

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021





**Laredo Independent School District
Annual Comprehensive Financial Report
For Fiscal Year Ended
June 30, 2021**

Prepared by:

Financial Management Department

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**LAREDO INDEPENDENT SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR FISCAL YEAR ENDED JUNE 30, 2021**

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**LAREDO INDEPENDENT SCHOOL DISTRICT
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INTRODUCTORY SECTION





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



Dr. Sylvia G. Rios
Superintendent of Schools

December 15, 2021

*Board of Trustees
2020-2021*

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



Hector J. Garcia
President, District 6

Dear Board Members and Taxpayers:

We are pleased to submit to you the Annual Financial Report for the Laredo Independent School District (the “District”) for the fiscal year ended June 30, 2021. The report was prepared by the District’s Division of Finance and Business Services. The independent accounting firm of Garza/Gonzalez & Associates, whose report is included herein, has audited the basic financial statements. 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. Noyola
Vice President, District 3

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.



Dr. Minita Ramirez
Parliamentarian,
District 5

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.



Jose A. Valdez
Trustee, District 1

The Board is required to adopt an initial budget for the fiscal year no later than June 30th preceding the beginning of the fiscal year on July 1. 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.



Guadalupe Gomez
Trustee, District 2

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.



Ricardo Garza
Trustee, District 4

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 2020-2021 was 22,041 students of which 6,323 students were enrolled at the high school level, 4,514 students were enrolled at the middle school level, and 11,204 students were enrolled at the elementary level.

Over 96% of our students were 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 nineteenth Superior or “A” rating on the School FIRST (Financial Integrity Rating System of Texas) financial accountability system for the fiscal year ended August 31, 2020. The rating system was established during the 77th 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. 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 20,000. Average daily attendance (ADA) drives school funding and it has decreased on an annual basis due to decreases 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.

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 and Business Services 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. On July 1, 2021, the District migrated to Frontline Education Solutions built for Texas K-12, which provides integration between Human Resources and the Finance system in one platform.

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 Garza/Gonzalez & Associates, was selected by the District and approved by the Board. In addition to meeting the requirements set forth in the state and local policies, the audit was also designed to meet the requirements of the 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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended August 31, 2020. This is the 23rd 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 annual comprehensive 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 annual comprehensive 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.

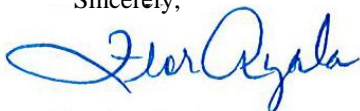
Acknowledgments

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, Garza/Gonzalez & Associates.

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, 2021**

ELECTED OFFICIALS

| Board of Trustees | Length of Service | Occupation |
|---------------------------------------|-------------------|--|
| Hector J. Garcia President | 11 Years | General Manager - La Posada |
| Hector J. Noyola Vice-President | 7 Years | Executive Director - Boys and Girls Clubs of Laredo |
| Monica Garcia Secretary | 3 Years | Community Outreach Coordinator / Public Information Officer–El Metro Transit |
| Dr. Minita Ramirez Parliamentarian | 3 Years | Vice President for Student Success - TAMIU |
| Jose A. Valdez Trustee | 24 Year | Retired |
| Guadalupe Gomez Trustee | 1 Year | Chief Administrator Justice of the Peace Precinct 1 – Webb County |
| Ricardo Garza Trustee | 10 Year | Business Owner – Twins Mechanical, Inc. |

APPOINTED OFFICIALS

Sylvia G. Rios, Ed.DSuperintendent 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

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

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

Oscar Perez..... Executive Director for Health & Occupational Safety Support Services

Ambrose GomezExecutive Director for Technology Services

CONSULTANTS & ADVISORS

Financial AdvisorEstrada-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.....Garza/Gonzalez & Associates
San Antonio, Texas

General CounselKazen, Meurer & Perez, Attorneys-at-Law
Laredo, Texas

LAREDO INDEPENDENT SCHOOL DISTRICT

Board of Trustees June 30, 2021



Hector J. Garcia
President
District 6



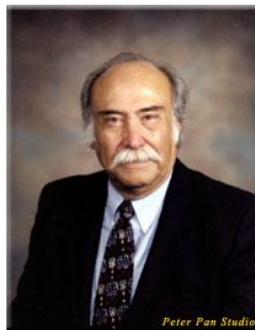
Hector J. Noyola
Vice-President
District 3



Monica Garcia
Secretary
District 7



Dr. Minita Ramirez
Parliamentarian
District 5



Jose A. Valdez
Trustee
District 1



Guadalupe Gomez
Trustee
District 2



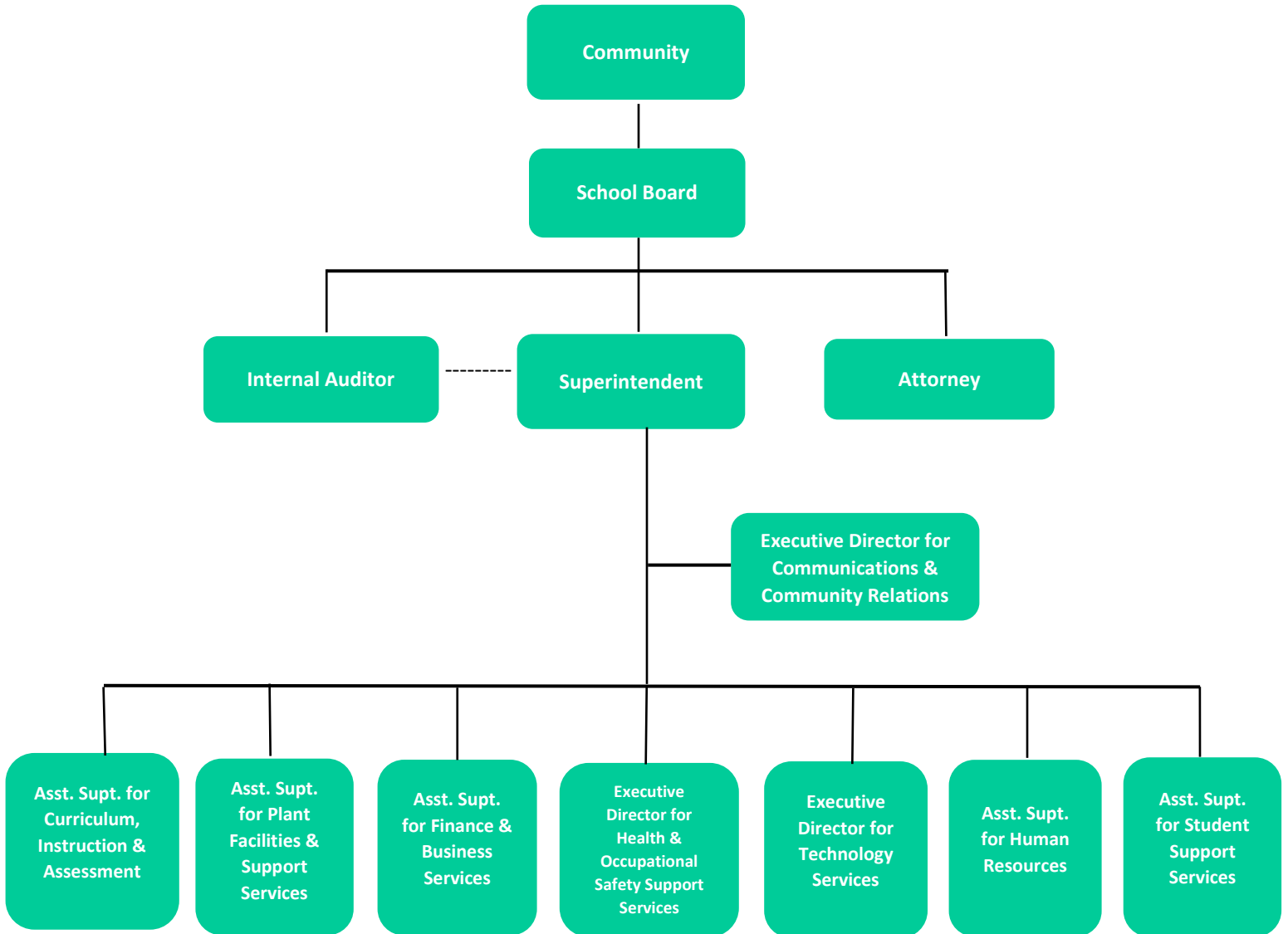
Ricardo Garza
Trustee
District 4

Superintendent of Schools



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

LAREDO INDEPENDENT SCHOOL DISTRICT
Organizational Chart
June 30, 2021





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 Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

CERTIFICATE OF BOARD

| | | |
|---|---------------------|---|
| Laredo Independent School District | Webb | 240-901 |
| <hr/> <i>Name of School District</i> | <hr/> <i>County</i> | <hr/> <i>County District Number</i> |

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, 2021 at a meeting of the Board of Trustees of such school district on the 11 day of November, 2021.



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):

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FINANCIAL SECTION



Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of School Trustees
Laredo Independent School District
Laredo, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Laredo Independent School District (the District), as of and for the year ended June 30, 2021, 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 *Governmental 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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 Governmental Accounting Standards Board (GASB), 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, required Texas Education Agency (TEA) schedules, capital assets section, and the 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 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and other statements, required TEA schedules, capital asset section, 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, required TEA schedules, capital asset section, and the schedule 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2021, 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.

A handwritten signature in black ink, appearing to read "George Gonzalez" with a flourish underneath.

November 8, 2021

**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, 2021. Please read it in conjunction with the independent auditor’s report on page 1, and the District’s Basic Financial Statements that begin on page 18.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and inflows by \$116,648,628 (*net position*). Of this amount, the unrestricted net position is a negative \$108,826,110, 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 \$11,780,835 less than the \$318,289,200 generated in tax and other revenues for governmental programs.
- The total cost of the District’s programs decreased by \$19,829,768 due to the District switching to remote instruction and suspending extra/co-curricular activities and services due to the COVID-19 pandemic.
- The District’s governmental funds reported combined fund balances of \$228,911,585, a decrease of \$23,807,587 compared to last year. Approximately \$62,710,744 or 27% of the total is available for spending at the government’s discretion (*unassigned fund balance*).
- The District received hold harmless adjustments for attendance counts of 21,334 compared to actual attendance counts of 20,657. The portion of the hold harmless adjustment was funded with Elementary and Secondary School Emergency Relief II (ESSER II) funds for \$6,573,138.

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

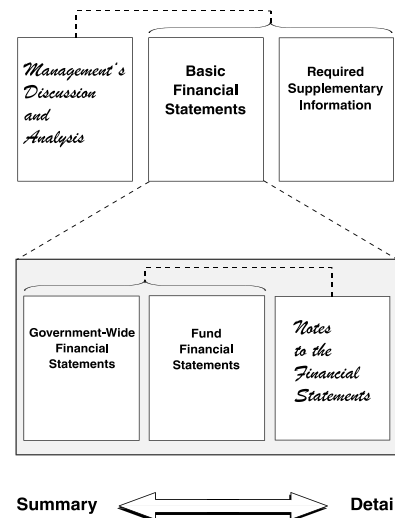


Figure A-1 above shows how the required parts of this annual report are arranged and related to one another. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required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

Figure A-1 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.

