	<u>15,000</u>	<u>5,008,976</u>	<u>1,370,343</u>
<b>FUND BALANCES</b>					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	747,961	-
3470	Capital Acquisition and Contractual Obligation	-	-	-	917,681
3490	Administration Building WCPSF	-	-	-	4,818,733
Committed Fund Balance:					
3510	Construction	-	-	-	18,854,034
3545	Other Committed Fund Balance	-	-	356,745	-
Assigned Fund Balance:					
3590	Other Assigned Fund Balance	-	-	24,261	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>1,128,967</u>	<u>24,590,448</u>
4000	Total Liabilities and Fund Balances	<u>\$ 44,510</u>	<u>\$ 15,000</u>	<u>\$ 6,137,943</u>	<u>\$ 25,960,791</u>

694 EDA 2014 Series	695 EDA 2005 Series	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ 10,535,962	\$ 1,735	\$ 36,498,471	\$ 39,071,527
1,964,000	-	1,964,000	1,964,000
-	-	-	3,556,545
15,870	-	15,870	15,870
-	-	17	6,850
-	-	-	1,509
<u>\$ 12,515,832</u>	<u>\$ 1,735</u>	<u>\$ 38,478,358</u>	<u>\$ 44,616,301</u>
\$ 916,089	\$ -	\$ 2,260,728	\$ 2,745,429
-	-	-	1,184,310
-	1,735	27,439	2,695,746
-	-	-	396,555
-	-	-	275,103
<u>916,089</u>	<u>1,735</u>	<u>2,288,167</u>	<u>7,297,143</u>
-	-	-	747,961
11,599,743	-	12,517,424	12,517,424
-	-	4,818,733	4,818,733
-	-	18,854,034	18,854,034
-	-	-	356,745
-	-	-	24,261
<u>11,599,743</u>	<u>-</u>	<u>36,190,191</u>	<u>37,319,158</u>
<u>\$ 12,515,832</u>	<u>\$ 1,735</u>	<u>\$ 38,478,358</u>	<u>\$ 44,616,301</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2020

Data Control Codes	206 ESEA Title X, Pt.C Homeless	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	12,502	99,841	4,419,057	7,971
5020 Total Revenues	12,502	99,841	4,419,057	7,971
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	12,210	20,079	2,617,749	6,557
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	486	6,352	-
0021 Instructional Leadership	292	55,179	331,662	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	703	1,289,543	1,239
0033 Health Services	-	-	151,178	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	15,577	175
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	1,470	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	21,924	6,996	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
6030 Total Expenditures	12,502	99,841	4,419,057	7,971
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES):</b>				
7915 Transfers In	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -



226 IDEA - Part B Discretionary	242 Summer Feeding Program	244 Title I, C Carl Perkins	255 ESEA II,A Support	263 Title III, A English Lang. Acquisition	274 College Now Career Connected!	289 ESSA Title IV Part A	397 Advanced Placement Incentives
\$ -	\$ 9,497	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	958
16,237	3,884,008	453,218	1,296,766	1,169,438	507,723	1,033,964	-
16,237	3,893,505	453,218	1,296,766	1,169,438	507,723	1,033,964	958
10,237	-	289,614	990,754	1,079,419	478,822	323,534	2,352
-	-	-	-	-	-	-	-
-	-	113,663	253,313	22,408	17,155	282,669	-
-	-	4,353	50,674	51,116	-	898	-
-	-	108	2,025	-	1,002	1,840	-
-	-	2,482	-	-	1,106	44,502	-
-	-	-	-	-	-	10,607	-
-	3,887,673	-	-	-	-	716	-
-	-	11,486	-	-	6,688	35,548	-
-	-	-	-	-	-	-	-
-	5,832	-	-	-	-	5,867	-
-	-	-	-	-	-	326,783	-
-	-	31,512	-	-	-	-	-
-	-	-	-	16,495	2,950	1,000	-
-	-	-	-	-	-	-	-
6,000	-	-	-	-	-	-	-
16,237	3,893,505	453,218	1,296,766	1,169,438	507,723	1,033,964	2,352
-	-	-	-	-	-	-	(1,394)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(1,394)
-	-	-	-	-	-	-	2,771
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,377

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2020

Data Control Codes	410 Instructional Materials Allotment	424 LEOSE	427 Math & Literacy Academies	429 Other State Grants
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ 969	\$ -	\$ -	\$ -
5800 State Program Revenues	5,972,813	-	300	381,370
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	5,973,782	-	300	381,370
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	5,972,813	-	300	94,589
0012 Instructional Resources and Media Services	-	-	-	136
0013 Curriculum and Instructional Staff Development	-	-	-	171,051
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-	-
0033 Health Services	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	15,594
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	100,000
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
6030 Total Expenditures	5,972,813	-	300	381,370
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	969	-	-	-
<b>OTHER FINANCING SOURCES (USES):</b>				
7915 Transfers In	-	-	-	-
1200 Net Change in Fund Balance	969	-	-	-
0100 Fund Balance - July 1 (Beginning)	18,042	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ 19,011	\$ -	\$ -	\$ -

	435 SSA Regional Day School - Deaf	461 Campus Activity Funds	482 Dr. Hochman Classroom Grant	483 Equitable Sharing Program	484 OCDETF	488 Advertising Fund	489 Texas Mutual Grant	490 J. Martinez Performing Arts Complex
\$	626,000	\$ 706,305	\$ 5,000	\$ 1,521	\$ -	\$ 19,000	\$ 24,670	\$ 14,953
	238,978	-	-	-	-	-	-	-
	-	-	-	134,778	20,785	-	-	-
	864,978	706,305	5,000	136,299	20,785	19,000	24,670	14,953
	792,352	50,920	4,221	-	-	-	24,670	-
	-	14,688	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	4,694	-	-	-	-	-	-
	-	34,850	-	-	-	-	-	-
	70,853	294	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	244,848	-	-	-	90,914	-	-
	-	-	-	-	-	-	-	63,666
	-	1,112	-	-	-	-	-	121,182
	-	1,880	-	136,299	20,785	-	-	27,786
	-	-	-	-	-	-	-	-
	-	314,607	-	-	-	-	-	22,585
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	863,205	667,893	4,221	136,299	20,785	90,914	24,670	235,219
	1,773	38,412	779	-	-	(71,914)	-	(220,266)
	-	-	-	-	-	-	-	220,266
	1,773	38,412	779	-	-	(71,914)	-	-
	725,021	318,333	-	-	-	96,175	-	-
\$	726,794	\$ 356,745	\$ 779	\$ -	\$ -	\$ 24,261	\$ -	\$ -

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2020

Data Control Codes	497 AEP Foundation Grant	499 Strength Breakfast Grant	Total Nonmajor Special Revenue Funds	616 Local Funds Capital Projects
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ 267,119	\$ 50,972	\$ 1,726,006	\$ 1,287,823
5800 State Program Revenues	-	-	6,594,419	-
5900 Federal Program Revenues	-	-	13,056,288	-
5020 Total Revenues	267,119	50,972	21,376,713	1,287,823
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	196,224	-	12,967,416	-
0012 Instructional Resources and Media Services	-	-	14,824	-
0013 Curriculum and Instructional Staff Development	3,000	-	870,097	-
0021 Instructional Leadership	67,895	-	566,763	-
0023 School Leadership	-	-	39,825	-
0031 Guidance, Counseling, and Evaluation Services	-	-	1,410,722	-
0033 Health Services	-	-	161,785	-
0035 Food Services	-	50,972	3,939,361	-
0036 Extracurricular Activities	-	-	420,830	-
0041 General Administration	-	-	63,666	-
0051 Facilities Maintenance and Operations	-	-	135,463	-
0052 Security and Monitoring Services	-	-	613,533	-
0053 Data Processing Services	-	-	31,512	-
0061 Community Services	-	-	386,557	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	8,462,159
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	6,000	-
6030 Total Expenditures	267,119	50,972	21,628,354	8,462,159
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(251,641)	(7,174,336)
<b>OTHER FINANCING SOURCES (USES):</b>				
7915 Transfers In	-	-	220,266	4,887,457
1200 Net Change in Fund Balance	-	-	(31,375)	(2,286,879)
0100 Fund Balance - July 1 (Beginning)	-	-	1,160,342	26,877,327
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ 1,128,967	\$ 24,590,448

694 EDA 2014 Series	695 EDA 2005 Series	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ 281,327	\$ -	\$ 1,569,150	\$ 3,295,156
-	-	-	6,594,419
-	-	-	13,056,288
281,327	-	1,569,150	22,945,863
-	-	-	12,967,416
-	-	-	14,824
-	-	-	870,097
-	-	-	566,763
-	-	-	39,825
-	-	-	1,410,722
-	-	-	161,785
-	-	-	3,939,361
-	-	-	420,830
-	-	-	63,666
-	-	-	135,463
-	-	-	613,533
-	-	-	31,512
-	-	-	386,557
5,388,484	-	13,850,643	13,850,643
-	-	-	6,000
5,388,484	-	13,850,643	35,478,997
(5,107,157)	-	(12,281,493)	(12,533,134)
-	-	4,887,457	5,107,723
(5,107,157)	-	(7,394,036)	(7,425,411)
16,706,900	-	43,584,227	44,744,569
\$ 11,599,743	\$ -	\$ 36,190,191	\$ 37,319,158

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 JUNE 30, 2020

	865 Student Activity Fund	876 Back to School Program	878 Donations Fund	879 Scholarships Fund	Total Custodial Funds
<b>ASSETS</b>					
Current Assets:					
Cash and Cash Equivalents	\$ 846,730	\$ 6,523	\$ 55,713	\$ 96,293	\$ 1,005,259
Total Assets	<u>846,730</u>	<u>6,523</u>	<u>55,713</u>	<u>96,293</u>	<u>1,005,259</u>
<b>NET POSITION</b>					
Restricted for Scholarships	\$ -	\$ -	\$ -	\$ 96,293	\$ 96,293
Restricted for Individuals and Organizations	<u>846,730</u>	<u>6,523</u>	<u>55,713</u>	<u>-</u>	<u>908,966</u>
Total Net Position	<u>\$ 846,730</u>	<u>\$ 6,523</u>	<u>\$ 55,713</u>	<u>\$ 96,293</u>	<u>\$ 1,005,259</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 FOR FISCAL YEAR 2020

	865 Student Activity Fund	876 Back to School Program	878 Donations Fund	879 Scholarships Fund	Total Total Custodial Funds
<b>ADDITIONS:</b>					
Student Group Fundraising Activities	\$ 1,543,684	\$ -	\$ -	\$ -	\$ 1,543,684
Earnings from Temporary Deposits	9,971	-	-	221	10,192
Contributions, Gifts and Donations	-	2,350	23,568	43,000	68,918
Total Additions	<u>1,553,655</u>	<u>2,350</u>	<u>23,568</u>	<u>43,221</u>	<u>1,622,794</u>
<b>DEDUCTIONS:</b>					
Professional and Contracted Services	371,567	-	3,420	-	374,987
Supplies and Materials	384,210	10,614	168	-	394,992
Other Deductions	458,331	476	7,537	59,620	525,964
Total Deductions	<u>1,214,108</u>	<u>11,090</u>	<u>11,125</u>	<u>59,620</u>	<u>1,295,943</u>
Change in Net Position	339,547	(8,740)	12,443	(16,399)	326,851
Net Position - July 1 (Beginning)	-	-	-	-	-
Prior Period Adjustment	507,183	15,263	43,270	112,692	678,408
Net Position - June 30 (Ending)	<u>\$ 846,730</u>	<u>\$ 6,523</u>	<u>\$ 55,713</u>	<u>\$ 96,293</u>	<u>\$ 1,005,259</u>

**This Page Left Blank Intentionally**



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

LAREDO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
 FISCAL YEAR ENDED JUNE 30, 2020

Last 10 Years	(1) (2)		(3) Assessed/Appraised Value for School Tax Purposes
	Tax Rates		
	Maintenance	Debt Service	
2011 and prior years	Various	Various	\$ Various
2012	1.040000	0.234000	2,127,187,046
2013	1.040000	0.234000	2,108,797,859
2014	1.040000	0.234000	2,092,889,779
2015	1.040000	0.370800	2,087,487,325
2016	1.040000	0.355500	2,032,433,349
2017	1.040000	0.349700	2,094,251,971
2018	1.040000	0.329700	2,197,965,855
2019	1.040000	0.426500	2,334,284,214
2020 (School year under audit)	0.970000	0.426500	2,445,512,710
1000	TOTALS		

Column 10 + Column 20 - Column 31 - Column 32 + Column 40 = Column 50

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

Column 20 - Current Year's Tax Levy: This amount is calculated by multiplying tax rate(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 6/30/20: This total agrees with Exhibit A-1, Balance Sheet, memorandum totals for current year, for Asset Code 1220 - Property Taxes Delinquent.