Figure A-2

| Type of Statements | District-wide | Governmental Funds | Proprietary Funds | Fiduciary Funds |
|---|--|--|---|---|
| Scope | 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 |
| Required financial statements | <ul style="list-style-type: none"> Statement of Net Position Statement of Activities | <ul style="list-style-type: none"> Balance Sheet Statement of Revenues, Expenditures & Changes in Fund Balance | <ul style="list-style-type: none"> Statement of Net Position Statement of Revenues, Expenses & Changes in Fund Balance Statement of Cash Flows | <ul style="list-style-type: none"> Statement of Net Position |
| Accounting basis and measurement focus | Accrual accounting and economic resources focus | Modified accrual accounting and current financial resources focus | Accrual accounting and economic resources focus | Accrual accounting and economic resources focus |
| Type of asset/liability information | All assets and liabilities, both financial and capital, short-term and long-term | Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included | All assets and liabilities, both 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 |
| Type of inflow/outflow information | All revenues and expenses during year, regardless of when cash is received or paid | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter | All revenues and expenses during 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, 2021: General Fund, CRRSA ESSER II, Debt Service Fund, and EDA 2018 Bond Series. Data from the other 34 governmental funds is 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 non-major 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 \$116,648,628 for the fiscal year ended June 30, 2021 (See Table A-1). Compared to the prior year, the net position increased by \$11,780,835.

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

| | Governmental Activities | | Percentage Change |
|--------------------------------------|-------------------------|-----------------------|----------------------|
| | 2021 | 2020 | |
| Current assets and other assets | \$ 286,225,337 | \$ 313,834,465 | -9% |
| Capital assets, net | 391,619,635 | 375,128,312 | 4% |
| Total assets | <u>677,844,972</u> | <u>688,962,777</u> | <u>-2%</u> |
| Total deferred outflows of resources | <u>45,325,306</u> | <u>56,184,804</u> | <u>-19%</u> |
| Current liabilities | 60,072,294 | 64,940,201 | -7% |
| Non-Current liabilities | 470,831,214 | 515,414,047 | -9% |
| Total liabilities | <u>530,903,508</u> | <u>580,354,248</u> | <u>-9%</u> |
| Total deferred inflows of resources | <u>75,618,142</u> | <u>59,925,540</u> | <u>26%</u> |
| Net position: | | | |
| Net investment in capital assets | 182,367,898 | 169,839,144 | 7% |
| Restricted | 43,106,840 | 44,616,379 | -3% |
| Unrestricted | <u>(108,826,110)</u> | <u>(109,587,730)</u> | <u>-1%</u> |
| Total net position | <u>\$ 116,648,628</u> | <u>\$ 104,867,793</u> | <u>11%</u> |

The District’s current assets of \$286,225,337 were sufficient to cover current liabilities (to include debt due within one year) of \$91,956,212. When applying liquidity ratios, the current ratio was at 3.10:1, which means the district can meet its current short-term debt obligations 3.10 times over. This current measure exceeds the 3.0 times metric established in the Financial Integrity Rating System of Texas. 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 3.10:1, which indicated the existence of liquid assets to pay immediate bills. Another financial metric representing operating liquidity, known as working capital, was \$192,268,831, which means cash is available to pay the district’s obligations when they become due.

Capital assets, which consisted of the District’s land, buildings and improvements, construction-in-progress and equipment, represented 58% 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.

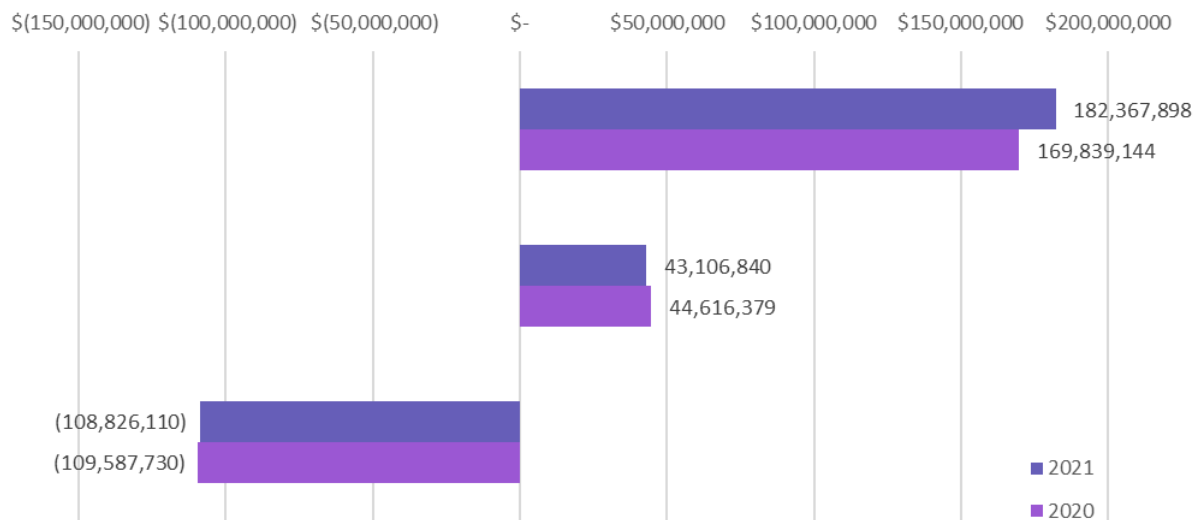
The District’s largest liabilities were for the repayment of general obligation bonds, the pension liabilities and other post-employment benefits liabilities. Other liabilities, representing about 8% of the District’s total liabilities, consist almost entirely of payables on accounts, salaries, and for the reimbursement due to the State for the reduction in foundation aid due to the pandemic, but reimbursed with federal funds (ESSER). The debt to worth ratio, also called the leverage ratio, was at 520%. This represented high debt financing which adds a level of risk, especially by creditors. However, this level of risk mitigated with the state aid the District continues to qualify at an average rate of 73% 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 in the District’s net position was investments in capital assets (e.g., land, buildings, machinery, equipment, and vehicles). All related

outstanding debt used to acquire these assets was 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 was 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 in the amount of \$43,106,840 represented resources subject to external restrictions on how they may be used. The remaining negative balance of \$108,826,110 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.

Chart A-2
Laredo Independent School District Net Position



Governmental Activities

Governmental activities increased the District’s net position by 11,780,835 (See Table A-3). For the 2020-2021 school year, the district received hold harmless adjustments for student attendance. Nonetheless, total revenues for the District’s governmental activities decreased by \$13,025,210 or 4% compared to the prior year. The decrease was a combination of reductions in the Child Nutrition Program and in the Instructional Materials Allotment compared to the amount expended in the prior year. In addition, due to the pandemic, the after school program and athletic events were cancelled. Interest rates on investments dropped significantly because of the pandemic.

In response to the COVID-19 pandemic, the district switched to remote learning. Classes went online, school meal distribution became grab-and-go, and extracurricular activities and transportation services were paused. Therefore, total expenses decreased by \$19,829,768 from \$326,338,133 to \$306,208,365.

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

| | Governmental Activities | | Percentage Change |
|---|-------------------------|-----------------------|----------------------|
| | 2021 | 2020 | |
| Revenues: | | | |
| Program revenues: | | | |
| Charges for services | \$ 696,885 | \$ 1,273,678 | -45% |
| Operating grants and contributions | 72,376,510 | 86,919,687 | -17% |
| General revenues: | | | |
| Property taxes | 34,208,191 | 33,348,571 | 3% |
| State aid | 205,197,126 | 197,563,344 | 4% |
| Grants and contributions - unrestricted | 2,955,399 | 5,644,011 | -48% |
| Investment earnings | 597,030 | 4,297,751 | -86% |
| Miscellaneous | 2,258,059 | 2,267,368 | 0% |
| Total Revenues | <u>318,289,200</u> | <u>331,314,410</u> | <u>-4%</u> |
| Expenses | | | |
| Instruction | 167,135,151 | 175,226,247 | -5% |
| Instructional resources and media services | 5,027,155 | 5,640,957 | -11% |
| Curriculum and staff development | 3,884,321 | 3,935,336 | -1% |
| Instructional leadership | 5,047,832 | 4,992,571 | 1% |
| School leadership | 16,588,446 | 17,356,691 | -4% |
| Guidance, counseling, and evaluation services | 10,046,135 | 10,272,349 | -2% |
| Social work services | 2,299,437 | 2,322,490 | -1% |
| Health services | 3,906,930 | 4,165,625 | -6% |
| Student transportation | 3,861,906 | 7,944,882 | -51% |
| Food services | 17,222,211 | 21,207,874 | -19% |
| Extracurricular activities | 7,240,553 | 12,311,970 | -41% |
| General administration | 8,559,643 | 9,079,236 | -6% |
| Plant maintenance and operations | 26,948,533 | 26,306,593 | 2% |
| Security and monitoring services | 9,578,708 | 7,241,364 | 32% |
| Data processing services | 6,766,713 | 5,325,885 | 27% |
| Community service | 1,439,759 | 1,760,562 | -18% |
| Interest on long-term debt | 10,630,344 | 11,176,910 | -5% |
| Bond Issuance Cost and Fees | 307,686 | 5,500 | 5494% |
| Payments related to shared services arrangements | 6,000 | 6,000 | 0% |
| Payments to Juvenile Justice Alt. Education Program | 10,902 | 59,091 | -82% |
| Total Expenses | <u>306,508,365</u> | <u>326,338,133</u> | <u>-6%</u> |
| Increase in net position | 11,780,835 | 4,976,277 | 137% |
| Net position at beginning of year | 104,867,793 | 99,891,516 | 5% |
| Net position at end of year | <u>\$ 116,648,628</u> | <u>\$ 104,867,793</u> | <u>11%</u> |

Figure A-1 highlights the District's revenues by funding classification for the governmental activities. Total revenues were \$318,289,200. As illustrated, State Aid comprised the majority of the total revenues by 64.5%, followed by 22.7% in operating grants and 10.7% in property taxes. Overall, total revenues were \$11,780,835 greater than total expenses for the year.

Figure A-1 District's Total Revenues

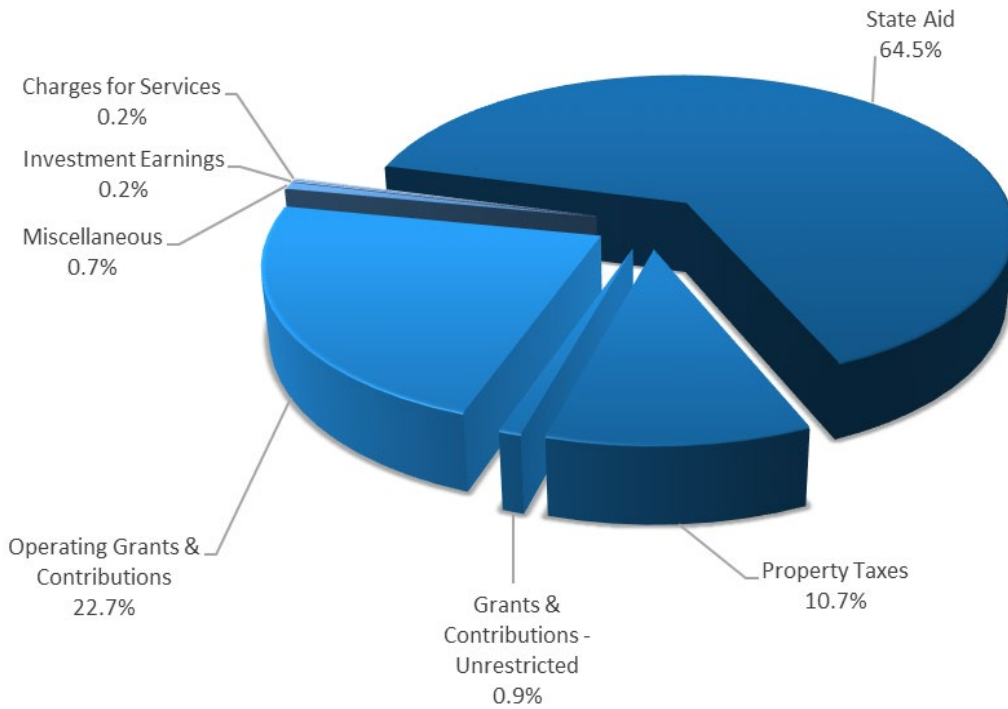
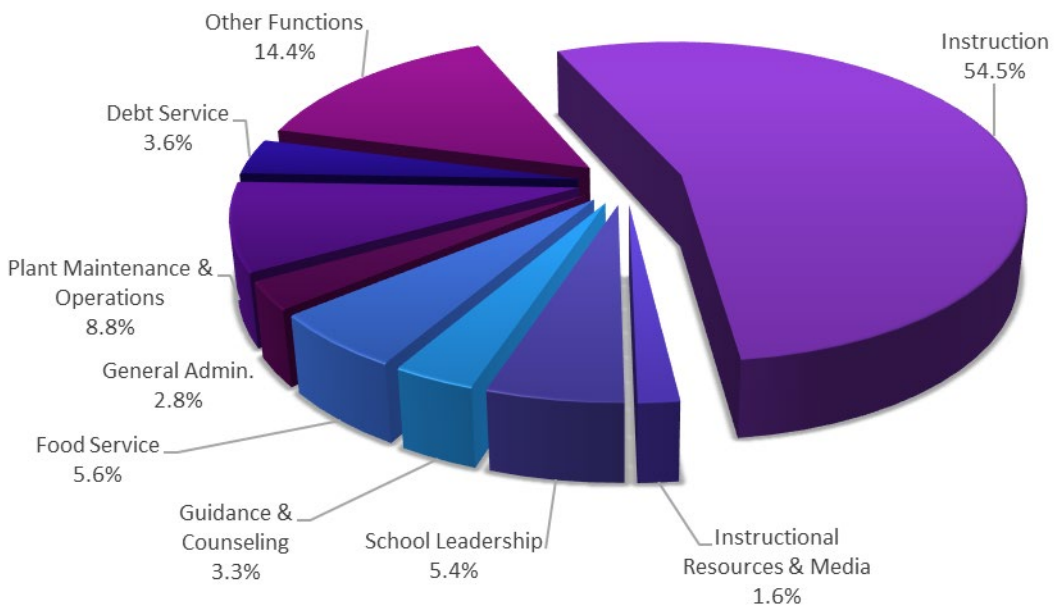


Figure A-2 presents the cost of each of the District's largest functions. Of the total expenses, instructional services represented the largest dollar expense at \$167,135,151 or 54.5%, followed by plant maintenance & operations at \$26,948,533 or 8.8% and food service at \$17,222,211 or 5.6%. Due to 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

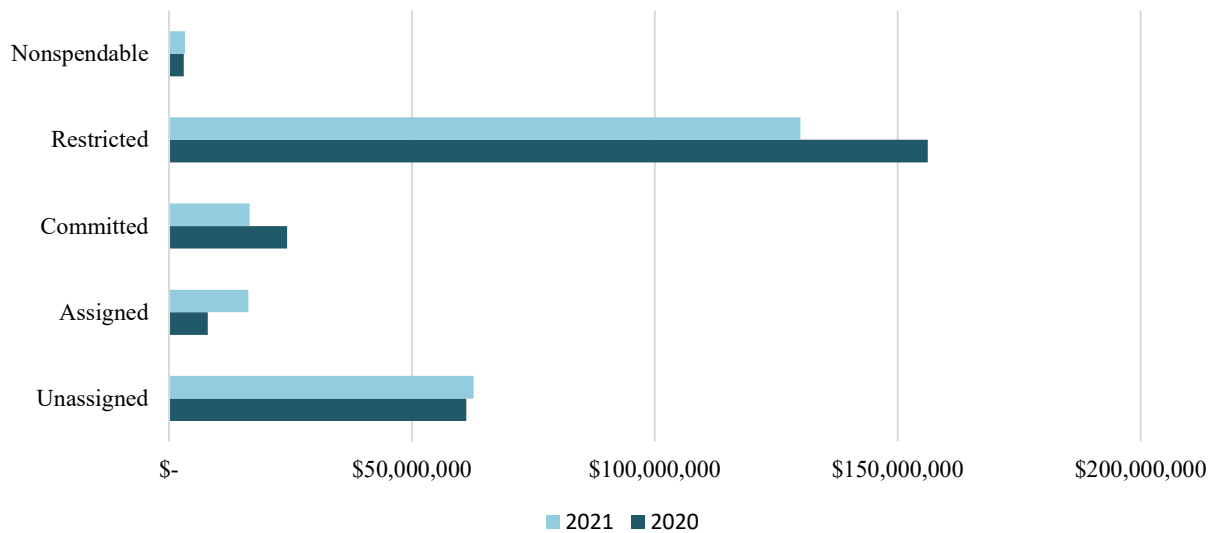


Governmental Funds

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 \$228,911,585, a decrease of \$23,807,587 in comparison with the prior year. The decrease was primarily due to the completion of committed projects. Of the combined fund balance, \$62,710,744 constituted unassigned fund balance, which has been fully restored because of a temporary decrease of \$4,246,107 from a one-time draw, as an alternative to a bank loan, to refresh the secondary schools technology devices. The remainder of fund balance was either nonspendable, restricted, committed or assigned to indicate that it was 1) not in spendable form such as inventories \$2,280,693 and as prepaid items \$997,550; 2) legally required to be maintained intact such as Federal and State Grants \$1,536,776, capital acquisition and contractual obligations \$89,412,452, from the Webb County Permanent School Fund for the administration building \$4,227,868 and for the retirement of long term debt \$34,812,720; 3) committed for construction projects \$13,908,849, other local projects \$2,717,848; and, 4) assigned balance for other projects \$16,306,085 (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 increased by \$1,506,111 to \$62,710,744 finally restoring it in full from the temporary loan, while total fund balance increased to \$87,934,517 due to the assignments to fund needed projects and equipment (See Note S). 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 represented 28% of total general fund expenditures while total fund balance represented 40% of total general fund expenditures.

The unassigned fund balance provided the District a balance that was the equivalent of 103 days of operating expenditures based on 365 days of operations. This fund balance was adequate to minimize the likelihood of the District entering the short-term debt market to pay for current operating expenditures. The District continued to maintain the two month minimum expenditures required by the District’s policy in the amount of \$40,000,000. The unassigned fund balance was also useful in supporting supplemental programs without interruption while the District waited for state and federal reimbursements.

Food Service Fund. As illustrated in Table A-4, the Food Service Fund had a total fund balance of \$2,532,930, a decrease of \$1,127,324 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. The program applied for various waivers such as the No Child Present in vehicle (parent pick up), meal service time flexibility, as well as, served meals. In addition, the district opted-in to the summer food service program waiver and joined the Seamless Summer Option (SSO), since it was a higher reimbursement rate for breakfast and lunch.

The program went from serving an average of 23,000 students breakfast, lunch, and supper through School Breakfast (SBP), National School Lunch Program (NSLP) and at-risk supper program under the Child and Adult Care Food Program (CACFP), to serving less than half of those students breakfast, lunch, and supper through Summer Food Service Program (SFSP) and CACFP.

Table A-4 reflected only the programs accounted for in the General Fund, which are the SBP, NSLP and CACFP. The SFSP was accounted for in the Special Revenue Fund, Fund 242, found in the Combining Financial Statements. We operated SBP and NSLP the majority of the 2019-2020 School Year (August thru March) and operated SFSP the full 2020-2021 School Year. The reason for such decrease in revenue was due to the form in which the different programs were operated and accounted for. The majority of regular operating expenses remained on the Food Service Fund account. The increase in expenses was attributed to the increase in labor needed to operate all programs in the 2020-2021 School Year, along with the need for new grab and go supplies and equipment.

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

| | 2021 | 2020 | Percent Change |
|---|---------------------|---------------------|-------------------|
| Local sources | \$ 23,802 | \$ 130,427 | -81.8% |
| State program revenues | 85,002 | 85,719 | -0.8% |
| Federal program revenues | 5,605,400 | 15,430,998 | -63.7% |
| Total revenues | <u>5,714,204</u> | <u>15,647,144</u> | <u>-63.5%</u> |
| Expenditures by function | | | |
| Food service | 6,681,132 | 16,337,276 | -59.1% |
| Facilities maintenance and operations | 142,352 | 257,249 | -44.7% |
| Facilities acquisition and construction | 18,044 | 9,119 | 100.0% |
| Total expenditures | <u>6,841,528</u> | <u>16,603,644</u> | <u>-58.8%</u> |
| Net change in fund balance | (1,127,324) | (956,500) | 17.9% |
| Fund balance, beginning | <u>3,660,254</u> | <u>4,616,754</u> | <u>-20.7%</u> |
| Fund balance, ending | <u>\$ 2,532,930</u> | <u>\$ 3,660,254</u> | <u>-30.8%</u> |

Debt Service Fund. As illustrated in Table A-5, the Debt Service Fund ended with a fund balance of \$34,812,720, 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, and the principal and interest payment due in August 2021. The increase in fund balance during the current year in the fund was \$136,839. The increase was due to the transfer in of additional funds to pay off the QZAB note.

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 (IFA) and \$39.05 (EDA) 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

| | 2021 | 2020 | Percent Change |
|--------------------------------|---------------------|---------------------|-------------------|
| Revenues | | | |
| Property taxes | \$ 10,871,303 | \$10,783,048 | 0.82% |
| State program revenues | 21,425,288 | 22,624,166 | -5.30% |
| Total revenues | <u>32,296,591</u> | <u>33,407,214</u> | <u>-3.32%</u> |
| Expenditures by function | | | |
| Principal long term debt | 19,380,000 | 16,545,000 | 100.00% |
| Interest on long term debt | 13,582,706 | 14,448,731 | -5.99% |
| Other fees | 307,686 | 5,500 | 5494.29% |
| Total expenditures | <u>33,270,392</u> | <u>30,999,231</u> | <u>7.33%</u> |
| Other financing sources (uses) | 1,110,640 | 409,888 | 170.96% |
| | <u>1,110,640</u> | <u>409,888</u> | <u>170.96%</u> |
| Net change in fund balance | 136,839 | 2,817,871 | -95.14% |
| Fund balance, beginning | 34,675,881 | 31,858,010 | 8.85% |
| Fund balance, ending | <u>\$34,812,720</u> | <u>\$34,675,881</u> | <u>0.39%</u> |

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. Also, these funds were used to account for projects funded by bonds approved by the voters and other locally funded capital projects. The \$16,864,940 decrease in the EDA 2018 Series fund, a major capital project fund, was attributed to the on-going construction of the Martin High School Multipurpose Building, Nixon High School Vocational and ROTC Buildings, Cigarroa High School – Phase I, Cigarroa Middle School, Kawas Elementary School and Dovalina Elementary School projects. The \$7,893,360 decrease in the EDA 2014 Series was due to the ongoing construction of the Performing Arts Complex and purchase of properties for the Heights Elementary Addition and Rehabilitation Project. The decrease of \$7,597,792 in the 616 Locally Funded Fund was mainly attributed to costs of the New Administration Building. The decrease of \$32,356,092 in the combined capital project fund balance over last year was attributed to these on-going construction projects, mentioned above.