(10) Beginning Balance 7/1/2019	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2020
\$ 1,103,449	\$ -	\$ 38,290	\$ 6,302	\$ (425,174)	\$ 633,683
154,042	-	6,411	1,442	(39,137)	107,052
157,144	-	8,469	1,906	(32,213)	114,556
169,393	-	9,433	2,122	(39,440)	118,398
195,598	-	11,325	4,038	(44,242)	135,993
210,257	-	11,864	4,056	(57,112)	137,225
259,492	-	25,866	8,697	(44,655)	180,274
393,674	-	60,983	19,333	(66,367)	246,991
2,157,281	-	943,746	387,027	(360,940)	465,568
-	34,151,585	22,047,215	9,693,956	(369,573)	2,040,841
<u>\$ 4,800,330</u>	<u>\$ 34,151,585</u>	<u>\$ 23,163,602</u>	<u>\$ 10,128,879</u>	<u>\$ (1,478,853)</u>	<u>\$ 4,180,581</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - FOOD SERVICE FUND  
 FOR THE YEAR ENDED JUNE 30, 2020

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 227,275	\$ 227,275	\$ 130,427	\$ (96,848)
5800 State Program Revenues	99,000	99,000	85,719	(13,281)
5900 Federal Program Revenues	22,375,484	22,375,484	15,430,998	(6,944,486)
5020 Total Revenues	<u>22,701,759</u>	<u>22,701,759</u>	<u>15,647,144</u>	<u>(7,054,615)</u>
EXPENDITURES:				
Current:				
0035 Food Services	22,452,392	22,363,249	16,337,276	6,025,973
0051 Facilities Maintenance and Operations	245,367	325,367	257,249	68,118
0052 Security and Monitoring Services	-	9,143	9,119	24
Capital Outlay:				
0081 Facilities Acquisition and Construction	4,000	4,000	-	4,000
6030 Total Expenditures	<u>22,701,759</u>	<u>22,701,759</u>	<u>16,603,644</u>	<u>6,098,115</u>
1200 Net Change in Fund Balances	-	-	(956,500)	(956,500)
0100 Fund Balance - July 1 (Beginning)	<u>4,616,754</u>	<u>4,616,754</u>	<u>4,616,754</u>	<u>-</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 4,616,754</u>	<u>\$ 4,616,754</u>	<u>\$ 3,660,254</u>	<u>\$ (956,500)</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - DEBT SERVICE FUND  
 FOR THE YEAR ENDED JUNE 30, 2020

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 10,761,030	\$ 10,761,030	\$ 10,783,048	\$ 22,018
5800 State Program Revenues	21,266,988	21,266,988	22,624,166	1,357,178
5020 Total Revenues	32,028,018	32,028,018	33,407,214	1,379,196
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Debt	16,545,000	16,545,000	16,545,000	-
0072 Interest on Long-Term Debt	14,448,732	14,448,732	14,448,731	1
0073 Bond Issuance Cost and Fees	20,000	20,000	5,500	14,500
6030 Total Expenditures	31,013,732	31,013,732	30,999,231	14,501
1100 Excess of Revenues Over Expenditures	1,014,286	1,014,286	2,407,983	1,393,697
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	409,888	409,888	409,888	-
1200 Net Change in Fund Balances	1,424,174	1,424,174	2,817,871	1,393,697
0100 Fund Balance - July 1 (Beginning)	31,858,010	31,858,010	31,858,010	-
3000 Fund Balance - June 30 (Ending)	\$ 33,282,184	\$ 33,282,184	\$ 34,675,881	\$ 1,393,697

**This Page Left Blank Intentionally**

## **CAPITAL ASSETS**

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF GENERAL FIXED ASSETS BY LOCATION AND ACTIVITY  
FOR THE YEAR ENDED JUNE 30, 2020

LOCATION AND ACTIVITY	TOTALS	LAND	BUILDINGS & IMPROVEMENTS	FURNITURE & EQUIPMENT
<b>High Schools:</b>				
Martin	\$ 75,386,079	\$ 280,824	\$ 72,844,481	\$ 2,260,774
Nixon	75,159,200	3,250,112	69,823,357	2,085,731
Cigarroa	35,730,443	872,258	32,552,746	2,305,439
VMT Communications & Arts	22,385,868	60,105	21,463,472	862,291
Francisco Lara Academy	2,696,454	-	2,659,606	36,848
Garcia Early College @ TAMIU	9,595,619	249,109	8,533,873	812,637
Valdez	901,708	3,106	893,017	5,585
<b>Middle Schools:</b>				
Christen	29,406,451	117,596	28,575,732	713,123
Lamar	40,192,572	186,887	39,144,813	860,872
Cigarroa	16,948,974	2,922,832	13,638,422	387,720
Memorial	15,396,412	447,337	14,243,301	705,774
<b>Elementary Schools:</b>				
Bruni	8,292,806	6,139	7,936,153	350,514
Jose Gallegos	10,594,751	694,545	9,506,333	393,873
Daiches	9,381,657	28,111	9,021,821	331,725
Farias	12,200,696	1,750,761	10,024,941	424,994
Heights	8,372,128	630,265	7,197,184	544,679
Tarver	7,041,936	75,100	6,708,318	258,518
Leyendecker	11,742,185	133,989	11,107,627	500,569
Macdonell	7,926,197	1,348,364	6,230,665	347,168
Milton	7,319,993	164,517	6,873,345	282,131
Alma Pierce	10,296,360	47,542	9,729,401	519,417
Ryan	11,129,120	238,047	10,473,891	417,182
Santa Maria	7,581,676	20,950	7,208,608	352,118
Santo Nino	9,844,772	132,267	9,251,778	460,727
D. D. Hachar	11,633,170	484,686	10,649,226	499,258
J. C. Martin	13,200,614	240,525	12,415,474	544,615
H. B. Zachry	24,900,159	101,298	24,389,317	409,544
J. Kawas	11,266,401	238,434	10,640,292	387,675
Dovalina	6,826,147	35,000	6,317,435	473,712
H. Ligarde	7,531,773	129,588	6,917,255	484,930
T. Sanchez/Ochoa	10,196,755	120,000	9,651,668	425,087
<b>Other Departments:</b>				
Pregnancy, Education & Parenting	58,876	-	58,876	-
Superintendent's Office	89,127	5,545	83,582	-
Board of Education	42,455	34,455	-	8,000
Tax Office	26,623	-	21,038	5,585
Risk Management	5,000	-	-	5,000
Financial Management	1,653,859	10,000	1,512,578	131,281
Human Resources	29,608	-	-	29,608
Procurement	5,585	-	-	5,585
Communications	219,140	-	201,347	17,793
Compliance & Safety	5,585	-	-	5,585
Internal Auditor	15,772	-	-	15,772
Fixed Assets & Custodial Services	1,488,941	149,990	527,234	811,717
Textbooks & Records Management	617,979	127,770	348,562	141,647
Performing Arts Complex	16,399,438	5,752,465	10,488,046	158,927



LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF GENERAL FIXED ASSETS BY LOCATION AND ACTIVITY  
FOR THE YEAR ENDED JUNE 30, 2020

LOCATION AND ACTIVITY	TOTALS	LAND	BUILDINGS & IMPROVEMENTS	FURNITURE & EQUIPMENT
				(Continued)
State Bilingual	11,171	-	-	11,171
Fine Arts / U.I.L. Services	17,800	-	10,350	7,450
Early Childhood	5,000	-	-	5,000
Student Services	5,585	-	-	5,585
Curriculum & Instruction	19,106	-	-	19,106
Staff Development	5,586	-	-	5,586
Career & Technology Education	34,514	-	-	34,514
District Wide	12,756,688	1,153,262	10,275,962	1,327,464
Hearings Officer	5,344	-	-	5,344
Instructional Technology	1,149,649	-	1,037,114	112,535
Health Services	7,514	-	1,687	5,827
Pupil Transportation	14,371,205	78,925	4,188,435	10,103,845
Athletic	771,264	-	243,017	528,247
Special Education	384,540	4,705	362,088	17,747
Printing/Creative Services	398,431	-	-	398,431
Instructional Television	998,527	52,647	416,406	529,474
Technology Services	4,652,175	-	711,695	3,940,480
Division of Operations	827,902	-	159,935	667,967
Construction	5,586	-	-	5,586
LISD Police	1,182,168	-	-	1,182,168
Food Service	10,395,159	121,287	7,058,564	3,215,308
Migrant	150,508	630	149,878	-
Total Assets by Location	<u>599,892,486</u>	<u>22,501,975</u>	<u>534,479,946</u>	<u>42,910,565</u>
Construction in Progress	16,442,722	-	-	-
Total General Fixed Assets	<u>\$ 616,335,208</u>	<u>\$ 22,501,975</u>	<u>\$ 534,479,946</u>	<u>\$ 42,910,565</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY LOCATION AND ACTIVITY  
FOR THE YEAR ENDED JUNE 30, 2020

Location and Activity	Balance at Beginning of Year	Additions	Deletions	Balance at End of Year
<b>High Schools:</b>				
Martin	\$ 75,016,553	\$ 407,402	\$ 37,876	\$ 75,386,079
Nixon	74,976,631	246,865	64,296	75,159,200
Cigarroa	35,606,890	242,307	118,754	35,730,443
VMT Communications & Arts	22,349,007	36,861	-	22,385,868
Francisco Lara Academy	2,685,524	10,930	-	2,696,454
Garcia Early College @ TAMIU	9,558,642	45,489	8,512	9,595,619
Valdez	896,123	5,585	-	901,708
<b>Middle Schools:</b>				
Christen	29,107,660	301,671	2,880	29,406,451
Lamar	40,109,846	149,628	66,902	40,192,572
Cigarroa	13,988,542	2,960,432	-	16,948,974
Memorial	15,311,343	123,067	37,998	15,396,412
<b>Elementary Schools:</b>				
Bruni	8,276,188	21,618	5,000	8,292,806
Jose Gallegos	10,546,904	47,847	-	10,594,751
Daiches	9,337,074	44,583	-	9,381,657
Farias	12,100,757	99,939	-	12,200,696
Heights	8,107,500	264,628	-	8,372,128
Tarver	7,003,418	38,518	-	7,041,936
Leyendecker	11,706,682	35,503	-	11,742,185
Macdonell	7,868,840	57,357	-	7,926,197
Milton	7,272,567	47,426	-	7,319,993
Alma Pierce	10,365,382	26,962	95,984	10,296,360
Ryan	11,062,361	66,759	-	11,129,120
Santa Maria	7,554,714	26,962	-	7,581,676
Santo Nino	9,795,937	70,455	21,620	9,844,772
D. D. Hachar	11,597,942	35,228	-	11,633,170
J. C. Martin	13,128,995	71,619	-	13,200,614
H. B. Zachry	24,853,692	46,467	-	24,900,159
J. Kawas	11,249,139	26,962	9,700	11,266,401
Dovalina	6,827,494	27,063	28,410	6,826,147
H. Ligarde	7,513,323	26,962	8,512	7,531,773
T. Sanchez/Ochoa	10,175,137	21,618	-	10,196,755
<b>Other Departments:</b>				
Pregnancy, Education & Parenting	58,876	-	-	58,876
Superintendent's Office	89,127	-	-	89,127
Board of Education	42,455	-	-	42,455
Tax Office	21,038	5,585	-	26,623
Risk Management	5,000	-	-	5,000
Financial Management	1,653,374	5,585	5,100	1,653,859
Human Resources	15,414	29,665	15,471	29,608
Procurement	-	5,585	-	5,585
Communications	213,555	5,585	-	219,140
Compliance & Safety	-	5,585	-	5,585
Internal Auditor	10,187	5,585	-	15,772
Fixed Assets & Custodial Services	1,454,997	33,944	-	1,488,941
Textbooks & Records Management	612,152	5,827	-	617,979
Performing Arts Complex	12,890,439	3,508,999	-	16,399,438
State Bilingual	-	11,171	-	11,171
Fine Arts / U.I.L. Services	17,800	-	-	17,800
Early Childhood	5,000	-	-	5,000
Student Services	-	5,585	-	5,585
Curriculum & Instruction	24,206	-	5,100	19,106
Staff Development	-	5,586	-	5,586
Career & Technology Education	28,928	5,586	-	34,514

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY LOCATION AND ACTIVITY  
FOR THE YEAR ENDED JUNE 30, 2020

Location and Activity	Balance at Beginning of Year	Additions	Deletions	Balance at End of Year
				(Continued)
District Wide	12,724,247	38,938	6,497	12,756,688
Hearings Officer	-	5,344	-	5,344
Instructional Technology	1,144,305	5,344	-	1,149,649
Health Services	1,687	5,827	-	7,514
Pupil Transportation	11,765,998	3,049,567	444,360	14,371,205
Athletic	549,224	222,040	-	771,264
Special Education	392,292	5,586	13,338	384,540
Printing/Creative Services	351,804	46,627	-	398,431
Instructional Television	1,020,016	11,476	32,965	998,527
Technology Services	4,652,986	232,871	233,682	4,652,175
Division of Operations	435,998	398,079	6,175	827,902
Construction	-	5,586	-	5,586
LISD Police	1,035,701	281,168	134,701	1,182,168
Food Service	10,236,683	294,760	136,284	10,395,159
Migrant	150,508	-	-	150,508
Total Assets by Location	<u>587,554,804</u>	<u>13,877,799</u>	<u>1,540,117</u>	<u>599,892,486</u>
Construction in Progress	5,547,300	15,531,085	4,635,663	16,442,722
Total General Fixed Assets	<u>\$ 593,102,104</u>	<u>\$ 29,408,884</u>	<u>\$ 6,175,780</u>	<u>\$ 616,335,208</u>

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY  
FOR THE YEAR ENDING ENDED JUNE 30, 2020

Function	Land	Buildings & Improvements	Furniture & Equipment	Construction in Progress	Total
Prior Year Data	\$ 19,349,191	\$ 529,851,523	\$ 38,354,090	\$ 5,547,300	\$ 593,102,104
Instruction	-	-	1,156,010	-	1,156,010
Instructional Resources and Media Services	-	-	30,482	-	30,482
Instructional Leadership	-	-	33,263	-	33,263
School Leadership	-	-	10,450	-	10,450
Guidance, Counseling, and Evaluation Services	-	-	5,586	-	5,586
Social Work Services	-	-	10,930	-	10,930
Health Services	-	-	5,827	-	5,827
Student Transportation	-	-	780,541	-	780,541
Food Services	-	-	217,333	-	217,333
Extracurricular Activities	-	-	2,058,651	-	2,058,651
General Administration	-	-	75,962	-	75,962
Facilities Maintenance and Operations	-	-	276,550	-	276,550
Security and Monitoring Services	-	-	402,959	-	402,959
Data Processing Services	-	-	(147,488)	-	(147,488)
Community Services	-	-	5,586	-	5,586
Facilities Acquisition and Construction	3,152,784	4,628,423	(366,167)	10,895,422	18,310,462
Total Expenditures	<u>\$ 22,501,975</u>	<u>\$ 534,479,946</u>	<u>\$ 42,910,565</u>	<u>\$ 16,442,722</u>	<u>\$ 616,335,208</u>



# STATISTICAL SECTION

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

**L****ISD**  
**LAREDO**  
INDEPENDENT SCHOOL DISTRICT

Laredo, Texas





# 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.*

<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>120 - 126</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>127 - 130</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>131 - 134</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>135 - 136</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>137 - 146</b>

Schedule 1  
Laredo Independent School District  
Net Position by Component  
Last Ten Fiscal Years  
*(accrual basis of accounting)*  
Unaudited

	Fiscal Year									
	2011	2012	2013	2014 Reclassified <sup>1</sup>	2015	2016	2017	2018	2019 <sup>2</sup>	2020
Governmental activities:										
Net Investment in Capital Assets	\$ 129,424,249	\$ 115,519,722	\$ 152,236,839	\$ 138,879,715	\$ 151,104,801	\$ 150,253,093	\$ 159,131,906	\$ 158,566,357	\$ 152,366,930	\$ 169,839,144
Restricted										
Federal and State Programs	6,848,569	5,996,416	5,027,681	4,561,680	3,328,310	3,935,011	4,387,416	8,074,739	4,625,951	4,204,084
Debt Service	22,139,631	14,453,416	5,370,711	4,101,125	5,317,675	6,506,885	8,339,257	8,685,282	31,858,010	34,675,881
Capital Projects	806,912	11,202,938	526,688	1,261,086	2,330,358	3,292,365	3,763,913	4,892,836	4,818,733	5,736,414
Other Purposes	10,570,736	-	-	-	-	-	-	-	-	-
Unrestricted	46,602,044	76,310,038	73,970,082	90,717,823	55,542,611	50,516,231	40,844,602	(96,935,148)	(93,778,108)	(109,587,730)
Total primary government net position	\$ 216,392,141	\$ 223,482,530	\$ 237,132,011	\$ 239,521,429	\$ 217,623,755	\$ 214,503,585	\$ 216,467,094	\$ 83,284,066	\$ 99,891,516	\$ 104,867,793

Notes:

<sup>1</sup> Net Investment in Capital Assets, Restricted for Capital Projects and Unrestricted were reclassified with no impact to Total Net Position.