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 eighth year of implementation, the plan ended with \$2,579,878 in fund balance.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Variances – Original and Final Budget

In general, the variances between the original and final budget were 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 2021. The final budget reflects all budget revisions made throughout the fiscal year to adjust for known facts. Consequently, when the original budget was compared to the final budget, it would be expected that significant variances could 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 change of \$18,135,581, as of the final amended budget. The activities are listed below.

Revenues appropriations increased due to additional state revenues from the Texas Education Agency for personal protective equipment (PPE) in the amount of \$272,290, additional state revenues for the Mentor Program Allotment (MPA) cycle 1 \$99,000, and ERATE Round 23 \$253,910. Revenues appropriations decreased by \$13,526,449 in the Food Service Fund operating as COVID-19 Summer Feeding Program operated since September 14, 2020. There was also a reduction in revenues appropriations in the amount of \$761,334 due to mid-year review. Revenue appropriations had a net decrease of \$13,662,583.

Expenditures appropriations increased to fund the Chromebook setup services for Elementary Schools and the purchase of supplies and materials due to COVID19 in the amount of \$1,216,470; the wrought iron fence at Martin High School, roof replacement at Martin High School, and the JROTC obstacle course in the amount of \$645,985; the purchase of learning devices and reliable internet connection in the amount of \$1,041,624; the roof repair at Cigarroa High School in the amount of \$139,022; two new college, career, and military readiness (CCMR) coordinators in the amount of \$160,000; the personal protective equipment (PPE) from the Texas Education Agency in the amount of \$272,290; the FY 2019-2020 outstanding purchase orders in the amount of \$3,354,116; the Property and Casualty deductible for \$400,000; the COVID-19 rapid tests for \$100,000; the one-Time COVID-19 Supplemental Pay for \$3,549,098; the Emergency Funds - Capital Repairs for \$100,000; the Martin High School Flores Gym roof for \$384,000; the Information Technology Department roof repair for \$64,600, the Nixon High School Montes Field chain link fence for \$65,000, the Information Technology COM account for \$100,000; the architect engineer fees for Cigarroa Middle School in the amount of \$713,866; the security camera replacements and roof repairs on Cedar Technology Department for \$1,241,925; the Mentor Program Allotment (MPA) cycle 1 in the amount of \$99,000; and ERATE Round 23 for \$75,996. Expenditure appropriations decreased in payroll in the amount of \$928,000. In addition, expenditure appropriations decreased to fund the Debt Service Fund final Qualified Zone Academy Bond (QZAB) payment in the amount of \$389,888; the Capital Projects Fund for the Ligarde Elementary School land acquisition \$236,233, the Cigarroa Middle School partial Guaranteed Maximum Price for \$809,299, and the new technology training center in the amount of \$840,000. Expenditure appropriations decreased by \$13,526,449 in the Food Service Fund as COVID-19 Summer Feeding Program operated since September 14, 2020. Expenditure appropriations had a net decrease of \$2,197,578.

Other Sources and Uses appropriations increased to fund the Debt Service Fund final Qualified Zone Academy Bond (QZAB) payment in the amount of \$389,888; the Capital Projects Fund for the Ligarde Elementary School land acquisition \$236,233, the Cigarroa Middle School partial Guaranteed Maximum Price for \$809,299, and the new technology training center in the amount of \$840,000. Other Sources and Uses appropriations had a net increase of \$2,275,420.

Variances – Final Budget and Actual Results

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

Lower revenue when compared to final amended budget was primarily due to higher local property tax collections of \$968,866, lower interest income of \$103,663, lower miscellaneous income of \$831,693, lower foundation school program payments of \$3,289,994, higher food service state match of 10,002, higher state indirect cost of 6,642, higher TRS on behalf payments of \$12,895, higher federal and grant indirect cost earnings of \$286,289, lower food service revenues for breakfast, lunch, USDA commodities, fresh fruits and vegetables of \$2,994,967, lower school health and related services payments of \$1,248,870, and higher Medicaid administrative claiming payments of 17,109.

Lower expenditures were primarily due to having payroll, payroll taxes and benefits savings of \$14,141,770, spending \$3,005,934 less for the purchase of professional and contracted services than budgeted, spending \$8,528,746 less for supplies and materials than budgeted, spending \$1,302,665 less for miscellaneous operating expenditures than budgeted, spending \$2,471,958 less for capital outlay for building and equipment than budgeted.

Lower transfers in / out in other sources and uses was primarily due to the district requiring \$572,484 less funds transferred to Athletics and \$127,598 less funds transferred to Jesus Martinez Performing Arts Center.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year, the District had invested a total of \$391,619,635 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 \$16,491,323 over the previous year.

The increase in the land was due to the purchase of land for the Heights Elementary Additions and Renovations Project. Construction projects continued to make progress and new constructions 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

| | 2021 | 2020 | Percentage Change |
|--------------------------------|-----------------------|-----------------------|----------------------|
| Land | \$ 22,871,938 | \$ 22,501,975 | 1.6% |
| Buildings and improvements | 535,200,922 | 534,479,946 | 0.1% |
| Equipment | 43,907,648 | 42,910,565 | 2.3% |
| Construction in progress | 50,179,514 | 16,442,722 | 205.2% |
| Totals at historical cost | <u>652,160,022</u> | <u>616,335,208</u> | <u>5.8%</u> |
| | | | |
| Total accumulated depreciation | <u>260,540,387</u> | <u>241,206,896</u> | <u>8.0%</u> |
| Net capital assets | <u>\$ 391,619,635</u> | <u>\$ 375,128,312</u> | <u>4.4%</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 of \$22,180,331 or 6.7% 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

| | 2021 | 2020 | Percentage Change |
|------------------------------|-----------------------|-----------------------|----------------------|
| Loans payable | \$ 8,000,000 | \$ 8,000,000 | 0.0% |
| Bonds payable | 299,714,980 | 321,907,367 | -6.9% |
| Compensated absences | 2,781,140 | 2,769,084 | 0.4% |
| Total long term debt payable | <u>\$ 310,496,120</u> | <u>\$ 332,676,451</u> | <u>-6.7%</u> |

Credit 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 help 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 2021-2022 budget and tax rates. Some of these factors were the district needs, the campus needs, appraised values, potential declines to student enrollment counts due to the pandemic, and Laredo's economy to include the closure of the international bridges. The following factors listed below are highlights of the budget.

- The District experienced property value growth by 10.23% from \$2,360,330,864 to \$2,601,865,158. The increase in valuation triggered local tax compression from .9164 to .8537.
- The interest and sinking tax rate increased from \$0.4265 to \$0.4465 per \$100 property value, while the total tax rate decreased from \$1.3929 to \$1.3892 per \$100 property value.
- The District's refined average daily attendance (ADA) was estimated at 21,400, compared to last year's actual of 21,334 (hold harmless). The district will use the Elementary and Secondary School Emergency Relief Funds (ESSER) to relieve the fiscal burdens incurred by the district in preventing, preparing for, and responding to the coronavirus. The district has the discretion to supplant all ESSER funding locally.
- 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, 2021. The health benefit plan coverage remained the same and the employer monthly contribution remained the same at \$525. Due to the pandemic, the Board of Trustees approved \$5,000 performance pay to all employees upon completion of safety instructional videos to avoid disruptions or closures related to COVID-19. The funding source for the performance payment is the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, Elementary and Secondary School Emergency Relief Fund II (ESSER II).

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, Business Services and Accountability at (956) 273-1043.

BASIC FINANCIAL STATEMENTS

LAREDO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

EXHIBIT A-1

| Data Control Codes | Primary Government Governmental Activities |
|---|--|
| ASSETS | |
| 1110 Cash and Cash Equivalents | \$ 228,837,839 |
| 1120 Current Investments | 17,656,672 |
| 1220 Property Taxes - Delinquent | 3,473,506 |
| 1230 Allowance for Uncollectible Taxes | (2,115,231) |
| 1240 Due from Other Governments | 34,824,677 |
| 1250 Accrued Interest | 63,938 |
| 1290 Other Receivables, Net | 205,693 |
| 1300 Inventories | 2,280,693 |
| 1410 Prepayments | 997,550 |
| Capital Assets: | |
| 1510 Land | 22,871,938 |
| 1520 Buildings, Net | 307,680,790 |
| 1530 Furniture and Equipment, Net | 10,887,393 |
| 1580 Construction in Progress | 50,179,514 |
| 1000 Total Assets | 677,844,972 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| 1701 Deferred Charge for Refunding | 4,321,282 |
| 1705 Deferred Outflow Related to TRS Pension | 29,160,528 |
| 1706 Deferred Outflow Related to TRS OPEB | 11,843,496 |
| 1700 Total Deferred Outflows of Resources | 45,325,306 |
| LIABILITIES | |
| 2110 Accounts Payable | 10,584,160 |
| 2140 Interest Payable | 6,344,419 |
| 2150 Payroll Deductions and Withholdings | 1,878,099 |
| 2160 Accrued Wages Payable | 26,583,370 |
| 2180 Due to Other Governments | 9,437,824 |
| 2200 Accrued Expenses | 1,720,639 |
| 2300 Unearned Revenue | 3,523,783 |
| Noncurrent Liabilities: | |
| 2501 Due Within One Year: Loans, Note, Leases, etc. | 31,884,212 |
| Due in More than One Year: | |
| 2502 Bonds, Notes, Leases, etc. | 278,611,908 |
| 2540 Net Pension Liability (District's Share) | 81,186,995 |
| 2545 Net OPEB Liability (District's Share) | 79,148,099 |
| 2000 Total Liabilities | 530,903,508 |
| DEFERRED INFLOWS OF RESOURCES | |
| 2602 Deferred Gain on Refunding | 402,237 |
| 2605 Deferred Inflow Related to TRS Pension | 13,759,036 |
| 2606 Deferred Inflow Related to TRS OPEB | 61,456,869 |
| 2600 Total Deferred Inflows of Resources | 75,618,142 |
| NET POSITION | |
| 3200 Net Investment in Capital Assets | 182,367,898 |
| Restricted: | |
| 3820 Restricted for Federal and State Programs | 2,810,313 |
| 3850 Restricted for Debt Service | 34,812,720 |
| 3860 Restricted for Capital Projects | 5,483,807 |
| 3900 Unrestricted | (108,826,110) |
| 3000 Total Net Position | \$ 116,648,628 |

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, 2021

Net (Expense)
Revenue and
Changes in Net
Position

| Data | Program Revenues | | | 6 |
|---------|------------------|-------------------------|--|--|
| Control | 1 | 3 | 4 | 6 |
| Codes | Expenses | Charges for Services | Operating Grants and Contributions | Primary Gov. Governmental Activities |

Primary Government:

GOVERNMENTAL ACTIVITIES:

| | | | | | |
|----|---|-----------------------|-------------------|----------------------|----------------------|
| 11 | Instruction | \$ 167,135,151 | \$ 625,708 | \$ 34,522,637 | \$ (131,986,806) |
| 12 | Instructional Resources and Media Services | 5,027,155 | - | 606,740 | (4,420,415) |
| 13 | Curriculum and Instructional Staff Development | 3,884,321 | - | 2,511,639 | (1,372,682) |
| 21 | Instructional Leadership | 5,047,832 | - | 1,294,161 | (3,753,671) |
| 23 | School Leadership | 16,588,446 | - | 1,316,543 | (15,271,903) |
| 31 | Guidance, Counseling, and Evaluation Services | 10,046,135 | - | 2,786,773 | (7,259,362) |
| 32 | Social Work Services | 2,299,437 | - | 401,146 | (1,898,291) |
| 33 | Health Services | 3,906,930 | - | 1,463,360 | (2,443,570) |
| 34 | Student (Pupil) Transportation | 3,861,906 | - | 298,601 | (3,563,305) |
| 35 | Food Services | 17,222,211 | 7,549 | 15,420,519 | (1,794,143) |
| 36 | Extracurricular Activities | 7,240,553 | 1,057 | 185,814 | (7,053,682) |
| 41 | General Administration | 8,559,643 | - | 530,989 | (8,028,654) |
| 51 | Facilities Maintenance and Operations | 26,948,533 | 62,571 | 8,499,252 | (18,386,710) |
| 52 | Security and Monitoring Services | 9,578,708 | - | 975,964 | (8,602,744) |
| 53 | Data Processing Services | 6,766,713 | - | 330,420 | (6,436,293) |
| 61 | Community Services | 1,439,759 | - | 1,162,727 | (277,032) |
| 72 | Debt Service - Interest on Long-Term Debt | 10,630,344 | - | - | (10,630,344) |
| 73 | Debt Service - Bond Issuance Cost and Fees | 307,686 | - | - | (307,686) |
| 81 | Capital Outlay | - | - | 63,225 | 63,225 |
| 93 | Payments Related to Shared Services Arrangements | 6,000 | - | 6,000 | - |
| 95 | Payments to Juvenile Justice Alternative Ed. Prg. | 10,902 | - | - | (10,902) |
| | [TP] TOTAL PRIMARY GOVERNMENT: | \$ 306,508,365 | \$ 696,885 | \$ 72,376,510 | (233,434,970) |

| Data | | | |
|---------|--|--|-----------------------|
| Control | General Revenues: | | |
| Codes | Taxes: | | |
| MT | Property Taxes, Levied for General Purposes | | 24,140,392 |
| DT | Property Taxes, Levied for Debt Service | | 10,067,799 |
| SF | State Aid - Formula Grants | | 205,197,126 |
| GC | Grants and Contributions not Restricted | | 2,955,399 |
| IE | Investment Earnings | | 597,030 |
| MI | Miscellaneous Local and Intermediate Revenue | | 2,258,059 |
| TR | Total General Revenues | | 245,215,805 |
| CN | Change in Net Position | | 11,780,835 |
| NB | Net Position - Beginning | | 104,867,793 |
| NE | Net Position - Ending | | \$ 116,648,628 |

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

LAREDO INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

| Data Control Codes | 10 General Fund | 20 ESSER II CRRSA Act | 50 Debt Service Fund |
|--|-----------------------|-----------------------------|----------------------------|
| ASSETS | | | |
| 1110 Cash and Cash Equivalents | \$ 83,048,648 | \$ - | \$ 26,351,990 |
| 1120 Investments - Current | 10,166,380 | - | 7,490,292 |
| 1220 Property Taxes - Delinquent | 2,573,552 | - | 899,954 |
| 1230 Allowance for Uncollectible Taxes | (1,567,194) | - | (548,037) |
| 1240 Due from Other Governments | 18,318,069 | 8,096,060 | 278,766 |
| 1250 Accrued Interest | 7,309 | - | 56,629 |
| 1260 Due from Other Funds | 13,063,904 | - | 519,568 |
| 1290 Other Receivables | 191,602 | - | 9,728 |
| 1300 Inventories | 2,280,693 | - | - |
| 1410 Prepayments | 997,550 | - | - |
| 1000 Total Assets | <u>\$ 129,080,513</u> | <u>\$ 8,096,060</u> | <u>\$ 35,058,890</u> |
| LIABILITIES | | | |
| 2110 Accounts Payable | \$ 3,588,724 | \$ - | \$ - |
| 2150 Payroll Deductions and Withholdings Payable | 1,878,099 | - | - |
| 2160 Accrued Wages Payable | 23,613,506 | - | - |
| 2170 Due to Other Funds | 861,639 | 8,096,060 | - |
| 2180 Due to Other Governments | 9,377,575 | - | - |
| 2300 Unearned Revenue | 1,066,624 | - | - |
| 2000 Total Liabilities | <u>40,386,167</u> | <u>8,096,060</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| 2601 Unavailable Revenue - Property Taxes | 759,829 | - | 246,170 |
| 2600 Total Deferred Inflows of Resources | <u>759,829</u> | <u>-</u> | <u>246,170</u> |
| FUND BALANCES | | | |
| Nonspendable Fund Balance: | | | |
| 3410 Inventories | 2,280,693 | - | - |
| 3430 Prepaid Items | 997,550 | - | - |
| Restricted Fund Balance: | | | |
| 3450 Federal or State Funds Grant Restriction | 834,099 | - | - |
| 3470 Capital Acquisition and Contractual Obligation | - | - | - |
| 3480 Retirement of Long-Term Debt | - | - | 34,812,720 |
| 3490 Administration Building WCPSF | - | - | - |
| Committed Fund Balance: | | | |
| 3510 Construction | 2,400,000 | - | - |
| 3545 Other Committed Fund Balance | 2,412,190 | - | - |
| Assigned Fund Balance: | | | |
| 3590 Other Assigned Fund Balance | 16,299,241 | - | - |
| 3600 Unassigned Fund Balance | 62,710,744 | - | - |
| 3000 Total Fund Balances | <u>87,934,517</u> | <u>-</u> | <u>34,812,720</u> |
| 4000 Total Liabilities, Deferred Inflows & Fund Balances | <u>\$ 129,080,513</u> | <u>\$ 8,096,060</u> | <u>\$ 35,058,890</u> |

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

| 60 EDA 2018 Series | Other Funds | Total Governmental Funds |
|--------------------------|----------------------|--------------------------------|
| \$ 87,376,316 | \$ 24,802,208 | \$ 221,579,162 |
| - | - | 17,656,672 |
| - | - | 3,473,506 |
| - | - | (2,115,231) |
| - | 8,131,782 | 34,824,677 |
| - | - | 63,938 |
| - | 31,528 | 13,615,000 |
| - | 1,798 | 203,128 |
| - | - | 2,280,693 |
| - | - | 997,550 |
| <u>\$ 87,376,316</u> | <u>\$ 32,967,316</u> | <u>\$ 292,579,095</u> |
| \$ 2,926,186 | \$ 3,261,234 | \$ 9,776,144 |
| - | - | 1,878,099 |
| - | 2,969,864 | 26,583,370 |
| - | 4,654,580 | 13,612,279 |
| - | 60,249 | 9,437,824 |
| - | 307,171 | 1,373,795 |
| <u>2,926,186</u> | <u>11,253,098</u> | <u>62,661,511</u> |
| - | - | 1,005,999 |
| - | - | 1,005,999 |
| - | - | 2,280,693 |
| - | - | 997,550 |
| - | 702,677 | 1,536,776 |
| 84,450,130 | 4,962,322 | 89,412,452 |
| - | - | 34,812,720 |
| - | 4,227,868 | 4,227,868 |
| - | 11,508,849 | 13,908,849 |
| - | 305,658 | 2,717,848 |
| - | 6,844 | 16,306,085 |
| - | - | 62,710,744 |
| <u>84,450,130</u> | <u>21,714,218</u> | <u>228,911,585</u> |
| <u>\$ 87,376,316</u> | <u>\$ 32,967,316</u> | <u>\$ 292,579,095</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2021

EXHIBIT C-2

| | | |
|---|-----------|--------------------|
| Total Fund Balances - Governmental Funds | \$ | 228,911,585 |
| 1 The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, 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. | | 2,579,878 |
| 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 \$616,335,208 and the accumulated depreciation was (\$241,206,896). In addition, long-term liabilities, including bonds payable was (\$332,676,451), are not due and payable in the current period, as well as the net deferred gain and loss on refunding of \$4,356,757 and the accrued interest payable of (\$6,611,242) 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. | | 40,197,376 |
| 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 2021 capital outlays in the amount of \$36,700,296 and debt principal payments in the amount of \$22,447,154 and the net deferred charge and gain on refunding in the amount of (\$437,712) is to increase net position. | | 58,709,738 |
| 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 \$29,160,528, deferred resource inflow in the amount of \$13,759,036, and a net pension liability in the amount of \$81,186,995. This resulted in a decrease in net position. | | (65,785,503) |
| 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 \$11,843,496, a deferred resource inflow in the amount of \$61,456,869, and a net OPEB liability in the amount of \$79,148,099. This resulted in a decrease in net position. | | (128,761,472) |
| 6 The 2021 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position. | | (20,208,973) |
| 7 Property taxes receivable, which will be collected subsequent to year-end, but are not available soon enough to pay expenditures and, therefore, are deferred in the funds. This resulted in an increase in net position. | | 1,005,999 |
| 19 Net Position of Governmental Activities | \$ | 116,648,628 |

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

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LAREDO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

| Data Control Codes | 10 General Fund | 20 ESSER II CRRSA Act | 50 Debt Service Fund |
|--|-----------------------|-----------------------------|----------------------------|
| REVENUES: | | | |
| 5700 Total Local and Intermediate Sources | \$ 26,418,534 | \$ - | \$ 10,871,303 |
| 5800 State Program Revenues | 196,358,560 | - | 21,425,288 |
| 5900 Federal Program Revenues | 10,223,991 | 8,096,060 | - |
| 5020 Total Revenues | <u>233,001,085</u> | <u>8,096,060</u> | <u>32,296,591</u> |
| EXPENDITURES: | | | |
| Current: | | | |
| 0011 Instruction | 131,527,016 | 1,522,922 | - |
| 0012 Instructional Resources and Media Services | 4,575,288 | - | - |
| 0013 Curriculum and Instructional Staff Development | 1,338,468 | - | - |
| 0021 Instructional Leadership | 3,627,510 | - | - |
| 0023 School Leadership | 15,754,930 | - | - |
| 0031 Guidance, Counseling, and Evaluation Services | 7,502,632 | - | - |
| 0032 Social Work Services | 1,968,778 | - | - |
| 0033 Health Services | 2,541,698 | - | - |
| 0034 Student (Pupil) Transportation | 3,811,492 | - | - |
| 0035 Food Services | 6,681,132 | - | - |
| 0036 Extracurricular Activities | 5,177,883 | - | - |
| 0041 General Administration | 8,163,863 | - | - |
| 0051 Facilities Maintenance and Operations | 17,945,941 | 6,573,138 | - |
| 0052 Security and Monitoring Services | 4,983,854 | - | - |
| 0053 Data Processing Services | 4,975,372 | - | - |
| 0061 Community Services | 10,283 | - | - |
| Debt Service: | | | |
| 0071 Principal on Long-Term Debt | - | - | 19,380,000 |
| 0072 Interest on Long-Term Debt | - | - | 13,582,706 |
| 0073 Bond Issuance Cost and Fees | - | - | 307,686 |
| Capital Outlay: | | | |
| 0081 Facilities Acquisition and Construction | 1,017,684 | - | - |
| Intergovernmental: | | | |
| 0093 Payments to Fiscal Agent/Member Districts of SSA | - | - | - |
| 0095 Payments to Juvenile Justice Alternative Ed. Prg. | 10,902 | - | - |
| 6030 Total Expenditures | <u>221,614,726</u> | <u>8,096,060</u> | <u>33,270,392</u> |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>11,386,359</u> | <u>-</u> | <u>(973,801)</u> |
| OTHER FINANCING SOURCES (USES): | | | |
| 7911 Capital Related Debt Issued | - | - | 18,885,000 |
| 7915 Transfers In | 1,717,846 | - | 799,776 |
| 7916 Premium or Discount on Issuance of Bonds | - | - | 2,301,935 |
| 8911 Transfers Out (Use) | (4,578,751) | - | - |
| 8949 Payments to Refunded Bond Escrow Agent | - | - | (20,876,071) |
| 7080 Total Other Financing Sources (Uses) | <u>(2,860,905)</u> | <u>-</u> | <u>1,110,640</u> |
| 1200 Net Change in Fund Balances | 8,525,454 | - | 136,839 |
| 0100 Fund Balance - July 1 (Beginning) | 79,409,063 | - | 34,675,881 |
| 3000 Fund Balance - June 30 (Ending) | <u>\$ 87,934,517</u> | <u>\$ -</u> | <u>\$ 34,812,720</u> |