<sup>2</sup> House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year.

The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.



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

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>1</sup>	2020
<b>Expenses</b>										
Governmental activities:										
11 Instruction	\$ 134,847,028	\$ 140,108,277	\$ 137,739,434	\$ 142,552,448	\$ 140,705,290	\$ 164,003,719	\$ 153,166,075	\$ 115,657,365	\$ 153,783,312	\$ 175,226,247
12 Instructional Resources & Media Svcs.	4,920,120	4,465,110	3,959,506	4,176,228	4,258,320	4,692,520	4,782,897	3,220,297	4,724,771	5,640,957
13 Curriculum & Instructional Staff Devpt.	2,388,482	2,733,097	3,453,301	4,487,817	3,386,737	3,015,046	2,805,943	1,892,948	3,141,298	3,935,336
21 Instructional Leadership	4,594,040	3,853,769	3,349,037	3,498,834	3,519,444	3,974,166	4,243,539	2,468,713	3,833,580	4,992,571
23 School Leadership	12,315,890	13,014,688	12,245,906	12,764,478	13,128,484	14,258,331	14,654,202	9,343,520	15,121,840	17,356,691
31 Guidance, Counseling, and Evaluation Svcs.	8,006,556	7,496,736	7,492,742	8,119,158	8,403,036	9,280,681	9,424,462	5,990,563	8,592,604	10,272,349
32 Social Work Services	1,463,034	1,222,820	1,238,760	1,529,866	1,672,827	1,964,935	1,964,935	1,930,842	1,903,535	2,322,490
33 Health Services	3,222,582	3,140,289	2,917,063	3,251,157	3,219,722	3,572,505	3,621,892	2,700,202	3,813,882	4,165,625
34 Student (Pupil) Transportation	5,058,546	5,173,676	4,234,494	4,173,383	4,968,215	5,644,209	5,116,099	3,462,486	4,622,935	7,944,882
35 Food Services	16,435,137	16,726,252	17,009,230	18,234,193	20,444,766	19,592,169	22,341,293	20,087,952	18,540,542	21,207,874
36 Cocurricular/Extracurricular Activities	4,001,848	4,120,248	4,431,509	4,893,908	5,077,865	6,290,355	6,476,233	5,155,082	6,955,544	12,311,970
41 General Administration	5,877,835	5,805,488	5,586,204	6,573,738	5,906,408	6,625,767	7,040,294	4,975,745	6,780,208	9,079,236
51 Plant Maintenance & Operations	21,067,890	22,447,885	20,231,257	21,627,117	23,146,357	24,107,260	25,394,880	20,322,233	21,748,435	26,306,593
52 Security & Monitoring Services	8,753,039	4,205,124	3,087,696	5,366,645	5,750,694	5,765,749	5,019,948	3,360,146	4,863,589	7,241,364
53 Data Processing Services	3,538,788	7,844,613	4,004,593	4,454,289	5,986,245	4,617,645	4,864,734	3,416,169	4,597,614	5,325,885
61 Community Services	1,856,922	1,516,879	1,593,443	1,926,382	2,144,279	2,180,015	2,195,905	1,637,059	1,869,949	1,760,562
72 Debt Service - Interest on Long-Term Debt	13,009,498	12,386,876	11,794,066	9,811,292	10,916,641	11,514,895	10,542,417	9,729,953	11,031,825	11,176,910
73 Bond Issuance Costs and Fees	279,195	300,252	285,502	1,801,763	657,048	6,802	5,000	924,419	7,000	5,500
93 Payments to Fiscal Agents/Mem.	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
95 Payments to Juvenile Justice Alternative Ed.	72,443	58,618	162,740	184,386	121,502	274,841	105,781	76,788	38,236	59,091
Total primary government expenses	251,714,873	256,626,697	244,822,483	259,433,082	263,419,980	291,387,347	283,772,529	215,818,482	275,976,699	326,338,133
<b>Program Revenues</b>										
Governmental activities:										
Charges for services										
Instruction	-	-	-	642,644	-	-	-	-	-	911,486
Student (Pupil) Transportation	25,388	24,898	41,081	-	-	-	-	-	-	109,378
Food Services	323,896	345,903	339,974	340,262	229,878	164,443	115,447	107,649	89,076	71,165
Extracurricular Activities	145,658	240,733	221,142	214,101	243,410	222,554	206,763	254,954	161,758	178,185
General Administration	2,539	-	22,121	-	7,005	-	19,249	52,729	19,470	-
Plant Maintenance and Operations	-	7,414	7,625	-	-	-	-	-	-	-
Security & Monitoring Services	-	-	-	-	-	6,148	9,624	7,573	-	-
Data Processing Services	3,253	-	-	-	-	-	-	-	-	-
Community Services	220,876	224,081	252,807	192,117	883,000	797,794	484,306	821,826	369,938	3,464
Operating grants and contributions	77,827,937	65,735,610	60,252,450	59,480,070	56,404,405	66,225,000	61,040,269	4,088,082	61,674,934	86,919,687
Total primary government program revenues	78,549,547	66,578,639	61,137,200	60,869,194	57,767,698	67,415,939	61,875,658	5,332,813	62,315,176	88,193,365
<b>Net (Expense)/Revenue</b>										
Total primary government net expense	\$ 173,165,326	\$ 190,048,058	\$ 183,685,283	\$ 198,563,888	\$ 205,652,182	\$ 223,971,408	\$ 221,896,871	\$ 210,485,669	\$ 213,661,523	\$ 238,144,768

**Note:** <sup>1</sup> House Bill 98 enacted by the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.

Schedule 3  
Laredo Independent School District  
General Revenues and Total Change in Net Position  
Last Ten Fiscal Years  
*(accrual basis of accounting)*  
Unaudited

	Fiscal Year									
	2011	2012	2013	2014 Restated <sup>1</sup>	2015	2016	2017	2018	2019 <sup>2</sup>	2020
<b>Net (Expense)/Revenue</b>										
Total primary government net expense	\$ 173,165,326	\$ 190,048,058	\$ 183,685,283	\$ 198,563,888	\$ 205,652,182	\$ 223,971,408	\$ 221,896,871	\$ 210,485,669	\$ 213,661,523	\$ 238,144,768
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	21,057,468	21,005,060	21,171,067	20,829,646	21,127,655	21,003,850	21,690,132	22,643,763	22,961,084	23,485,236
Property taxes levied for debt service	4,738,142	4,726,261	4,763,468	4,689,267	7,532,433	7,180,768	7,293,674	7,178,509	9,160,602	9,863,335
Unrestricted State Aid Formula Grants	166,315,755	165,355,519	160,288,363	169,677,509	178,306,378	190,334,823	188,322,463	187,601,244	185,805,357	197,563,344
Unrestricted grants and contributions	5,278,634	2,301,647	6,240,658	2,789,961	2,757,397	4,717,766	3,171,139	14,515,478	7,186,508	5,644,011
Investment earnings	1,456,958	783,823	607,821	374,341	548,472	915,144	1,602,039	2,622,607	4,997,702	4,297,751
Miscellaneous	2,270,460	2,966,137	4,263,387	5,453,682	4,379,618	2,427,033	1,780,933	3,789,287	4,306,377	2,267,368
Special item	-	-	-	109,849	-	-	-	-	(4,148,657)	-
Total primary government	201,117,417	197,138,447	197,334,764	203,924,255	214,651,953	226,579,384	223,860,380	238,350,888	230,268,973	243,121,045
<b>Change in Net Position</b>										
Total primary government	\$ 27,952,091	\$ 7,090,389	\$ 13,649,481	\$ 5,360,367	\$ 8,999,771	\$ 2,607,976	\$ 1,963,509	\$ 27,865,219	\$ 16,607,450	\$ 4,976,277

**Notes:**

<sup>1</sup> Unrestricted State Aid Formula Grants and Unrestricted grants and contributions were reclassified without impact to Net Position

<sup>2</sup> House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.

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

	Fiscal Year									
	2011 <sup>1</sup>	2012	2013	2014	2015	2016	2017	2018	2019 <sup>2</sup>	2020
General Fund										
Nonspendable	\$ 1,178,052	\$ 1,035,264	\$ 3,047,831	\$ 1,126,204	\$ 1,431,972	\$ 1,776,108	\$ 2,244,742	\$ 1,882,198	\$ 2,515,565	\$ 3,043,375
Restricted	14,881,931	14,929,976	2,873,497	5,291,807	5,117,869	3,398,376	3,781,278	3,823,211	3,465,609	2,120,418
Committed	-	3,851,761.00	3,955,409	12,012,274	15,438,210	2,223,380	5,870,385	2,552,537	16,085,786	5,101,858
Assigned	10,430,944	10,498,376	5,006,798	617,873	897,673	-	4,453,682	2,095,613	-	7,938,779
Unassigned	59,272,362	62,570,104	62,652,991	62,652,991	62,652,991	62,652,991	58,406,885	59,286,886	60,172,085	61,204,633
<b>Total General Fund</b>	<b>\$ 85,763,289</b>	<b>\$ 92,885,481</b>	<b>\$ 77,536,526</b>	<b>\$ 81,701,149</b>	<b>\$ 85,538,715</b>	<b>\$ 70,050,855</b>	<b>\$ 74,756,972</b>	<b>\$ 69,640,445</b>	<b>\$ 82,239,045</b>	<b>\$ 79,409,063</b>
All Other Governmental Funds										
Restricted										
Special Revenue Funds	\$ 2,982,829	\$ 2,269,378	\$ 660,832	\$ 530,959	\$ 540,799	\$ 536,635	\$ 606,138	\$ 627,415	\$ 745,834	\$ 747,961
Debt Service Funds	22,139,631	14,453,416	5,370,711	4,101,125	5,317,675	6,506,885	8,339,257	8,685,282	31,858,010	34,675,881
Capital Projects Funds	71,105,330	62,570,106	65,857,222	101,546,934	68,500,586	76,173,088	35,784,307	124,174,015	120,497,217	113,832,494
Other Funds	-	-	-	-	-	-	3,689,811	4,818,733	4,818,733	4,818,733
Committed										
Special Revenue Funds	1,831,277	305,522	334,011	411,447	366,907	343,451	297,499	276,767	318,333	356,745
Capital Projects Funds	-	-	-	-	-	-	14,953,389	16,889,095	21,976,085	18,854,034
Assigned	-	-	-	-	-	-	-	-	-	-
Special Revenue Funds	-	-	-	29,175	121,383	76,167	72,152	93,887	96,175	24,261
<b>Total all Other Governmental Funds</b>	<b>\$ 98,059,067</b>	<b>\$ 79,598,422</b>	<b>\$ 72,222,776</b>	<b>\$ 106,619,640</b>	<b>\$ 74,847,350</b>	<b>\$ 83,636,226</b>	<b>\$ 63,742,553</b>	<b>\$ 155,565,194</b>	<b>\$ 180,310,387</b>	<b>\$ 173,310,109</b>

**Notes:**

<sup>1</sup> Fiscal year 2011, the District implemented GASB 54 which changed the fund balance classifications to Nonspendable, Restricted, Committed, Assigned and Unassigned. See Note A to the Basic Financial Statements.

<sup>2</sup> House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001-2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018-2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.