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

| | 60 EDA 2018 Series | Other Funds | Total Governmental Funds |
|----|--------------------------|----------------|--------------------------------|
| \$ | 92,747 | \$ 1,631,605 | \$ 39,014,189 |
| | - | 1,931,987 | 219,715,835 |
| | - | 38,912,226 | 57,232,277 |
| | 92,747 | 42,475,818 | 315,962,301 |
| | - | 22,505,225 | 155,555,163 |
| | - | 282,905 | 4,858,193 |
| | - | 2,454,624 | 3,793,092 |
| | - | 1,039,576 | 4,667,086 |
| | - | 137,745 | 15,892,675 |
| | - | 2,251,493 | 9,754,125 |
| | - | 282,875 | 2,251,653 |
| | - | 1,274,737 | 3,816,435 |
| | - | - | 3,811,492 |
| | - | 9,730,117 | 16,411,249 |
| | - | 59,280 | 5,237,163 |
| | - | 64,732 | 8,228,595 |
| | - | 321,245 | 24,840,324 |
| | - | 597,388 | 5,581,242 |
| | - | 43,675 | 5,019,047 |
| | - | 1,171,814 | 1,182,097 |
| | - | - | 19,380,000 |
| | - | - | 13,582,706 |
| | - | - | 307,686 |
| | 16,957,687 | 17,918,456 | 35,893,827 |
| | - | 6,000 | 6,000 |
| | - | - | 10,902 |
| | 16,957,687 | 60,141,887 | 340,080,752 |
| | (16,864,940) | (17,666,069) | (24,118,451) |
| | - | - | 18,885,000 |
| | - | 2,061,129 | 4,578,751 |
| | - | - | 2,301,935 |
| | - | - | (4,578,751) |
| | - | - | (20,876,071) |
| | - | 2,061,129 | 310,864 |
| | (16,864,940) | (15,604,940) | (23,807,587) |
| | 101,315,070 | 37,319,158 | 252,719,172 |
| \$ | 84,450,130 | \$ 21,714,218 | \$ 228,911,585 |

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, 2021

EXHIBIT C-4

| | |
|--|-----------------|
| Total Net Change in Fund Balances - Governmental Funds | \$ (23,807,587) |
| 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. | 917,509 |
| 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 2021 capital outlays in the amount of \$36,700,296 and debt principal payments in the amount of \$22,447,154 and the net deferred charge and gain on refunding in the amount of (\$437,712) is to increase net position. | 58,709,738 |
| 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. | (20,208,973) |
| Some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues decreased by this amount this year. | (117,966) |
| 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 \$5,399,494. 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 \$5,240,581. 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 \$6,777,718. The net result is a decrease in the change in net position. | (6,618,805) |
| 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 \$1,320,899. 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 \$1,318,455. 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 (\$2,904,475). The net result is an increase in the change in net position. | 2,906,919 |
| Change in Net Position of Governmental Activities | \$ 11,780,835 |

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, 2021

| | Governmental Activities - |
|---------------------------|---|
| | Health Plan Internal Service Fund |
| <hr/> | |
| ASSETS | |
| Current Assets: | |
| Cash and Cash Equivalents | \$ 7,258,677 |
| Other Receivables | 2,565 |
| Total Assets | <u>7,261,242</u> |
| LIABILITIES | |
| Current Liabilities: | |
| Accounts Payable | 808,016 |
| Due to Other Funds | 2,721 |
| Accrued Expenses | 1,720,639 |
| Unearned Revenues | 2,149,988 |
| Total Liabilities | <u>4,681,364</u> |
| NET POSITION | |
| Unrestricted Net Position | <u>2,579,878</u> |
| Total Net Position | <u>\$ 2,579,878</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, 2021

| | Governmental Activities - |
|---|---|
| | Health Plan Internal Service Fund |
| <hr/> | |
| OPERATING REVENUES: | |
| Local and Intermediate Sources | \$ 25,866,756 |
| Total Operating Revenues | 25,866,756 |
| OPERATING EXPENSES: | |
| Other Operating Costs | 24,949,247 |
| Total Operating Expenses | 24,949,247 |
| Operating Income | 917,509 |
| Total Net Position - July 1 (Beginning) | 1,662,369 |
| | |
| Total Net Position - June 30 (Ending) | \$ 2,579,878 |

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, 2021

EXHIBIT D-3

| | Governmental Activities - Health Plan Internal Service Fund |
|---|---|
| <u>Cash Flows from Operating Activities:</u> | |
| Cash Received from User Charges | \$ 25,972,346 |
| Cash Payments for Insurance Claims | (21,146,804) |
| Cash Payments for Suppliers | (2,985,177) |
| Net Cash Provided by Operating Activities | 1,840,365 |
| Net Increase in Cash and Cash Equivalents | 1,840,365 |
| Cash and Cash Equivalents at Beginning of Year | 5,418,312 |
| Cash and Cash Equivalents at End of Year | \$ 7,258,677 |
| <u>Reconciliation of Operating Income to Net Cash</u> | |
| <u>Provided by Operating Activities:</u> | |
| Operating Income: | \$ 917,509 |
| Effect of Increases and Decreases in Current Assets and Liabilities: | |
| Increase in Receivables | (1,600) |
| Increase in Accounts Payable | 209,352 |
| Increase in Due to Other Funds | 2,543 |
| Increase in Unearned Revenues | 131,778 |
| Increase in Accrued Expenses | 580,783 |
| Net Cash Provided by Operating Activities | \$ 1,840,365 |

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, 2021

| | Total Custodial Funds |
|--|-----------------------------|
| <hr/> | |
| ASSETS | |
| Cash and Cash Equivalents | \$ 812,324 |
| Total Assets | <u>812,324</u> |
| LIABILITIES | |
| Accounts Payable | <u>2,405</u> |
| Total Liabilities | <u>2,405</u> |
| NET POSITION | |
| Restricted for Scholarships | 135,969 |
| Restricted for Individuals and Organizations | <u>673,950</u> |
| Total Net Position | <u><u>\$ 809,919</u></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, 2021

| | Total Custodial Funds |
|---|-----------------------------|
| ADDITIONS: | |
| Student Group Fundraising Activities | \$ 161,886 |
| Earnings from Temporary Deposits | 256 |
| Contributions, Gifts and Donations | 125,290 |
| Total Additions | 287,432 |
| DEDUCTIONS: | |
| Professional and Contracted Services | 47,675 |
| Supplies and Materials | 123,816 |
| Other Deductions | 311,281 |
| Total Deductions | 482,772 |
| Change in Fiduciary Net Position | (195,340) |
| Total Net Position - July 1 (Beginning) | 1,005,259 |
| Total Net Position - June 30 (Ending) | \$ 809,919 |

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

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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.

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. It has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. 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

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.

Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other resources and other uses on the governmental fund Statement

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

A. Summary of Significant Accounting Policies (Continued)

of Revenues, Expenditures and Changes in Fund Balance, and on the Proprietary Fund Statement of Revenues, Expense and Changes in Fund Net Position. All interfund transactions between governmental funds and between governmental funds and proprietary funds are eliminated on the government-wide statements. Interfund activities between governmental funds and fiduciary funds remain as due to/due froms on the government-wide Statement of Activities.

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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues result from providing goods and services in connection with a proprietary fund's principal ongoing operations; they usually come from exchange or exchange-like transactions. All other revenues are nonoperating. Operating expenses can be tied specifically to the productions of the goods and services, such as materials and labor and direct overhead. Other expenses are nonoperating.

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. **ESSER II – 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.
3. **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.
4. **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.

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.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

A. Summary of Significant Accounting Policies (Continued)

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 custodial funds. These funds are used to account for assets held by the District as an agent for student and other organizations. These funds were previously reported in an agency fund. This change resulted in reporting the detail of additions to and deductions from custodial funds causing a change in the fund net position whereas these details were not reported for agency funds. This change is a result of the implementation of GASB 84. The District’s custodial 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).

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 30 days after year end.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

A. Summary of Significant Accounting Policies (Continued)

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 30 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. 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.

GASB Statement No. 87, Leases, was issued in June 2017. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This standard becomes effective for the District in fiscal year 2022. The District has not yet determined the impact of this statement.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

A. Summary of Significant Accounting Policies (Continued)

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, was issued in June 2018. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement becomes effective for the District in fiscal year 2022. The District has not yet determined the impact of this statement.

GASB Statement No. 90, Majority Equity Interests, is 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 implemented GASB 90 in fiscal year 2021.

GASB Statement No. 91, Conduit Debt Obligations, was issued in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This standard becomes effective for the District in fiscal year 2023. The District has not yet determined the impact of this statement.

GASB Statement No. 92, Omnibus 2020, was issued in January 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This standard becomes effective for the District in fiscal year 2022. The District has not yet determined the impact of this statement.

GASB Statement No. 93, Replacement of Interbank Offered Rates, was issued in March 2020. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. This standard becomes effective for the District in fiscal year 2021. The District has not yet determined the impact of this statement that may be applicable to future years.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, was issued in March 2020. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

A. Summary of Significant Accounting Policies (Continued)

transaction. This standard becomes effective for the District in fiscal year 2023. The District has not yet determined the impact of this statement.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements, was issued in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset— an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. This standard becomes effective for the District in fiscal year 2023. The District has not yet determined the impact of this statement.

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, was issued in June 2020. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This standard becomes effective for the District in fiscal year 2022. 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 the Federal Deposit Insurance Corporation coverage.

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.

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

A. Summary of Significant Accounting Policies (Continued)

Although commodities are received at no cost, their fair market value is supplied by the USDA and recorded as inventory and unearned 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 30-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 \$1,567,194 and \$548,037 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 |

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

A. Summary of Significant Accounting Policies (Continued)

e. Receivable and Payable Balances

The District believes sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances. There are no significant receivables which are not scheduled for collection within one year of year-end.

f. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as 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, 2021

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 | \$ 56,424,803 |
| Nonmajor Governmental Funds | 4,962,322 |
| Total | \$ 61,387,125 |

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, 2021.