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

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>1</sup>	2020
<b>Federal Sources:</b>										
Federal Grants	\$ 43,871,485	\$ 41,978,269	\$ 39,913,339	\$ 36,613,595	\$ 29,020,889	\$ 31,396,178	\$ 29,986,003	\$ 29,097,894	\$ 30,366,050	\$ 46,680,619
Food Services	15,779,620	15,742,194	16,475,778	16,936,477	18,536,349	18,803,921	19,284,241	19,715,293	17,283,314	15,430,998
<b>Total Federal Sources</b>	<b>59,651,105</b>	<b>57,720,463</b>	<b>56,389,117</b>	<b>53,550,072</b>	<b>47,557,038</b>	<b>50,200,099</b>	<b>49,270,244</b>	<b>48,813,187</b>	<b>47,649,364</b>	<b>62,111,617</b>
<b>State Sources:</b>										
Per Capita and Foundation	150,492,906	147,080,044	145,385,212	154,191,699	160,143,059	169,836,626	167,481,803	168,330,583	167,076,364	175,674,200
Instructional Facilities Allotment	13,968,333	7,029,771	15,499,728	12,036,704	15,139,455	12,841,663	12,673,344	12,154,114	12,112,391	11,481,846
Teacher Retirement System on Behalf	8,599,937	7,973,904	7,744,130	7,923,275	8,862,520	9,276,169	9,271,868	9,571,528	7,677,377	11,103,811
Other State Programs	13,873,112	11,803,890	483,567	4,245,190	3,942,248	12,149,975	9,825,145	10,098,872	8,670,915	17,831,602
Other Governmental Agencies	36,543	14,278	10,000	600	4,761	2,153	1,225	295	3,466	-
<b>Total State Sources</b>	<b>186,970,831</b>	<b>173,901,887</b>	<b>169,122,637</b>	<b>178,397,468</b>	<b>188,092,043</b>	<b>204,106,585</b>	<b>199,253,385</b>	<b>200,155,392</b>	<b>195,540,513</b>	<b>216,091,459</b>
<b>Local Sources:</b>										
Property Taxes	26,861,291	26,398,584	26,771,494	26,331,681	28,928,547	27,815,204	28,728,364	29,475,912	33,668,873	33,139,159
Food Service Sales	323,896	345,903	337,567	337,180	-	-	-	-	-	-
Investment Income	1,396,011	785,814	608,346	374,341	548,472	915,144	1,605,953	2,624,210	5,000,374	4,305,222
Penalties, Interest, and Other Fees	793,562	680,304	681,600	631,631	740,642	627,167	716,478	613,964	543,080	712,232
Co-Curricular	140,579	2,744,310	558,709	554,362	463,024	384,585	320,276	338,489	249,990	250,409
Other Revenues	3,574,980	1,104,934	4,065,606	4,583,374	6,112,616	4,749,404	4,231,738	5,826,575	4,407,523	4,567,142
<b>Total Local Sources</b>	<b>33,090,319</b>	<b>32,059,849</b>	<b>33,023,322</b>	<b>32,812,569</b>	<b>36,793,301</b>	<b>34,491,504</b>	<b>35,602,809</b>	<b>38,879,150</b>	<b>43,869,840</b>	<b>42,974,164</b>
<b>Total Revenues</b>	<b>\$ 279,712,255</b>	<b>\$ 263,682,199</b>	<b>\$ 258,535,076</b>	<b>\$ 284,760,109</b>	<b>\$ 272,442,382</b>	<b>\$ 288,798,188</b>	<b>\$ 284,126,438</b>	<b>\$ 287,847,729</b>	<b>\$ 287,059,717</b>	<b>\$ 321,177,240</b>

**Note:**

<sup>1</sup> House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.

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

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>2</sup>	2020
11 Instruction	\$ 130,994,791	\$ 133,835,305	\$ 126,032,501	\$ 132,597,447	\$ 132,646,437	\$ 143,495,182	\$ 136,465,680	\$ 145,631,580	\$ 128,266,854	\$ 156,990,240
12 Instructional Resources & Media Svcs.	4,852,523	4,250,190	3,941,030	4,174,448	4,295,684	4,427,255	4,515,550	4,653,810	4,093,732	4,826,127
13 Curriculum & Instructional Staff Devpt.	2,315,992	2,732,512	3,432,377	4,424,265	3,431,842	2,918,364	2,681,622	2,500,170	3,087,205	3,877,828
21 Instructional Leadership	4,526,994	3,818,325	3,301,490	3,451,369	3,515,203	3,784,249	3,842,949	3,674,328	3,369,785	4,451,041
23 School Leadership	12,310,481	12,703,954	11,930,327	12,691,010	13,198,939	13,519,955	13,860,076	14,272,083	12,709,979	15,424,167
31 Guidance, Counseling, and Evaluation Svcs.	8,033,912	7,453,131	7,484,627	8,182,237	8,557,113	8,829,658	8,946,731	9,120,245	7,780,632	9,381,213
32 Social Work Services	1,459,941	1,216,784	1,235,284	1,541,127	1,698,787	1,882,047	1,868,103	1,955,339	1,729,127	2,144,434
33 Health Services	3,222,011	3,129,927	2,905,793	3,185,523	3,281,779	3,406,035	3,463,076	3,730,530	3,347,616	3,784,191
34 Student (Pupil) Transportation	4,286,949	3,857,490	3,795,583	4,002,756	4,307,298	4,733,267	4,175,617	4,486,279	3,824,136	5,245,150
35 Food Services	16,322,280	17,015,626	16,684,983	18,002,630	19,426,282	19,072,466	19,416,857	20,759,504	17,734,899	20,276,637
36 Extracurricular Activities	3,988,524	4,117,102	4,407,657	4,852,089	5,040,916	5,948,341	5,878,084	5,907,040	6,506,023	8,116,467
41 General Administration	5,817,817	5,827,965	5,538,290	6,445,612	5,909,523	6,359,199	6,641,750	6,880,480	6,004,545	8,065,787
51 Facilities Maintenance & Operations	20,785,265	22,049,652	20,007,352	21,487,072	22,725,580	23,177,152	24,032,116	24,588,605	19,927,554	24,297,466
52 Security & Monitoring Services	6,062,334	3,587,576	3,069,286	4,326,797	4,701,477	4,888,752	4,371,936	4,444,557	4,073,247	5,496,734
53 Data Processing Services	3,520,834	4,170,043	3,862,338	4,270,254	4,831,579	4,154,827	4,117,210	4,242,355	3,751,497	4,544,506
61 Community Services	1,820,034	1,506,155	1,576,705	1,947,785	2,167,960	2,031,159	2,007,213	1,995,629	1,845,327	1,730,253
71 Principal on Long-Term Debt	14,799,652	19,474,301	20,885,585	13,234,622	14,711,406	13,200,573	13,188,573	13,265,764	6,725,241	16,545,000
72 Interest on Long Term Debt	11,101,550	12,176,157	10,661,786	10,304,574	10,849,966	13,737,689	13,744,539	13,666,365	7,000	14,448,731
73 Bond Issuance Cost and Fees	289,311	18,950	17,950	1,801,762	657,048	6,802	5,000	924,419	7,000	5,500
81 Facilities Acquisition/Construction	29,190,358	12,014,889	30,319,993	40,527,381	34,983,327	9,926,713	25,989,531	16,340,587	14,137,793	19,290,937
93 Payments to Fiscal Agents / Members Dist. of SSA	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
95 Payments to Juvenile Justice Alternative Ed. Prtg.	72,443	58,618	162,740	184,386	121,502	274,841	105,781	76,788	38,236	59,091
Total Expenditures	\$ 285,779,996	\$ 275,020,652	\$ 281,259,677	\$ 301,641,146	\$ 301,065,648	\$ 289,780,526	\$ 299,313,994	\$ 303,122,457	\$ 248,966,428	\$ 329,007,500

Debt Service as a percentage of noncapital expenditures<sup>1</sup> 10.85% 13.06% 13.71% 7.31% 10.14% 9.84% 10.48% 10.19% 3.08% 10.35%

**Notes:**  
<sup>1</sup> Percentage was calculated as follows: (Debt Service Principal + Interest Payments) / (Total Expenditures - Capital) (16,545,000+14,448,731) / (329,007,500 - 29,408,884) Capital Assets increased by \$29,408,884. See Note G to the Basic Financial Statements.  
<sup>2</sup> House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.

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)  
Unaudited

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>1</sup>	2020
<b>Excess of Revenues over (under) Expenditures</b>	\$ (6,067,741)	\$ (11,338,453)	\$ (22,724,601)	\$ (36,881,037)	\$ (28,623,266)	\$ (982,338)	\$ (15,187,556)	\$ (15,274,728)	\$ 38,093,289	\$ (7,830,260)
<b>Other Financing Sources (Uses)</b>										
Issuance of Bonds	18,415,000	-	-	144,585,000	68,560,000	-	-	90,375,000	-	-
Premium on Issuance of Bond	926,503	-	-	29,678,827	10,466,511	-	-	12,544,420	-	-
Sale of Real and Personal Property	72,215	-	-	109,849	-	11,500	-	-	450,504	-
Payment to Refunded Bond Escrow Agent	(19,062,461)	-	-	(98,931,152)	(78,337,969)	-	-	-	-	-
Transfers In	7,020,726	8,266,550	23,776,245	49,636,867	4,084,152	17,700,193	6,385,323	7,088,189	12,551,652	7,643,804
Transfers Out	(7,020,726)	(8,266,550)	(23,776,245)	(49,636,867)	(4,084,152)	(17,700,193)	(6,385,323)	(8,026,766)	(13,751,652)	(9,643,804)
Total Other Financing Sources (Uses)	351,257	-	-	75,442,524	688,542	11,500	-	101,980,843	(749,496)	(2,000,000)
<b>Net Change in Fund Balances</b>	\$ (5,716,484)	\$ (11,338,453)	\$ (22,724,601)	\$ 38,561,487	\$ (27,934,724)	\$ (970,838)	\$ (15,187,556)	\$ 86,706,115	\$ 37,343,793	\$ (9,830,260)

Note:

<sup>1</sup> House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.

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

<b>Fiscal Year</b>	<b>Actual Value</b>		<b>Less: Exemptions</b>	<b>Total Taxable Value<sup>2</sup></b>	<b>Total Direct Rate<sup>1</sup></b>
	<b>Residential Property</b>	<b>Personal Property</b>			
2011	2,665,396,497	275,391,447	815,280,160	2,125,507,784	1.274
2012	2,684,572,761	269,333,873	826,719,588	2,127,187,046	1.274
2013	2,690,386,667	252,163,085	833,751,893	2,108,797,859	1.274
2014	2,664,848,981	253,860,472	825,819,674	2,092,889,779	1.274
2015	2,657,491,875	262,848,341	832,852,891	2,087,487,325	1.411
2016	2,704,083,671	261,884,616	933,534,938	2,032,433,349	1.396
2017	2,897,249,246	268,944,439	1,071,941,714	2,094,251,971	1.390
2018	3,166,118,697	269,658,384	1,237,811,226	2,197,965,855	1.370
2019	3,366,865,042	303,578,841	1,336,159,669	2,334,284,214	1.467
2020	3,538,660,673	294,052,708	1,387,200,671	2,445,512,710	1.397

**Source:** LISD Tax Office

**Notes:**

<sup>1</sup> Per \$100 of assessed value.

<sup>2</sup> The taxable value shown here will not match the values reported by the Comptroller of Public Accounts.

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

Fiscal Year	District Direct Rates			Overlapping Rates <sup>1</sup>		
	Maintenance & Operations	Debt Service	Total	Laredo Community College	City of Laredo	Webb County Road & Bridge
2011	1.0400	0.2340	1.2740	0.2430	0.2430	0.1720
2012	1.0400	0.2340	1.2740	0.2397	0.2397	0.1627
2013	1.0400	0.2340	1.2740	0.2296	0.2296	0.1472
2014	1.0400	0.2340	1.2740	0.2200	0.2200	0.1300
2015	1.0400	0.3708	1.4108	0.2155	0.2155	0.1280
2016	1.0400	0.3555	1.3955	0.2164	0.2164	0.1456
2017	1.0400	0.3497	1.3897	0.2154	0.2154	0.1415
2018	1.0400	0.3297	1.3697	0.2162	0.2162	0.1402
2019	1.0400	0.4265	1.4665	0.2122	0.2123	0.1334
2020	0.9700	0.4265	1.3965	0.2027	0.2027	0.1408

**Source:** LISD Tax Office

**Note:**  
<sup>1</sup> Includes levies for operating and debt service costs.



**Schedule 10**  
**Laredo Independent School District**  
**Principal Property Taxpayers**  
**Current Year and Ten Years Ago**  
**Unaudited**

<u>Taxpayer</u>	Tax Year 2019			Tax Year 2010		
	Assessed Valuation	Rank	Percentage Total Assessed Valuation	Assessed Valuation	Rank	Percentage Total Assessed Valuation
Laredo Texas Hospital Co LP	\$ 89,709,230	1	2.32%	\$ 92,610,160	1	3.06%
Laredo Outlet Shoppes LLC	63,629,750	2	1.64%	-	-	-
AEP Texas Central Company	38,333,750	3	0.99%	16,146,170	4	0.53%
Webb Hospital Holdings LLC	18,477,040	4	0.48%	17,959,370	2	0.59%
International Bank of Commerce	17,134,763	5	0.44%	16,633,080	3	0.55%
HE Butt Grocery Co	12,582,540	6	0.33%	15,319,450	5	0.51%
MPT of Laredo LLC	11,784,420	7	0.30%	-	-	-
The Laredo National Bank	11,254,500	8	0.29%	13,214,190	7	0.44%
Union Pacific Railroad Company	9,204,970	9	0.24%	-	-	-
Southwestern Bell Telephone LP	6,185,580	10	0.16%	12,961,580	8	0.43%
WildBlue Communications Inc.	-	-	-	11,749,320	9	0.39%
TWE-Advance-Newhouse Partnership	-	-	-	9,381,540	10	0.31%
Laredo Specialty Hospital LP	-	-	-	14,801,760	6	0.49%
	<u>\$ 278,296,543</u>		<u>7.19%</u>	<u>\$ 220,776,620</u>		<u>7.29%</u>

Source: LISD Tax Office

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

Fiscal Year	Taxes Levy for the Fiscal Year		Adjustments in Subsequent Years		Adjusted Levy		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date		Percentage of Adjusted Levy
	Fiscal Year	\$	(12,709)	\$	Adjusted Levy	Amount Collected	Percentage of Levy	Amount Collected	Subsequent Years	Amount Collected	Outstanding Tax Levy		
2011	27,095,747	\$ 27,083,039	(12,709)	\$ 27,083,039	26,174,858	96.60%	820,204	\$ 26,995,061	87,978	99.68%			
2012	27,000,439	26,960,328	(40,111)	26,960,328	25,976,529	96.21%	876,747	26,853,276	107,052	99.60%			
2013	27,206,649	27,199,222	(7,426)	27,199,222	26,296,681	96.66%	787,984	27,084,667	114,556	99.58%			
2014	26,748,591	26,592,750	(155,841)	26,592,750	25,914,276	96.88%	560,076	26,474,352	118,398	99.55%			
2015	29,441,531	29,375,723	(65,808)	29,375,723	28,602,811	97.15%	636,919	29,239,730	135,992	99.54%			
2016	28,436,615	28,363,249	(73,366)	28,363,249	27,555,738	96.90%	670,286	28,226,024	137,225	99.52%			
2017	29,235,914	29,059,118	(176,796)	29,059,118	28,384,510	97.09%	494,333	28,878,844	180,274	99.38%			
2018	30,162,537	30,054,097	(108,440)	30,054,097	29,311,871	97.18%	495,235	29,807,106	246,991	99.18%			
2019 <sup>1</sup>	34,424,187	34,063,246	(360,940)	34,063,246	32,266,906	93.73%	1,330,772	33,597,678	465,568	98.63%			
2020	33,782,012	33,782,012	-	33,782,012	31,741,171	93.96%	-	31,741,171	2,040,841	93.96%			

Source: LISD Tax Office

Note:

<sup>1</sup> House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. However, for this schedule, the fiscal period consisted of the 12-month period of September 1, 2018 through August 31, 2019.

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

Fiscal Year	General Obligation Bonds	Loans	Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>	Per Capita Personal Income Schedule # 16
2011	\$ 256,072,731	\$ 24,000,000	\$ 280,072,731	4.37%	\$ 1,134	\$ 25,955
2012	245,038,625	16,000,000	261,038,625	3.86%	965	25,037
2013	233,645,070	8,000,000	241,645,070	3.40%	873	25,715
2014	298,948,962	8,000,000	306,948,962	4.06%	1,113	27,428
2015	291,774,065	8,000,000	299,774,065	3.73%	1,062	28,467
2016	275,614,165	8,000,000	283,614,165	3.55%	982	27,621
2017	258,726,839	8,000,000	266,726,839	3.23%	901	27,865
2018	343,853,533	8,000,000	351,853,533	4.03%	1,275	31,635
2019 <sup>2</sup>	342,121,822	8,000,000	350,121,822	5.05%	1,280	25,366
2020	321,907,367	8,000,000	329,907,367	4.75%	1,195	25,147

Notes:

<sup>1</sup> See Schedule 16 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

<sup>2</sup> House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.

Schedule 13  
 Laredo Independent School District  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2020  
 Unaudited

<u>Governmental Unit</u>	<u>Estimated Gross Debt</u>	<u>Estimated Percentage Applicable<sup>1</sup></u>	<u>Estimated Share of Direct and Overlapping Debt</u>
City of Laredo	\$ 728,686,782	20.27%	\$ 147,704,811
County of Webb	76,975,832	14.08%	10,838,197
Laredo College	240,817,597	20.27%	48,813,727
Subtotal, overlapping debt			207,356,735
<b>District Direct Debt</b>	329,907,367	100.00%	329,907,367
<b>Total Direct and Overlapping Debt</b>			<u>\$ 537,264,102</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>1</sup> The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the District's boundaries and dividing it by the overlapping taxing authority's total taxable assessed value.

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

**Legal Debt Margin Calculation for Fiscal Year 2020**

Net Assessed value of 2019 taxable property		\$	2,445,512,710
Plus: Exemptions			1,387,200,671
Total Assessed Value			<u>3,832,713,381</u>
Debt limit (10% of total assessed value)			383,271,338
Amount of debt applicable to said maximum debt limit:			
Total (net) general bonded debt	\$	321,907,367	
(Percentage of debt to total assessed value)			8.40%
Less: Debt Service Fund Balance as of 6/30/20		34,675,881	
Total amount of debt applicable to debt limit			<u>287,231,486</u>
Debt margin			<u>\$ 96,039,852</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>Debt Margin</u>	<u>Percentage of Debt Limit</u>
2011	\$ 294,078,794	\$ 164,778,123	\$ 129,300,671	56.03%
2012	295,390,663	162,871,919	132,518,744	55.14%
2013	294,254,975	161,162,719	133,092,256	54.77%
2014	291,870,945	294,847,836	(2,976,891)	101.02%
2015	292,034,022	286,456,390	5,577,632	98.09%
2016	296,596,829	269,107,280	27,489,549	90.73%
2017	315,748,952	250,387,582	65,361,370	79.30%
2018	343,577,708	335,168,251	8,409,457	97.55%
2019	367,044,388	271,004,536	96,039,852	73.83%
2020	383,271,338	287,231,486	96,039,852	74.94%

**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 and the Instructional Facilities Allotment Program are subject to biennial appropriation by the Texas Legislature. The District's Series 2013, 2014, 2018, and 2010, 2011, 2014, 2015 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

Unaudited

Fiscal Year	Assessed Value <sup>1</sup>	General Obligation Bonded Debt	Less: Amount Available in Debt Service Fund	Net Bonded Debt	Ratio Of Net Bonded Debt To Assessed Value	Population	Net Bonded Debt Per Capita	Student Enrollment <sup>2</sup>	Net Bonded Debt per Student
2011	\$ 2,125,507,784	\$ 256,072,731	\$ 22,139,632	\$ 233,933,099	11.01%	252,752	\$ 926	24,680	\$ 9,479
2012	2,127,187,046	245,038,625	14,453,416	230,585,209	10.84%	255,096	904	24,761	9,312
2013	2,108,797,859	233,645,070	5,370,711	228,274,359	10.82%	257,514	886	24,797	9,206
2014	2,092,889,779	298,948,962	4,101,126	294,847,836	14.09%	259,968	1,134	24,915	11,834
2015	2,087,487,325	291,774,065	5,317,675	286,456,390	13.72%	262,486	1,091	24,659	11,617
2016	2,032,433,349	275,614,165	6,506,885	269,107,280	13.24%	265,200	1,015	24,166	11,136
2017	2,094,251,971	258,726,839	8,339,257	250,387,582	11.96%	267,971	934	24,200	10,347
2018	2,197,965,855	343,853,533	8,685,282	335,168,251	15.25%	270,758	1,238	24,022	13,953
2019 <sup>3</sup>	2,334,284,214	342,121,822	31,858,010	310,263,812	13.29%	273,467	1,135	23,645	13,122
2020	2,445,512,710	321,907,367	34,675,881	287,231,486	11.75%	276,183	1,040	23,706	12,116

Notes:

<sup>1</sup> The taxable value shown here will not match the values reported by the Comptroller of Public Accounts.

<sup>2</sup> Enrollment is as of the October reporting date to TEA through the Public Education Information System (PEIMS).

<sup>3</sup> House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.

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

Calendar Year	Population <sup>1</sup>	Personal Income <sup>2</sup>	Per Capita Personal Income <sup>4</sup>	Unemployment Rate <sup>6</sup>
2011	252,752	\$ 6,408,612,000	\$ 25,955	7.70%
2012	255,096	6,769,544,000	25,037	6.60%
2013	257,514	7,114,194,000	25,715	6.20%
2014	259,968	7,561,382,000	27,428	5.30%
2015	262,486	8,031,782,000	28,467	4.90%
2016	265,200	7,980,237,000	27,621	5.20%
2017	267,971	8,246,035,000	27,865	4.30%
2018	270,758	8,728,522,000	31,635	3.80%
2019	273,467	6,936,763,922 <sup>3</sup>	25,366 <sup>5</sup>	4.00%
2020	276,183	6,945,173,901 <sup>3</sup>	25,147 <sup>5</sup>	9.80%

Sources:

- <sup>1</sup> Demographics.texas.gov
- <sup>2</sup> FRED Economic Data | St. Louis Fed
- <sup>3</sup> Information available to calculate personal Income was 1 X 5 for year's 2019 and 2020
- <sup>4</sup> Texas County Profile
- <sup>5</sup> Open Data Network
- <sup>6</sup> FRED Economic Data | St. Louis Fed

Notes:

<sup>1</sup> As per the Texas Demographic Center, following the release of the 2018 population projections, they observed anomalies in the projections of the **non-Hispanic Asian** and **non-Hispanic Other** populations in a few countries. They have revised their projections to address this issue. The new updates **do not affect** the non-Hispanic **White**, non-Hispanic **Black**, or the **Hispanic** populations and have a **minimal impact** on the **state total population**.

**Schedule 17**  
**Laredo Independent School District**  
**Principal Employers**  
**Current Year and Ten Years Ago**  
**Unaudited**

<u>Employer</u>	<u>2020</u>			<u>2011</u>		
	<u>Employees</u> <sup>1</sup>	<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	6,398	1	24.96%	6,179	1	27.07%
Laredo Independent School District	4,500	2	17.56%	4,500	2	19.71%
City of Laredo	2,721	3	10.62%	2,371	3	10.39%
Wal-Mart	2,125	4	8.29%	937	10	4.10%
US CBP-Customs Field Officers	1,950	5	7.61%	-	-	-
Webb County	1,800	6	7.02%	1,626	5	7.12%
H-E-B	1,764	7	6.88%	1,200	9	5.26%
McDonald's Restaurant	1,520	8	5.93%	1,500	6	6.57%
Laredo Medical Center	1,450	9	5.66%	1,300	7	5.69%
Laredo Sector Border Patrol	1,400	10	5.46%	2,000	4	8.76%
Texas A&M International University	-	-	-	1,215	8	5.32%
Annual Labor Force	<u>25,628</u>		<u>100.00%</u>	<u>22,828</u>		<u>100.00%</u>

**Source:** Laredo Economic Development Corporation - 2020  
Laredo Development Foundation - 2011

**Notes:**

<sup>1</sup> Total headcount which is the sum and actual number of all staff, with no distinction between full-time and part-time status, substitutes and temporary staff.



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

	Fiscal Year										Percentage Change 2011-2020
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
<b>Teachers</b>											
Pre-K & Kindergarten	223	198	215	206	206	205	213	223	222	227	
Elementary	671	625	629	557	535	535	524	517	522	517	
Secondary	603	576	543	630	625	639	679	680	681	713	
All Level	87	95	67	62	74	64	35	36	20	22	
<b>Total Teachers</b>	<b>1,584</b>	<b>1,494</b>	<b>1,454</b>	<b>1,455</b>	<b>1,440</b>	<b>1,443</b>	<b>1,450</b>	<b>1,455</b>	<b>1,445</b>	<b>1,479</b>	-6.63%
<b>Support Staff</b>											
Supervisors	-	-	-	-	1	1	1	1	1	3	
Counselors	65	65	64	67	69	72	74	73	72	70	
Educ Diagnosticians	17	14	15	15	15	17	17	17	15	17	
Librarians	30	27	27	27	27	27	27	27	27	27	
Nurses/Physicians	45	38	33	35	35	34	34	32	31	31	
Therapists	20	21	22	22	22	21	22	19	15	14	
Other Support Staff	205	172	167	172	167	172	177	168	170	178	
<b>Total Support Staff</b>	<b>382</b>	<b>337</b>	<b>328</b>	<b>338</b>	<b>336</b>	<b>344</b>	<b>351</b>	<b>336</b>	<b>331</b>	<b>340</b>	-10.99%
<b>Administrators</b>											
Admin/Instr Officers	37	31	29	35	36	37	38	34	32	29	
Principals	28	27	29	29	29	29	29	29	29	30	
Assistant Principals	58	54	51	53	53	53	53	52	51	53	
Superintendents	1	1	1	1	1	1	1	1	1	1	
Asst Superintendents	-	-	-	-	-	-	-	7	7	7	
<b>Total Administrators</b>	<b>124</b>	<b>113</b>	<b>110</b>	<b>118</b>	<b>119</b>	<b>119</b>	<b>121</b>	<b>123</b>	<b>120</b>	<b>120</b>	-3.23%
<b>Educational Aides</b>	478	355	370	413	403	387	387	461	459	457	-4.39%
<b>Certified Interpreter</b>	-	-	-	-	-	1	1	2	2	2	200%
<b>Auxiliary Staff</b>	1,260	1,268	1,273	1,221	1,258	1,329	1,320	1,247	1,334	1,326	5.24%
<b>Total</b>	<b>3,828</b>	<b>3,567</b>	<b>3,535</b>	<b>3,545</b>	<b>3,556</b>	<b>3,623</b>	<b>3,630</b>	<b>3,624</b>	<b>3,691</b>	<b>3,724</b>	-2.72%

Source: Texas Education Agency, Fall PEIMS Submission

Notes:

Full-time equivalent is the measurement of staff with full time work. An employee with a full-time equivalent must render a specific amount of hours for a full-time status.

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

Fiscal Year	Enrollment <sup>1</sup>	Operating Expenditures <sup>2</sup>	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2011	24,680	\$ 230,399,125	\$ 9,335	-1.03%	1,584	15.6	97.10%
2012	24,761	231,336,355	9,343	0.08%	1,494	16.6	97.20%
2013	24,797	219,374,363	8,847	-5.31%	1,454	17.1	97.50%
2014	24,915	235,772,807	9,463	6.97%	1,455	17.1	97.70%
2015	24,659	239,863,901	9,727	2.79%	1,440	17.1	91.70%
2016	24,166	252,908,749	10,465	7.59%	1,443	16.7	94.30%
2017	24,200	246,386,351	10,181	-2.72%	1,450	16.7	93.00%
2018	24,022	258,925,322	10,779	5.87%	1,455	16.5	95.47%
2019 <sup>3</sup>	23,645	228,096,394	9,647	-10.50%	1,445	16.4	96.34%
2020	23,706	278,717,332	11,757	21.88%	1,479	16.0	95.91%

Source: Texas Education Agency TAPR Reports and District's CAFRs

Notes:

- <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, facilities acquisition and construction (functions 71, 72, 73 and 81).
- <sup>3</sup> House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.

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

Fiscal Year	0 Years Experience Salary <sup>1</sup>	40+ Years Experience Salary <sup>1</sup>	District Average Salary <sup>2</sup>	County Average Salary <sup>2</sup>	Statewide Average Salary <sup>2</sup>
2011	\$ 42,500	\$ 63,627	\$ 50,163	\$ 49,378	\$ 48,639
2012	42,500	63,742	49,911	49,020	48,375
2013	42,700	64,042	49,967	48,950	48,821
2014	42,700	64,042	49,972	50,523	49,692
2015	46,500	67,400	53,927	53,344	50,715
2016	47,250	68,900	55,417	54,998	51,892
2017	47,250	69,650	55,890	54,869	52,525
2018	47,250	71,050	57,024	56,590	53,334
2019	50,950	72,050	59,141	57,889	54,122
2020	50,950	75,850	61,083	60,246	57,091

**Sources:**

- <sup>1</sup> District records
- <sup>2</sup> Texas Education Agency Fall PEIMS Submission

**Notes:**

- <sup>1</sup> Amounts do not include additional stipends based on experience or academic credentials, nor fiscal benefits such as pension, health insurance and disability.