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, 2021

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, 2021

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 Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment 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, 2021, 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, 2021

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.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

A. Summary of Significant Accounting Policies (Continued)

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

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 \$58,709,738 difference is as follows:

Assets:

| | | | |
|--|----|------------|------------|
| Increase in Land | \$ | 369,963 | |
| Increase in Buildings and Improvements | | 720,976 | |
| Increase in Furniture and Equipment | | 997,083 | |
| Depreciation on Disposed Equipment | | 875,482 | |
| Increase in Construction in Progress | | 33,736,792 | |
| Subtotal | \$ | | 36,700,296 |

Deferred outflows of Resources:

| | | | |
|---|--|--|-----------|
| Decrease in Deferred Charge for refunding | | | (486,972) |
|---|--|--|-----------|

Long - Term Liabilities:

| | | | |
|---|----|--------------|------------|
| Increase in termination benefits & compensated absences | | (12,056) | |
| Decrease in interest payable | | 266,823 | |
| Accreted interest on bonds payable | | (1,838,381) | |
| Amortization of premium on bonds | | 1,545,768 | |
| Unlimited Tax School Refunding Bonds, Series 2020 | | (14,370,000) | |
| Unlimited Tax School Refunding Bonds, Series 2021 | | (4,515,000) | |
| Principal payments on bonds payable | | 41,370,000 | |
| Subtotal | \$ | | 22,447,154 |

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 | | | \$ 58,709,738 |
|--|--|--|---------------|

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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 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 Exhibits J2 and J3.

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) 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.
- 7) The ESSER II CRRSA Act Fund, the Non-Major Special Revenue Funds, the EDA 2018 Series, and the Non-Major Capital Projects Funds adopt project-length budgets which do not correspond to the District's fiscal year. These funds are not legally required to adopt a budget, therefore budgetary comparison information is not presented.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

C. Compliance and Accountability (Continued)

Budget information is summarized next:

| | Original Budget | Increase / (Decrease) | Amended Budget |
|-----------------------------|--------------------|--------------------------|-------------------|
| General Fund | \$ 231,029,877 | \$ 11,328,871 | \$ 242,358,748 |
| General Fund – Food Service | 22,233,500 | (13,526,449) | 8,707,051 |
| Total General Fund | \$ 253,263,377 | \$ (2,197,578) | \$ 251,065,799 |
| Debt Service Fund | \$ 33,006,582 | \$ 310,864 | \$ 33,317,446 |

It is noted that during this fiscal year, the budget appropriations in General Fund were increased to appropriate expenditures from the Stabilization Arrangement Fund - other committed fund balance for Chromebook setup services for elementary schools in the amount of \$222,240, the purchase of COVID supplies in the amount of \$994,230, for the purchase of learning devices and reliable internet connections in the amount of \$1,041,624.

Budget appropriations in the General Fund were also increased to appropriate expenditures from committed and other committed fund balance for the wrought iron fence at Martin High School in the amount of \$200,000, construction of the JROTC obstacle course in the amount of \$120,000, roof replacement at Martin High School in the amount of \$325,985, security cameras purchases district wide in the amount of \$1,190,342, and roof repairs at Information Department in the amount of \$51,583.

Moreover, budget appropriations in the General Fund were increased to appropriate expenditures from assigned and other assigned fund balance for the roof repair at Cigarroa High School in the amount of \$139,022, district wide FY 2019-2020 outstanding purchase orders in the amount of \$3,037,059, the Property and Casualty deductible for \$400,000, COVID-19 rapid tests for \$100,000, One-Time COVID-19 Supplemental Pay for \$3,549,098, Emergency Funds - Capital Repairs for \$100,000, Martin High School Flores Gym roof for \$384,000, Information Technology Department roof repair for \$64,600, Nixon High School Montes Field chain link fence for \$65,000, and Information Technology COM account for \$100,000.

Additionally, budget appropriations in the General Fund were increased to appropriate expenditures from the unassigned fund balance for two new college career or military readiness coordinators in the amount of \$160,000, architect fees for Cigarroa Middle School in the amount of \$713,866, for the partial guaranteed maximum price for Cigarroa M.S. in the amount of \$809,299.

Similarly, budget appropriations in the General Fund were increased to appropriate additional revenues and expenditures for the Texas Education Agency allocated personal protective equipment (PPE) to Laredo ISD in the amount of \$272,290, and for the mentor program allotment in the amount of \$99,000.

Furthermore, budget appropriations in the General Fund were decreased to reduce expenditures due to a reduction of payroll expenditures in the amount of \$928,000, to fund a transfer out to the Debt Service Fund in the amount of \$389,888, to fund transfer outs to capital projects fund for Ligarde Elementary School land purchase in the amount of \$236,233, for Cigarroa Middle land purchase in the amount of \$809,299, and for information technology department building improvements in the amount of \$840,000.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

C. Compliance and Accountability (Continued)

Lastly, budget appropriations in the General Fund (E-Rate) computer equipment purchases were increased due to the additional funding in the amount of \$393,053.

Budget appropriations in Food Service were decreased to reduce revenues and expenditures in the amount of \$13,526,449 as a result of Food Service operating as COVID-19 Summer Feeding Program since September 14, 2020.

Budget appropriations in Debt Service Fund were increased to appropriate expenditures due to increased other debt fees from the refunding of the Bond Series 2020 in the amount of \$189,550 and increased other debt fees from the refunding Bond Series 2021 in the amount of \$121,314.

2. Excess Actual Over Budget

For the year ended June 30, 2021, appropriations exceeded expenditures in all legally budgeted funds.

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") coverage.

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.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

D. Cash, Cash Equivalent and Investments (Continued)

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

| | | |
|---|-------------|-----------------|
| Cash in Bank or On Hand - Primary Government | \$ | 88,456,389 |
| Cash Equivalents | | |
| Investment Pools Accounts: | | |
| TexasDAILY | 131,145,832 | |
| TexPool | 9,235,618 | |
| Current Investments | | |
| Certificates of Deposit: | | |
| BBVA | 10,166,380 | |
| Discount Notes: | | |
| U S Treasury Bill | 7,490,292 | |
| Total Cash Equivalents and Current Investments | | 158,038,122 |
| Total Deposits and Investments - Primary Government | \$ | 246,494,511 |

Deposits:

At June 30, 2021, the District's bank deposits (cash and interest bearing accounts) were \$229,791,416. The District's cash deposits at June 30, 2021 were entirely covered by FDIC coverage 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 Atlanta.

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 \$156,500,000 which is the sum of four letters of credit.
- b. The highest combined balances of cash, savings, and time deposit accounts amounted to \$117,034,800 and occurred during the month of January 2021.
- 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

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

D. Cash, Cash Equivalent and Investments (Continued)

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.

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, 2021, 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, 2021.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

D. Cash, Cash Equivalent and Investments (Continued)

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 (3.04%), Texas DAILY (53.20%), TexPool (3.75%), and BBVA (40.01%).

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, certificates of deposits and a discount note to further mitigate interest rate risk.

The District's investments at June 30, 2021 are shown below:

| Investment | Investment Maturities in Years | | |
|-------------------------------|--------------------------------|------------------|--------------|
| | Book Value | Less than 1 Year | 1 to 2 Years |
| Agency Bonds & Discount Notes | | | |
| U S Treasury Bill | \$ 7,490,292 | \$ 7,490,292 | \$ - |
| | 7,490,292 | 7,490,292 | - |
| Investment Pools | | | |
| Texpool | 9,235,618 | 9,235,618 | - |
| Texas DAILY | 131,145,832 | 131,145,832 | - |
| | 140,381,450 | 140,381,450 | - |
| Certificates of Deposit | | | |
| BBVA | 10,166,380 | 10,166,380 | - |
| | 10,166,380 | 10,166,380 | - |
| Total Book Value | \$ 158,038,122 | \$ 158,038,122 | \$ - |

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.

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

D. Cash, Cash Equivalent and Investments (Continued)

Fair Value of Investments:

The District's investments, whether recorded at fair value, cost, or amortized cost, at June 30, 2021 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 | \$ - | \$ - | \$ 7,490,292 | \$ - | \$ 7,490,292 |
| | - | - | 7,490,292 | | 7,490,292 |
| Investment Pools | | | | | |
| Texpool | 9,235,618 | - | - | - | 9,235,618 |
| Texas DAILY | 131,145,832 | - | - | - | 131,145,832 |
| | 140,381,450 | - | - | - | 140,381,450 |
| Certificates of Deposit | | | | | |
| BBVA | 10,166,380 | - | - | - | 10,166,380 |
| | 10,166,380 | - | - | - | 10,166,380 |
| Total Investments | \$ 150,547,830 | \$ - | \$ 7,490,292 | \$ - | \$ 158,038,122 |

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.
- 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 \$118,854 during the year ended June 30, 2021. The total investment income for the year is \$232,233.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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 finance certain activities partially or fully. During fiscal year 2021, the District participated in the following programs that are in response to the COVID-19 pandemic by state and federal programs.

- CARES ESSER I
- CRRSA ESSER II
- Operation Connectivity Bulk Purchase Program
- Operation Connectivity Prior Purchase Reimbursement Program
- Coronavirus Relief Funds passed through TDEM
- HSS Provider Relief Funds
- TDA Emergency Operational Cost Reimbursement Program

Amounts due to and from federal, state, and local governments as of June 30, 2021 are summarized below and are reported on the government-wide statement of net position.

| | Due to Other Governments | Due from Other Governments |
|---|--------------------------------|----------------------------------|
| <u>Major Governmental Funds:</u> | | |
| General Fund | \$ 9,377,575 | \$ 17,400,809 |
| General Fund- Food Service | - | 917,260 |
| Debt Service Fund | - | 278,766 |
| CRSSA Act- ESSER II | - | 8,096,060 |
| Total Major Governmental Funds | 9,377,575 | 26,692,895 |
| <u>Nonmajor Governmental Funds:</u> | | |
| ESEA, Title X Part C, Homeless Education | - | 2,229 |
| ESEA, Title I Part A, Improving Basic Program | - | 4,786,354 |
| ESEA, Title I Part C, Migratory Children | 60,249 | 109,333 |
| IDEA - Part B Formula | - | 829,560 |
| IDEA - Part B Preschool | - | 6,725 |
| IDEA - Part B Discretionary | - | 24,031 |
| Summer Feeding Program | - | 824,888 |
| Perkins V: Strengthening CTE for 21 st Century | - | 62,564 |
| ESEA, Title II Part A, Supporting Instruction | - | 341,506 |
| ESEA, Title III Part A, English Lang. Acquisition | - | 223,860 |
| CARES Act- ESSER Relief Fund | - | 2,126 |
| College Now Career Connected! | - | 131,545 |
| Other Federal Special Revenue Funds | - | 291,860 |
| Other State Special Revenue Funds | - | 91,250 |
| SSA Regional Day School Deaf | - | 5,334 |
| OCDETF Grant | - | 13,354 |
| AEP Foundation Grant | - | 385,263 |
| Total Nonmajor Governmental Funds | 60,249 | 8,131,782 |
| Total Governmental Funds | \$ 9,437,824 | \$ 34,824,677 |

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

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, 2021 is as follows:

| | Interfund Receivables | Interfund Payables |
|-----------------------------------|-----------------------|----------------------|
| <u>Governmental Funds:</u> | | |
| General Fund | \$ 13,063,904 | \$ 861,639 |
| CRRSA Act- ESSER II | - | 8,096,060 |
| Debt Service Fund | 519,568 | - |
| Nonmajor Governmental Funds | 31,528 | 4,654,580 |
| Total Governmental Funds | 13,615,000 | 13,612,279 |
| <u>Proprietary Fund:</u> | | |
| Health Plan Internal Service Fund | - | 2,721 |
| Total – All Funds | \$ 13,615,000 | \$ 13,615,000 |