Campus Name (1)	Original Building (1)	Facility Replacement (1)	Facility Additions and Renovations (1)	Square Footage	Maximum Capacity	Maximum Capacity	Enrollment 2019-2020	Percentage of Capacity in Use
<b>HIGH SCHOOLS (9th - 12th)</b>								
Dr. Leonides G. Cigarroa	1983		2004, 2005, 2006, 2011, & 2013	270,833	87	2,175	1,580	73%
Raymond & Tirza Martin	1937		2003, 2007, 2008, 2009, 2010, & 2011	391,695	93	2,325	2,043	88%
Joseph W. Nixon	1964		2003, 2005, 2006, 2007, & 2011, 2015, 2016	406,084	83	2,075	2,298	111%
Early College at Texas A&M International University	2007	2012		42,500	20	500	430	86%
Francisco S. Lara Academy (Alternative School)	1997		1,997	28,883	17	255	71	28%
<b>TOTAL HIGH SCHOOLS:</b>				<b>1,139,995</b>	<b>300</b>	<b>7,330</b>	<b>6,422</b>	<b>88%</b>
<b>MIDDLE SCHOOLS (6th - 8 th)</b>								
Louis J. Christen	1930	2006	2008	194,507	82	2,050	1,204	59%
Dr. Joaquin G. Cigarroa	1983		2004, 2005, 2006 & 2010, 2017	178,770	74	1,850	1,265	68%
Mirabeau B. Lamar	1957	2003	2004, 2005, 2018	249,415	78	1,950	1,444	74%
Memorial	1937-39	2005	2008	133,081	48	1,200	746	62%
<b>TOTAL MIDDLE SCHOOLS:</b>				<b>755,773</b>	<b>282</b>	<b>7,050</b>	<b>4,659</b>	<b>66%</b>
<b>ELEMENTARY SCHOOLS (PK- 5th)</b>								
Antonio M. Bruni	1927	2004		81,549	38	836	547	65%
Don Jose Gallego	1946	2007		92,305	39	858	755	88%
Leon Daiches	1920	2006		92,905	33	726	498	69%
Anita T. Dovalina	1983		2002, 2010	69,511	30	660	494	75%
Francisco Farias	1958	2002	2010, 2011	108,465	47	1,034	637	62%
Demetrio D. Hachar	1974	2008		88,814	30	660	559	85%
Heights	1923	2007		68,500	26	572	542	95%
Jesus A. kawas	1983		2003, 2010, 2017	73,850	34	748	501	67%
John Z. Leyendecker	1953		2008	97,752	38	836	514	61%
Honore Ligarde	1988		2003	80,252	39	858	737	86%
Christopher M. Macdonell	1930	2004		77,965	38	836	536	64%
Joseph C. Martin	1972	2009		94,728	32	704	581	83%
Clarence L. Milton	1960	2003		88,070	51	1,122	897	80%
Alma A. Pierce	1963	2004	2010	93,233	43	946	826	87%
Michael S. Ryan	1954		2006	94,404	49	1,078	901	84%
Tomas Sanchez/Hermelinda Ochoa	1953	2002	2017	95,004	43	946	651	69%
Santa Maria	1972	2003		81,669	34	748	634	85%
Santo Niño	1960		2003, 2017	99,357	43	946	669	71%
Katherine F. Tarver	1960		2005	81,982	29	638	472	74%
Henry B. Zachry	1998	2016	2003	100,535	34	748	662	89%
<b>TOTAL ELEMENTARY SCHOOLS:</b>				<b>1,760,850</b>	<b>750</b>	<b>16,500</b>	<b>12,613</b>	<b>76%</b>
<b>SPECIAL CAMPUSES (9th-12th)</b>								
Dr. Dennis D. Cantu Health Science Magnet School	1999			26,960	12			
Sabas Perez School for Engineering and Technology	1983			(included in Cigarroa High)	4			
VMT School of Communications & Fine Arts		2015		80,677	30			
Jose A. Valdez (Urbahn Bldg)	1922		1993, 2015	15,045	5			
<b>TOTAL SPECIAL CAMPUSES:</b>				<b>122,682</b>			<b>(6)</b>	

Total Square Footage (2): 3,779,300  
 Total Minimum Capacity (3): 30,880  
 Total Enrollment (4): 23,694  
 Total Capacity Utilization (5): 77%

(1) Source: District records (latest new replacements, additions and modifications)  
 (2) Square Footage comprises the total enclosed space of each campus based on construction plans  
 (3) Maximum Capacity is a calculation based on Texas Administrator Code requirements  
 Note: Room size requirements are based on rooms that will house 22 students at the elementary level and 25 students at the middle or high school level (19 TAC Chapter 61, Subchapter CC)  
 (Lara Academy = 15/1)  
 (4) Enrollment is the ending enrollment as of the end of the school year 2019-2020 (based on Finance Department report (PEIMS DATA))  
 (5) Capacity Utilization is a calculation dividing Total Enrollment by Total Capacity, less enrollment at Special Campuses  
 (6) Enrollment included with home campus  
 (7) Statistical schedule provided from the Laredo Independent School District Construction Department.

Campus Name (1)	Original Building (1)	Facility Replacement (1)	Facility Additions and Renovations (1)	Square Footage	Classrooms	Maximum Capacity	Enrollment 2018-2019	Percentage of Capacity in Use
<b>HIGH SCHOOLS (9th - 12th)</b>								
Dr. Leonides G. Cigarroa	1983		2004, 2005, 2006, 2011, & 2013	270,833	87	2,175	1,555	71%
Raymond & Tirza Martin	1937		2003, 2007, 2008, 2009, 2010, & 2011	391,695	93	2,325	2,004	86%
Joseph W. Nixon	1964		2003, 2005, 2006, 2007, & 2011, 2015, 2016	406,084	83	2,075	2,236	108%
Early College at Texas A&M International University	2007	2012		42,500	20	500	420	84%
Francisco S. Lara Academy (Alternative School)	1997		1997	28,883	17	255	58	23%
<b>TOTAL HIGH SCHOOLS:</b>				<b>1,139,995</b>	<b>300</b>	<b>7,330</b>	<b>6,273</b>	<b>86%</b>
<b>MIDDLE SCHOOLS (6th - 8 th)</b>								
Louis J. Christen	1930	2006	2008	194,507	82	2,050	1,187	58%
Dr. Joaquin G. Cigarroa	1983		2004, 2005, 2006 & 2010, 2017	178,770	74	1,850	1,329	72%
Mirabeau B. Lamar	1957	2003	2004, 2005, 2018	198,956	78	1,950	1,385	71%
Memorial	1937-39	2005	2008	133,081	48	1,200	740	62%
<b>TOTAL MIDDLE SCHOOLS:</b>				<b>705,314</b>	<b>282</b>	<b>7,050</b>	<b>4,641</b>	<b>66%</b>
<b>ELEMENTARY SCHOOLS (PK- 5th)</b>								
Antonio M. Bruni	1927	2004		81,549	38	836	604	72%
Don Jose Gallego	1946	2007		92,305	39	858	747	87%
Leon Daiches	1920	2006		92,905	33	726	569	78%
Anita T. Dovalina	1983		2002, 2010	69,511	30	660	466	71%
Francisco Farias	1958	2002	2010, 2011	108,465	47	1,034	652	63%
Demetrio D. Hachar	1974	2008		88,814	30	660	535	81%
Heights	1923	2007		68,500	26	572	522	91%
Jesus A. Kawas	1983		2003, 2010, 2017	73,850	34	748	509	68%
John Z. Leyendecker	1953		2008	97,752	38	836	506	61%
Honore Ligarde	1988		2003	80,252	39	858	740	86%
Christopher M. Macdonell	1930	2004		77,965	38	836	514	61%
Joseph C. Martin	1972	2009		94,728	32	704	608	86%
Clarence L. Milton	1960		2003	88,070	51	1,122	925	82%
Alma A. Pierce	1963	2004	2010	93,233	43	946	829	88%
Michael S. Ryan	1954		2006	94,404	49	1,078	837	78%
Tomas Sanchez/Hermelinda Ochoa	1953	2002	2017	95,004	43	946	671	71%
Santa Maria	1972	2003		81,669	34	748	660	88%
Santo Niño	1960		2003, 2017	99,357	43	946	706	75%
Katherine F. Tarver	1960		2005	81,982	29	638	492	77%
Henry B. Zachry	1998	2016	2003	100,535	34	748	629	84%
<b>TOTAL ELEMENTARY SCHOOLS:</b>				<b>1,760,850</b>	<b>750</b>	<b>16,500</b>	<b>12,721</b>	<b>77%</b>
<b>SPECIAL CAMPUSES (9th-12th)</b>								
Dr. Dennis D. Cantu Health Science Magnet School	1999			26,960	12			
Sabas Perez School for Engineering and Technology	1983			(included in Cigarroa Hi	4			
VMT School of Communications & Fine Arts		2015		80,677	30			
Jose A. Valdez (Urbahn Bldg)	1922		1993, 2015	15,045	5			
<b>TOTAL SPECIAL CAMPUSES:</b>				<b>122,682</b>			<b>(6)</b>	
Total Square Footage (2):	3,728,841							
Total Minimum Capacity (3):	30,880							
Total Enrollment (4):	23,635							
Total Capacity Utilization (5):	77%							

**Notes:**  
(1) Source: District records (latest new replacements, additions and modifications)  
(2) Square Footage comprises the total enclosed space of each campus based on construction plans  
(3) Maximum Capacity is a calculation based on Texas Administrator Code requirements  
Note: Room size requirements are based on rooms that will house 22 students at the elementary level and 25 students at the middle or high school level (19 TAC Chapter 61, Subchapter CC)  
(Lara Academy = 15/1)  
(4) Enrollment is the ending enrollment as of the end of the school year 2018-2019 (based on Finance Department report (PEIMS DATA))  
(5) Capacity Utilization is a calculation dividing Total Enrollment by Total Capacity, less enrollment at Special Campuses  
(6) Enrollment included with home campus  
(7) Statistical schedule provided from the Laredo Independent School District Construction Department.  
(8) House Bill 98 enacted by the 76th Legislature of the state of Texas allowed school districts to change their fiscal year end from August 31 to June 30 beginning with the 2001 2002 fiscal year. The District elected to take advantage of this opportunity and chose to change its fiscal year beginning with the 2018 2019 reporting period. Fiscal years 2018 and prior ended on August 31; however, for 2019, the fiscal period consisted of the ten month period of September 1, 2018 through June 30, 2019.

August 31, 2018

Campus Name <sup>1</sup>	Original Building <sup>1</sup>	Facility Replacement <sup>1</sup>	Facility Additions and Renovations <sup>1</sup>	Square Footage	Classrooms	Minimum Capacity	Enrollment 2017 2018	Percentage of Capacity in Use
<b>HIGH SCHOOLS (9th - 12th)</b>								
Dr. Leonides G. Cigarroa	1983		2004, 2005, 2006, 2011, & 2013	270,833	87	2,175	1,602	74%
Raymond & Tirza Martin	1937		2003, 2007, 2008, 2009, 2010, & 2011	391,695	93	2,325	2,026	87%
Joseph W. Nixon	1964		2003, 2005, 2006, 2007, & 2011, 2015, 2016	406,084	83	2,075	2,188	105%
Early College at Texas A&M International University	2007	2012		42,500	20	500	438	88%
Francisco S. Lara Academy (Alternative School)	1997		1997	28,883	17	255	70	27%
<b>TOTAL HIGH SCHOOLS:</b>				<b>1,139,995</b>	<b>300</b>	<b>7,330</b>	<b>6,324</b>	<b>86%</b>
<b>MIDDLE SCHOOLS (6th - 8 th)</b>								
Louis J. Christen	1930	2006	2008	194,507	82	2,050	1,233	60%
Dr. Joaquin G. Cigarroa	1983		2004, 2005, 2006 & 2010, 2017	178,770	74	1,850	1,319	71%
Mirabeau B. Lamar	1957	2003	2004, 2005, 2018	198,956	78	1,950	1,369	70%
Memorial	1937-39	2005	2008	133,081	48	1,200	763	64%
<b>TOTAL MIDDLE SCHOOLS:</b>				<b>705,314</b>	<b>282</b>	<b>7,050</b>	<b>4,684</b>	<b>66%</b>
<b>ELEMENTARY SCHOOLS (PK- 5th)</b>								
Antonio M. Bruni	1927	2004		81,549	38	836	618	74%
Don Jose Gallego	1946	2007		92,305	39	858	775	90%
Leon Daiches	1920	2006		92,905	33	726	597	82%
Anita T. Dovalina	1983		2002, 2010	69,511	30	660	504	76%
Francisco Farias	1958	2002	2010, 2011	108,465	47	1,034	655	63%
Demetrio D. Hachar	1974	2008		88,814	30	660	541	82%
Heights	1923	2007		68,500	26	572	553	97%
Jesus A. Kawas	1983		2003, 2010, 2017	73,850	34	748	578	77%
John Z. Leyendecker	1953		2008	97,752	38	836	509	61%
Honore Ligarde	1988		2003	80,252	39	858	729	85%
Christopher M. Macdonell	1930	2004		77,965	38	836	539	64%
Joseph C. Martin	1972	2009		94,728	32	704	607	86%
Clarence L. Milton	1960		2003	88,070	51	1,122	881	79%
Alma A. Pierce	1963	2004	2010	93,233	43	946	839	89%
Michael S. Ryan	1954		2006	94,404	49	1,078	898	83%
Tomas Sanchez/Hermelinda Ochoa	1953	2002	2017	95,004	43	946	719	76%
Santa Maria	1972	2003		81,669	34	748	666	89%
Santo Niño	1960		2003, 2017	99,357	43	946	694	73%
Katherine F. Tarver	1960		2005	81,982	29	638	506	79%
Henry B. Zachry	1998	2016	2003	100,535	34	748	635	85%
<b>TOTAL ELEMENTARY SCHOOLS:</b>				<b>1,760,850</b>	<b>750</b>	<b>16,500</b>	<b>13,043</b>	<b>79%</b>
<b>SPECIAL CAMPUSES (9th-12th)</b>								
Dr. Dennis D. Cantu Health Science Magnet School	1999			26,960	12			
Sabas Perez School for Engineering and Technology	1983			(included in Cigarroa Hi	4			
VMT School of Communications & Fine Arts		2015		80,677	30			
Jose A. Valdez (Urbahn Bldg)	1922		1993, 2015	15,045	5			
<b>TOTAL SPECIAL CAMPUSES<sup>6</sup>:</b>				<b>122,682</b>				
Total Square Footage (2):				3,728,841				
Total Minimum Capacity (3):				30,880				
Total Enrollment (4):				24,051				
Total Capacity Utilization (5):				78%				

**Notes:**

- (1) Source: District records (latest new replacements, additions and modifications)
- (2) Square Footage comprises the total enclosed space of each campus based on construction plans
- (3) Maximum Capacity is a calculation based on Texas Administrator Code requirements  
Note: Room size requirements are based on rooms that will house 22 students at the elementary level and 25 students at the middle or high school level (19 TAC Chapter 61, Subchapter CC)  
(Lara Academy = 15/1)
- (4) Enrollment is the ending enrollment as of the end of the school year 2017-2018 (based on Finance Department report (PEIMS DATA))
- (5) Capacity Utilization is a calculation dividing Total Enrollment by Total Capacity, less enrollment at Special Campuses
- (6) Enrollment included with home campus
- (7) Statistical schedule provided from the Laredo Independent School District Construction Department.

August 31, 2017

Campus Name <sup>1</sup>	Original Building <sup>1</sup>	Facility Replacement <sup>1</sup>	Facility Additions and Renovations <sup>1</sup>	Square Footage	Classrooms	Minimum Capacity	Enrollment 2016-2017	Percentage of Capacity in Use
<b>HIGH SCHOOLS (9th - 12th)</b>								
Dr. Leonides G. Cigarroa	1983		2004, 2005, 2006, 2011, & 2013	270,833	87	2,175	1,597	73%
Raymond & Tirza Martin	1937		2003, 2007, 2008, 2009, 2010, & 2011	366,395	93	2,325	1,942	84%
Joseph W. Nixon	1964		2003, 2005, 2006, 2007, 2011, 2015 & 2016	406,084	83	2,075	2,260	109%
Early College at Texas A&M International University	2007	2012		42,500	20	500	432	86%
Francisco S. Lara Academy (Alternative School)	1997		1997	28,883	17	255	85	33%
<b>TOTAL HIGH SCHOOLS:</b>				<b>1,114,695</b>	<b>300</b>	<b>7,330</b>	<b>6,316</b>	<b>86%</b>
<b>MIDDLE SCHOOLS (6th - 8 th)</b>								
Louis J. Christen	1930	2006	2008	194,507	82	2,050	1,225	60%
Dr. Joaquin G. Cigarroa	1983		2004, 2005, 2006, 2010 & 2016	178,770	74	1,850	1,332	72%
Mirabeau B. Lamar	1957	2003	2004, 2005	176,157	78	1,950	1,307	67%
Memorial	1937-39	2005	2008	133,081	48	1,200	731	61%
<b>TOTAL MIDDLE SCHOOLS:</b>				<b>682,515</b>	<b>282</b>	<b>7,050</b>	<b>4,595</b>	<b>65%</b>
<b>ELEMENTARY SCHOOLS (PK- 5th)</b>								
Antonio M. Bruni	1927	2004		81,549	38	836	628	75%
Don Jose Gallego	1946	2007		92,305	39	858	760	89%
Leon Daiches	1920	2006		92,905	33	726	597	82%
Anita T. Dovalina	1983		2002, 2010	69,511	30	660	523	79%
Francisco Farias	1958	2002	2010, 2011	108,465	47	1,034	678	66%
Demetrio D. Hachar	1974	2008		88,814	30	660	521	79%
Heights	1923	2007		68,500	26	572	561	98%
Jesus A. Kawas	1983		2003, 2016	73,850	34	748	591	79%
John Z. Leyendecker	1953		2008	97,752	38	836	515	62%
Honore Ligarde	1988		2003	80,252	39	858	776	90%
Christopher M. Macdonell	1930	2004		77,965	38	836	613	73%
Joseph C. Martin	1972	2009		94,728	32	704	609	87%
Clarence L. Milton	1960		2003	88,070	51	1,122	875	78%
Alma A. Pierce	1963	2004	2010	93,233	43	946	848	90%
Michael S. Ryan	1954		2006	94,404	49	1,078	908	84%
Tomas Sanchez/Hermelinda Ochoa	1953	2002	2016	95,004	43	946	715	76%
Santa Maria	1972	2003		81,669	34	748	674	90%
Santo Niño	1960		2003, 2016	99,357	43	946	711	75%
Katherine F. Tarver	1960		2005	81,982	29	638	549	86%
Henry B. Zachry	1998	2016	2003	100,535	34	748	646	86%
<b>TOTAL ELEMENTARY SCHOOLS:</b>				<b>1,760,850</b>	<b>750</b>	<b>16,500</b>	<b>13,298</b>	<b>81%</b>
<b>SPECIAL CAMPUSES (9th-12th)</b>								
Dr. Dennis D. Cantu Health Science Magnet School	1999			26,960	12			
Sabas Perez School for Engineering and Technology	1983			(included in Cigarroa Hlg)	4			
VMT School of Communications & Fine Arts		2015		80,677	30			
Jose A. Valdez (Urbanh Bldg)	1922		1993, 2015	15,045	5			
<b>TOTAL SPECIAL CAMPUSES<sup>6</sup>:</b>				<b>122,682</b>				

Total Square Footage<sup>2</sup>: 3,680,742  
 Total Minimum Capacity<sup>2</sup>: 30,880  
 Total Enrollment<sup>4</sup>: 24,209  
 Total Capacity Utilization<sup>5</sup>: 78%

**Notes:**

- (1) Source: District records (latest new replacements, additions and modifications)
- (2) Square Footage comprises the total enclosed space of each campus based on construction plans
- (3) Maximum Capacity is a calculation based on Texas Administrator Code requirements
- Note: Room size requirements are based on rooms that will house 22 students at the elementary level and 25 students at the middle or high school level (19 TAC Chapter 61, Subchapter CC) (Lara Academy = 15/1)
- (4) Enrollment is the ending enrollment as of the end of the school year 2016-2017 (based on Finance Department report (PEIMS DATA))
- (5) Capacity Utilization is a calculation dividing Total Enrollment by Total Capacity, less enrollment at Special Campuses
- (6) Enrollment included with home campus
- (7) Statistical schedule provided from the Laredo Independent School District Construction Department.

August 31, 2016

Campus Name <sup>1</sup>	Original Building <sup>1</sup>	Facility Replacement <sup>1</sup>	Facility Additions and Renovations <sup>1</sup>	Square Footage	Classrooms	Minimum Capacity	Enrollment 2015-2016	Percentage of Capacity in Use
<b>HIGH SCHOOLS (9th - 12th)</b>								
Dr. Leonides G. Cigarroa	1983		2004, 2005, 2006, 2011, & 2013	277,154	87	2,175	1,569	72%
Raymond & Tirza Martin	1937		2003, 2007, 2008, 2009, 2010, & 2011	364,735	93	2,325	1,875	81%
Joseph W. Nixon	1964		2003, 2005, 2006, 2007, & 2011	425,608	83	2,075	2,088	101%
Early College at Texas A&M International University	2007	2012		42,500	20	500	427	85%
Francisco S. Lara Academy (Alternative School)	1997		1997	28,883	17	255	70	27%
<b>TOTAL HIGH SCHOOLS:</b>				<b>1,138,880</b>	<b>300</b>	<b>7,330</b>	<b>6,029</b>	<b>82%</b>
<b>MIDDLE SCHOOLS (6th - 8th)</b>								
Louis J. Christen	1930	2006	2008, 2004, 2005, 2006 & 2010	194,507	82	2,050	1,328	65%
Dr. Joaquin G. Cigarroa	1983	2006	2010	216,000	74	1,850	1,312	71%
Mirabeau B. Lamar	1957	2003	2004, 2005	184,900	78	1,950	1,314	67%
Memorial	1937-39	2005	2008	133,081	48	1,200	716	60%
<b>TOTAL MIDDLE SCHOOLS:</b>				<b>728,488</b>	<b>282</b>	<b>7,050</b>	<b>4,670</b>	<b>66%</b>
<b>ELEMENTARY SCHOOLS (PK- 5th)</b>								
Antonio M. Bruni	1927	2004		81,549	38	836	631	75%
Don Jose Gallego	1946	2007		92,305	39	858	805	94%
Leon Daiches	1920	2006		92,905	33	726	557	77%
Anita T. Dovalina	1983		2002, 2010	69,511	30	660	520	79%
Francisco Farias	1958	2002	2010, 2011	108,465	47	1,034	752	73%
Demetrio D. Hachar	1974	2008		88,814	30	660	546	83%
Heights	1923	2007		68,500	26	572	548	96%
Jesus A. Kawas	1983		2003	71,259	34	748	564	75%
John Z. Leyendecker	1953		2008	97,752	38	836	538	64%
Honore Ligarde	1988		2003	80,252	39	858	809	94%
Christopher M. Macdonell	1930	2004		77,965	38	836	620	74%
Joseph C. Martin	1972	2009		94,728	32	704	596	85%
Clarence L. Milton	1960		2003	88,070	51	1,122	915	82%
Alma A. Pierce	1963	2004	2010	93,233	43	946	867	92%
Michael S. Ryan	1954		2006	94,404	49	1,078	945	88%
Tomas Sanchez/Hermelinda Ochoa	1953	2002		88,766	43	946	732	77%
Santa Maria	1972	2003		81,669	37	748	663	89%
Santo Niño	1960		2003	95,510	43	946	687	73%
Katherine F. Tarver	1960		2005	81,982	29	638	536	84%
Henry B. Zachry	1998		2003	70,233	34	748	651	87%
<b>TOTAL ELEMENTARY SCHOOLS:</b>				<b>1,717,872</b>	<b>750</b>	<b>16,500</b>	<b>13,482</b>	<b>82%</b>
<b>SPECIAL CAMPUSES (9th-12th)</b>								
Dr. Dennis D. Cantu Health Science Magnet School	1999			26,960	12			
Sabas Perez School for Engineering and Technology	1983			(included in Cigarroa Hig	4			
VMT School of Communications & Fine Arts		2015		80,677	30			
Jose A. Valdez (Urbanh Bldg)	1922		1993, 2015	15,045	5			
<b>TOTAL SPECIAL CAMPUSES<sup>5</sup>:</b>				<b>122,682</b>				

Total Square Footage<sup>2</sup>: 3,707,922  
 Total Minimum Capacity<sup>3</sup>: 30,880  
 Total Enrollment<sup>4</sup>: 24,181  
 Total Capacity Utilization<sup>5</sup>: 78%

**Notes:**

- (1) Source: District records (latest new replacements, additions and modifications)
- (2) Square Footage comprises the total enclosed space of each campus based on construction plans
- (3) Maximum Capacity is a calculation based on Texas Administrator Code requirements
- Note: Room size requirements are based on rooms that will house 22 students at the elementary level and 25 students at the middle or high school level (19 TAC Chapter 61, Subchapter CC) (Lara Academy = 15/1)
- (4) Enrollment is the ending enrollment as of the end of the school year 2015-2016 (based on Finance Department report (PEIMS DATA))
- (5) Capacity Utilization is a calculation dividing Total Enrollment by Total Capacity, less enrollment at Special Campuses
- (6) Enrollment included with home campus
- (7) Statistical schedule provided from the Laredo Independent School District Construction Department.



August 31, 2015

Campus Name <sup>1</sup>	Original Building <sup>1</sup>	Facility Replacement <sup>1</sup>	Facility Additions and Renovations <sup>1</sup>	Square Footage	Classrooms	Minimum Capacity	Enrollment 2014-2015	Percentage of Capacity in Use
<b>HIGH SCHOOLS (9th - 12th)</b>								
Dr. Leonides G. Cigarroa	1983		2004, 2005, 2006, 2011, & 2013	277,154	87	2,175	1,540	71%
Raymond & Tirza Martin	1937		2003, 2007, 2008, 2009, 2010, & 2011	364,735	93	2,325	1,866	80%
Joseph W. Nixon	1964		2003, 2005, 2006, 2007, & 2011	425,608	83	2,075	1,967	95%
Early College at Texas A&M International University	2007	2012		42,500	20	500	422	84%
Francisco S. Lara Academy (Alternative School)	1997		1997	28,883	17	255	93	36%
<b>TOTAL HIGH SCHOOLS:</b>				<b>1,138,880</b>	<b>300</b>	<b>7,330</b>	<b>5,888</b>	<b>80%</b>
<b>MIDDLE SCHOOLS (6th - 8 th)</b>								
Louis J. Christen	1930	2006	2008 2004, 2005, 2006 & 2010	194,507	82	2,050	1,369	67%
Dr. Joaquin G. Cigarroa	1983	2006	2010	216,000	74	1,850	1,407	76%
Mirabeau B. Lamar	1957	2003	2004, 2005	184,900	78	1,950	1,352	69%
Memorial	1937-39	2005	2008	133,081	48	1,200	731	61%
<b>TOTAL MIDDLE SCHOOLS:</b>				<b>728,488</b>	<b>282</b>	<b>7,050</b>	<b>4,859</b>	<b>69%</b>
<b>ELEMENTARY SCHOOLS (PK- 5th)</b>								
Antonio M. Bruni	1927	2004		81,549	38	836	687	82%
Don Jose Gallego	1946	2007		92,305	39	858	799	93%
Leon Daiches	1920	2006		92,905	33	726	610	84%
Anita T. Dovalina	1983		2002, 2010	69,511	30	660	540	82%
Francisco Farias	1958	2002	2010, 2011	108,465	47	1,034	767	74%
Demetrio D. Hachar	1974	2008		88,814	30	660	541	82%
Heights	1923	2007		68,500	26	572	564	99%
Jesus A. kawas	1983		2003	71,259	34	748	591	79%
John Z. Leyendecker	1953		2008	97,752	38	836	541	65%
Honore Ligarde	1988		2003	80,252	39	858	849	99%
Christopher M. Macdonell	1930	2004		77,965	38	836	764	91%
Joseph C. Martin	1972	2009		94,728	32	704	591	84%
Clarence L. Milton	1960		2003	88,070	51	1,122	891	79%
Alma A. Pierce	1963	2004	2010	93,233	43	946	877	93%
Michael S. Ryan	1954		2006	94,404	49	1,078	951	88%
Tomas Sanchez/Hermelinda Ochoa	1953	2002		88,766	43	946	749	79%
Santa Maria	1972	2003		81,669	34	748	701	94%
Santo Niño	1960		2003	95,510	43	946	708	75%
Katherine F. Tarver	1960		2005	81,982	29	638	572	90%
Henry B. Zachry	1998		2003	70,233	34	748	658	88%
<b>TOTAL ELEMENTARY SCHOOLS:</b>				<b>1,717,872</b>	<b>750</b>	<b>16,500</b>	<b>13,951</b>	<b>85%</b>
<b>SPECIAL CAMPUSES (9th-12th)</b>								
Dr. Dennis D. Cantu Health Science Magnet School	1999			26,960	12			
Sabas Perez School for Engineering and Technology	1983			(included in Cigarroa Hi)	4			
VMT School of Communications & Fine Arts	1922	2015		80,677	30			
Jose A. Valdez	1957		1993, 2015	15,045	5			
<b>TOTAL SPECIAL CAMPUSES<sup>6</sup>:</b>				<b>122,682</b>				

Total Square Footage<sup>2</sup>: 3,707,922  
 Total Minimum Capacity<sup>2</sup>: 30,880  
 Total Enrollment<sup>4</sup>: 24,698  
 Total Capacity Utilization<sup>3</sup>: 80%

**Notes:**

- (1) Source: District records (latest new replacements, additions and modifications)
- (2) Square Footage comprises the total enclosed space of each campus based on construction plans
- (3) Maximum Capacity is a calculation based on Texas Administrator Code requirements
- Note: Room size requirements are based on rooms that will house 22 students at the elementary level and 25 students at the middle or high school level (19 TAC Chapter 61, Subchapter CC)
- (Lara Academy = 15/1)
- (4) Enrollment is the ending enrollment as of the end of the school year 2014-2015 (based on Finance Department report (PEIMS DATA))
- (5) Capacity Utilization is a calculation dividing Total Enrollment by Total Capacity, less enrollment at Special Campuses
- (6) Enrollment included with home campus
- (7) Statistical schedule provided from the Laredo Independent School District Construction Department.

August 31, 2014

Campus Name <sup>1</sup>	Original Building <sup>1</sup>	Facility Replacement <sup>1</sup>	Facility Additions and Renovations <sup>1</sup>	Square Footage	Classrooms	Minimum Capacity	Enrollment 2013-2014	Percentage of Capacity in Use
<b>HIGH SCHOOLS (9th - 12th)</b>								
Dr. Leonides G. Cigarroa	1983		2004, 2005, 2006, 2011, & 2013	277,154	87	2,175	1,387	64%
Raymond & Tirza Martin	1937		2003, 2007, 2008, 2009, 2010, & 2011	364,735	93	2,325	1,915	82%
Joseph W. Nixon	1964		2003, 2005, 2006, 2007, & 2011	425,608	83	2,075	1,913	92%
Early College at Texas A&M International University	2007	2012		42,500	20	500	416	83%
Francisco S. Lara Academy (Alternative School)	1997		1997	28,883	17	255	101	40%
<b>TOTAL HIGH SCHOOLS:</b>				<b>1,138,880</b>	<b>300</b>	<b>7,330</b>	<b>5,732</b>	<b>78%</b>
<b>MIDDLE SCHOOLS (6th - 8 th)</b>								
Louis J. Christen	1930	2006	2008 2004, 2005, 2006 & 2010	194,507	53	1,325	1,402	106%
Dr. Joaquin G. Cigarroa	1983	2006	2010	216,000	54	1,350	1,405	104%
Mirabeau B. Lamar	1957	2003	2004, 2005	184,900	48	1,200	1,383	115%
Memorial	1937-39	2005	2008	133,081	28	700	761	109%
<b>TOTAL MIDDLE SCHOOLS:</b>				<b>728,488</b>	<b>183</b>	<b>4,575</b>	<b>4,951</b>	<b>108%</b>
<b>ELEMENTARY SCHOOLS (PK- 5th)</b>								
Antonio M. Bruni	1927	2004		81,549	29	638	670	105%
Don Jose Gallego	1946	2007		92,305	35	770	745	97%
Leon Daiches	1920	2006		92,905	33	726	596	82%
Anita T. Dovalina	1983		2002, 2010	69,511	30	660	551	83%
Francisco Farias	1958	2002	2010, 2011	108,465	47	1,034	843	82%
Demetrio D. Hachar	1974	2008		88,814	30	660	578	88%
Heights	1923	2007		68,500	19	418	556	133%
Jesus A. kawas	1983		2003	71,259	34	748	599	80%
John Z. Leyendecker	1953		2008	97,752	38	836	550	66%
Honore Ligarde	1988		2003	80,252	39	858	817	95%
Christopher M. Macdonell	1930	2004		77,965	29	638	762	119%
Joseph C. Martin	1972	2009		94,728	32	704	652	93%
Clarence L. Milton	1960		2003	88,070	39	858	916	107%
Alma A. Pierce	1963	2004	2010	93,233	43	946	932	99%
Michael S. Ryan	1954		2006	94,404	43	946	966	102%
Tomas Sanchez/Hermelinda Ochoa	1953	2002		88,766	33	726	749	103%
Santa Maria	1972	2003		81,669	29	638	705	111%
Santo Niño	1960		2003	95,510	43	946	761	80%
Katherine F. Tarver	1960		2005	81,982	29	638	633	99%
Henry B. Zachry	1998		2003	70,233	34	748	661	88%
<b>TOTAL ELEMENTARY SCHOOLS:</b>				<b>1,717,872</b>	<b>688</b>	<b>15,136</b>	<b>14,242</b>	<b>94%</b>
<b>SPECIAL CAMPUSES (9th-12th)</b>								
Dr. Dennis D. Cantu Health Science Magnet School	1999			26,960				
Sabas Perez School for Engineering and Technology	1983			(included in Cigarroa High)				
VMT School of Communications & Fine Arts	1922		1993	52,021				
Jose A. Valdez	1957		2010	15,138				
<b>TOTAL SPECIAL CAMPUSES:</b>				<b>94,119</b>				

Total Square Footage<sup>2</sup>: 3,679,359  
 Total Minimum Capacity<sup>2</sup>: 27,041  
 Total Enrollment<sup>4</sup>: 24,925  
 Total Capacity Utilization<sup>5</sup>: 92%

**Notes:**

- (1) Source: District records (latest new replacements, additions and modifications)
- (2) Square Footage comprises the total enclosed space of each campus based on construction plans
- (3) Maximum Capacity is a calculation based on Texas Administrator Code requirements
- Note: Room size requirements are based on rooms that will house 22 students at the elementary level and 25 students at the middle or high school level (19 TAC Chapter 61, Subchapter CC)
- (Lara Academy = 15/1)
- (4) Enrollment is the ending enrollment as of the end of the school year 2013-2014 (based on Finance Department report (PEIMS DATA))
- (5) Capacity Utilization is a calculation dividing Total Enrollment by Total Capacity, less enrollment at Special Campuses
- (6) Enrollment included with home campus
- (7) Statistical schedule provided from the Laredo Independent School District Construction Department.



# SINGLE AUDIT SECTION

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

**L**  **ISD**  
**LAREDO**  
INDEPENDENT SCHOOL DISTRICT

Laredo, Texas







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

To the Board of Trustees  
Laredo Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Laredo Independent School District (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 9, 2020.

***Internal Control over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

The Board of Trustees  
Laredo Independent School District

**Purpose of this Report**

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

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

WEAVER AND TIDWELL, L.L.P.

Austin, Texas  
December 9, 2020



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

To the Board of Trustees  
Laredo Independent School District

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

We have audited the Laredo Independent School District's (the District's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion in Each Major Federal Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

## Report on Internal Control over Compliance

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

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

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

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

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

WEAVER AND TIDWELL, L.L.P.

Austin, Texas  
December 9, 2020



**Laredo Independent School District**  
 Schedule of Findings and Questioned Costs  
 Ten Month Period Ended June 30, 2020

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

**Financial Statements**

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weakness(es) identified?	___ Yes	__X__ No
Significant deficiencies identified that are not considered to be material weakness(es)?	___ Yes	__X__ None reported
Noncompliance material to financial statements noted?	___ Yes	__X__ No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?	___ Yes	__X__ No
Significant deficiencies identified that are not considered to be material weakness(es)?	___ Yes	__X__ None reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that are required to be in accordance with the Uniform Guidance?	___ Yes	__X__ None reported
---	---------	---------------------

Identification of major programs:

10.553, 10.555, 10.559	Child Nutrition Cluster
84.027A, 84.173A	Special Education Cluster (IDEA)
84.367A	ESEA, Title II, Part A – Support Instruction
84.425D	Elementary & Secondary School Emergency Relief Fund

Dollar threshold used to distinguish between type A and type B programs?	\$1,772,713
--	-------------

Auditee qualified as low-risk auditee?	__X__ Yes	___ No
--	-----------	--------

**Laredo Independent School District**  
Schedule of Findings and Questioned Costs – Continued  
Ten Month Period Ended June 30, 2020

**Section 2. Financial Statement Findings**

None

**Section 3. Federal Award Findings and Questioned Costs**

None

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

None

**This Page Left Blank Intentionally**

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020

(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 HOMELAND SECURITY</b>			
<u>Passed Through State Department of Agriculture</u>			
Emergency Food and Shelter National Board Program	97.024	N/A	\$ 5,623
Total Passed Through State Department of Agriculture			5,623
<b>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</b>			5,623
<b>U.S. DEPARTMENT OF DEFENSE</b>			
<u>Direct Programs</u>			
ROTC	12.9999	N/A	195,080
Total Direct Programs			195,080
<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>			195,080
<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	19610101240901	749,968
ESEA, Title I, Part A - Improving Basic Programs	84.010A	20610101240901	15,899,625
Total CFDA Number 84.010A			16,649,593
ESEA, Title I, Part C - Edu. of Migratory Children	84.011A	19615001240901	27,368
ESEA, Title I, Part C - Edu. of Migratory Children	84.011A	20615001240901	76,867
Total CFDA Number 84.011A			104,235
*IDEA, Part B, Formula	84.027A	186600012409016600	61,416
*IDEA, Part B, Formula	84.027A	196600012409016000	262,287
*IDEA, Part B, Formula	84.027A	206600012409016600	4,279,170
*IDEA, Part B, Discretionary (Deaf)	84.027A	206600112409016673	16,577
Total CFDA Number 84.027A			4,619,450
*IDEA, Part B, Preschool	84.173A	186610012409016000	120
*IDEA, Part B, Preschool	84.173A	196610012409016610	34
*IDEA, Part B, Preschool	84.173A	206610012409016610	8,131
Total CFDA Number 84.173A			8,285
Total Special Education Cluster (IDEA)			4,627,735
Carl D. Perkins Basic Formula Grant	84.048A	19420006240901	80,074
Title I, Part C-Career and Technical Grant	84.048A	20420006240901	378,384
2019 - 2020 Perkins Reserve	84.048A	20420028711049	9,126
Total CFDA Number 84.048A			467,584
Texas Education for Homeless Children and Youth	84.196A	194600057110045	1,428
Texas Education for Homeless Children and Youth	84.196A	204600057110049	11,561
Total CFDA Number 84.196A			12,989
ESEA, Title III, Part A - ELA	84.365A	19671001240901	110,456
ESEA, Title III, Part A - ELA	84.365A	20671001240901	1,084,911
Total CFDA Number 84.365A			1,195,367
ESEA, Title II, Part A - Support Instruction	84.367A	19694501240901	66,688
ESEA, Title II, Part A - Support Instruction	84.367A	20694501240901	1,287,149
Total CFDA Number 84.367A			1,353,837
ESSA, Title IV, Part A - Student Support	84.424A	19680101240901	88,154
ESSA, Title IV, Part A - Student Support	84.424A	20680101240901	878,132
Total CFDA Number 84.424A			966,286

LAREDO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
ESSER Fund - Covid19	84.425D	20521001240901	13,328,514
College Now - Career Connected!	84.334A	P334A180025	507,723
Total Passed Through State Department of Education			39,213,863
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			39,213,863
<b>U.S. DEPARTMENT OF LABOR</b>			
<u>Passed Through State Department of Education</u>			
P-TECH and ICIA - Workforce Investment Act Cluster	17.258	183925027110009	63,648
Total Passed Through State Department of Education			63,648
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>			63,648
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<u>Passed Through TX Health and Human Svcs Commission</u>			
Medicaid Admin Claims (MAC) Prog -Medicaid Cluster	93.778	529-07-0157-00277	128,941
Total Passed Through TX Health and Human Svcs Commission			128,941
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			128,941
<b>U.S. DEPARTMENT OF JUSTICE</b>			
<u>Direct Programs</u>			
Equitable Sharing Program	16.922	N/A	134,778
Organized Crime Drug Enforcement Task Force	16.111	N/A	20,785
Total Direct Programs			155,563
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>			155,563
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<u>Passed Through State Department of Agriculture</u>			
*School Breakfast Program	10.553	806780706	3,545,280
*National School Lunch Program - Cash Assistance	10.555	806780706	9,036,065
*National School Lunch Prog. - Non-Cash Assistance	10.555	806780706	1,248,886
Total CFDA Number 10.555			10,284,951
*Summer Feeding Program - Cash Assistance	10.559	N/A	223,354
*Summer Feeding Program Cash Assistance-Covid19	10.559	N/A	3,660,655
Total CFDA Number 10.559			3,884,009
Total Child Nutrition Cluster			17,714,240
Fresh Fruit & Vegetable Program	10.582	N/A	570,814
Child & Adult Care Program	10.558	806780706	1,024,330
Farm to School	10.575	CN-F2S-IMP-19-TX-2	18,325
Total Passed Through State Department of Agriculture			19,327,709
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			19,327,709
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 59,090,427</b>

\*Clustered Programs

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020

**A. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Laredo Independent School District under programs of the federal government for the ten month year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*.

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

- The General Fund is accounted for, among other things, resources related to the United States Department of Defense ROTC program.
- The Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.
- The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital outlays, including capital facilities and other capital assets.

**B. Summary of Significant Accounting Policies**

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 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.

LAREDO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020

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

The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations are made in accordance with provisions for the period of availability of Federal Funds in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards (Uniform Guidance)*.

**C. Indirect Cost Rate**

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

**D. Reconciliation from the Schedule of Expenditures of Federal Awards to the Exhibit C-3**

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.

Total Expenditures of Federal Awards, Exhibit K-1	\$59,090,427
School Health and Related Services (SHARS) Program Reimbursement	<u>3,021,190</u>
Federal Program Revenues, Exhibit C-3	<u><u>\$62,111,617</u></u>

**This Page Left Blank Intentionally**







# L I S D

L A R E D O  
INDEPENDENT SCHOOL DISTRICT