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, 2021 were as follows:

| Transfers From | Transfers To | Amount | Purpose |
|----------------|-------------------|---------------------|---|
| General Fund | Capital Projects | \$ 1,885,532 | Transfer to cover for capital improvement projects. |
| General Fund | Debt Service | 799,776 | Transfer to cover for principal payments and agent fees. |
| General Fund | Athletics Program | 1,262,846 | Transfer to cover athletic costs for the district. |
| General Fund | J. Martinez PAC | 175,597 | Transfer to cover J. Martinez PAC for the district. |
| General Fund | E-Rate | 455,000 | Transfer to cover local 10% share of grant and items ineligible for E-Rate. |
| | | \$ 4,578,751 | |

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

G. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

| | Beginning Balances | Additions | Dispositions and Adjustments | Ending Balances |
|---|-----------------------|----------------------|------------------------------------|-----------------------|
| <u>Governmental activities:</u> | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 22,501,975 | \$ 369,963 | \$ - | \$ 22,871,938 |
| Construction in Progress | 16,442,722 | 34,457,768 | 720,976 | 50,179,514 |
| Total capital assets not being depreciated | <u>38,944,697</u> | <u>34,827,731</u> | <u>720,976</u> | <u>73,051,452</u> |
| Capital assets being depreciated: | | | | |
| Buildings and Improvements | 534,479,946 | 720,976 | - | 535,200,922 |
| Furniture and Equipment | 42,910,565 | 1,885,387 | 888,304 | 43,907,648 |
| Total capital assets being depreciated | <u>577,390,511</u> | <u>2,606,363</u> | <u>888,304</u> | <u>579,108,570</u> |
| Less accumulated depreciation: | | | | |
| Building and Improvements | 210,290,805 | 17,229,327 | - | 227,520,132 |
| Furniture and Equipment | 30,916,091 | 2,979,646 | 875,482 | 33,020,255 |
| Total accumulated depreciation | <u>241,206,896</u> | <u>20,208,973</u> | <u>875,482</u> | <u>260,540,387</u> |
| Total capital assets being depreciated, net | <u>336,183,615</u> | <u>(17,602,610)</u> | <u>12,822</u> | <u>318,568,183</u> |
| Governmental activities capital assets, net | <u>\$ 375,128,312</u> | <u>\$ 17,225,121</u> | <u>\$ 733,798</u> | <u>\$ 391,619,635</u> |

Depreciation was charged to the following functions as follows:

| | |
|--|----------------------|
| Instruction | \$ 8,238,245 |
| Instruction Resources and Media Services | 80,910 |
| Instructional Leadership | 265,192 |
| School Leadership | 394,041 |
| Guidance, Counseling & Evaluation Services | 44,881 |
| Social Work Services | 11,647 |
| Food Services | 658,931 |
| Extracurricular Activities | 1,981,774 |
| General Administration | 202,726 |
| Facilities Maintenance and Operations | 1,699,323 |
| Security and Monitoring Services | 4,714,672 |
| Data Processing Services | 1,685,893 |
| Community Services | 230,738 |
| Total Depreciation | <u>\$ 20,208,973</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

H. Unearned Revenues

Unearned revenues at June 30, 2021 consisted of the following:

Major Governmental Funds:

| | | |
|---------------------------------------|----|-----------|
| General Fund- Food Service | \$ | 964,775 |
| General Fund- Headstart Program | | 45,834 |
| General Fund- Escrow Taxes | | 56,015 |
| Total Major Governmental Funds | | 1,066,624 |

Nonmajor Governmental Funds:

| | | |
|---|--|---------|
| ESEA, Title I Part-A, Improving Basic Program | | 15,839 |
| ESEA, Title III Part-A, English Lang. Acquisition | | 44,049 |
| Provider Relief Fund CARES | | 307 |
| LEP Summer School | | 65,447 |
| Instructional Materials Allotment | | 37,707 |
| LEOSE | | 6,511 |
| Equitable Sharing Program | | 83,351 |
| J. Martinez Performing Arts Complex | | 3,745 |
| AEP Foundation Credis | | 197 |
| Strength Breakfast Grant | | 50,018 |
| Total Nonmajor Governmental funds | | 307,171 |

| | | |
|---------------------------------|--|-----------|
| Total Governmental Funds | | 1,373,795 |
|---------------------------------|--|-----------|

Proprietary Fund:

| | | |
|-----------------------------------|--|-----------|
| Health Plan Internal Service Fund | | 2,149,988 |
|-----------------------------------|--|-----------|

| | | |
|--------------------------|-----------|-----------|
| Total - All Funds | \$ | 3,523,783 |
|--------------------------|-----------|-----------|

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, 2021

I. Loans Payable (Continued)

The following is a summary of loan transaction of the District for the year ending June 30, 2021.

| Description | Balance Outstanding 7/1/2020 | Issued Current Year | Retired Current Year | Balance Outstanding 6/30/2021 | Amounts Due Within One Year |
|------------------------|------------------------------------|---------------------------|----------------------------|-------------------------------------|-----------------------------------|
| Note - October 3, 2005 | \$ 8,000,000 | \$ - | \$ - | \$ 8,000,000 | \$ 8,000,000 |
| | <u>\$ 8,000,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 8,000,000</u> | <u>\$ 8,000,000</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 |
|-------------------------|---------------------|-------------|---------------------|
| 2022 | <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 |
|-------------------------|-------------------|
| 2022 | <u>\$ 389,887</u> |
| Total | <u>\$ 389,887</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.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

J. Long-Term Obligations (Continued)

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.

The District issued Unlimited Tax Refunding Bonds, Series 2020 in the amount of \$14,370,000 with interest rates ranging from 4.0% to 5.0%. The proceeds were used to advance refund \$15,695,000 of outstanding Unlimited Tax Refunding Bonds, Series 2010 which had interest rates ranging from 4.00% to 5.00%. Escrow Fund Deposit was in the amount of \$16,036,492. The premium was in the amount of \$1,856,041. Cost of Issuance was in the amount of \$123,419 and \$64,330 in Underwriter's Discount. Funds were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, Unlimited Tax Refunding Bonds, Series 2010 are considered defeased and the liability for those bonds has been removed from the statement of net position. Total Refunding Bonds, Series 2010 were refunded.

The reacquisition price exceeded the net carrying amount of the old debt by \$341,492 which is the Deferred Charge in Refunding. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt. The District advance refunded the Unlimited Tax Refunding Bonds, Series 2010 to reduce its total debt service payments over 5 years by \$1,596,100.00 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,559,755.

The District issued Unlimited Tax Refunding Bonds, Series 2021 in the amount of \$4,515,000 with interest rates ranging from 2.0% to 4.0%. The proceeds were used to advance refund \$4,735,000 of outstanding Unlimited Tax Refunding Bonds, Series 2011 which had interest rates ranging from 4.00% to 5.00%. Escrow Fund Deposit was in the amount of \$4,839,579. The premium was in the amount of \$445,894. Cost of Issuance was in the amount of \$96,034 and \$25,280 in Underwriter's Discount. Funds were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, partial Unlimited Tax Refunding Bonds, Series 2011 are considered defeased and the liability for those bonds has been removed from the statement of net position. Some Refunding Bonds, Series 2011 in the amount of \$1,065,000 are still outstanding.

The reacquisition price exceeded the net carrying amount of the old debt by \$104,579 which is the Deferred Charge in Refunding. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt. The District advance refunded the Unlimited Tax Refunding Bonds, Series 2011 to reduce its total debt service payments over 5 years by \$352,213 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$349,193.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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, 2021 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 | - | - |
| <i>Unlimited Tax Refunding Bonds, Series 2011:</i> | | | | | | | |
| Current Interest | 2.00-5.00% | 18,415,000 | 6,835,000 | - | 5,770,000 | 1,065,000 | 1,065,000 |
| <i>Unlimited Tax School Building Bonds, Series 2013:</i> | | | | | | | |
| Current Interest | 4.00-5.00% | 43,425,000 | 30,505,000 | - | 2,430,000 | 28,075,000 | 2,555,000 |
| <i>Unlimited Tax School Building Bonds, Series 2014:</i> | | | | | | | |
| Current Interest | 4.00-5.00% | 67,160,000 | 57,625,000 | - | 2,670,000 | 54,955,000 | 2,805,000 |
| <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 | 20,338,029 | 1,838,381 | 3,625,000 | 18,551,410 | 1,880,000 |
| <i>Unlimited Tax School Refunding Bonds, Series 2015:</i> | | | | | | | |
| Current Interest | 2.00-5.00% | 65,560,000 | 48,145,000 | - | 6,105,000 | 42,040,000 | 6,405,000 |
| <i>Unlimited Tax School Building Bonds, Series 2018:</i> | | | | | | | |
| Current Interest | 3.125-5.00% | 90,375,000 | 90,375,000 | - | 2,065,000 | 88,310,000 | 2,170,000 |
| <i>Unlimited Tax School Refunding Bonds, Series 2020:</i> | | | | | | | |
| Current Interest | 4.00-5.00% | 14,370,000 | - | 14,370,000 | 285,000 | 14,085,000 | 2,885,000 |
| <i>Unlimited Tax School Refunding Bonds, Series 2021:</i> | | | | | | | |
| Current Interest | 2.00-4.00% | 4,515,000 | - | 4,515,000 | - | 4,515,000 | 65,000 |
| TOTALS | | <u>\$356,240,000</u> | <u>\$283,553,029</u> | <u>\$20,723,381</u> | <u>\$41,370,000</u> | <u>\$262,906,410</u> | <u>\$19,830,000</u> |

Interest paid on bonded indebtedness during the current year was \$13,582,706.

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

| Year Ending June 30, | Capital Appreciation | | Interest | Total |
|-------------------------|-----------------------|---------------------|-----------------------|-----------------------|
| | Principal | Bond | | |
| 2022 | 19,830,000 | 1,577,669 | 13,112,528 | 32,942,528 |
| 2023 | 20,485,000 | 1,432,443 | 12,459,925 | 32,944,925 |
| 2024 | 20,295,000 | 1,303,678 | 11,703,025 | 31,998,025 |
| 2025 | 21,055,000 | 1,188,475 | 10,898,800 | 31,953,800 |
| 2026 | 17,675,000 | 1,078,675 | 10,129,625 | 27,804,625 |
| 2027-2031 | 74,405,000 | 1,875,470 | 33,387,997 | 107,792,997 |
| 2032-2036 | 38,810,000 | - | 14,886,434 | 53,696,434 |
| 2037-2041 | 24,240,000 | - | 7,562,500 | 31,802,500 |
| 2042-2044 | 17,655,000 | - | 1,352,875 | 19,007,875 |
| | <u>\$ 254,450,000</u> | <u>\$ 8,456,410</u> | <u>\$ 115,493,709</u> | <u>\$ 369,943,709</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

J. Long-Term Obligations (Continued)

Capital Appreciation Bonds

The total accretion of discount on capital appreciation bonds that is included in the June 30, 2021 ending balance of \$262,906,410 is \$8,456,410.

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 \$182,555,042.

K. Changes in Long-Term Liabilities

Long-term liability activity for the governmental activities as of June 30, 2021, was as follows:

| Description | Balance Outstanding 9/1/2020 | Issued/Increase Current Year | Retired/Decrease Current Year | Balance Outstanding 6/30/2021 | Amounts Due Within One Year |
|----------------------------------|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|
| Loans | \$ 8,000,000 | \$ - | \$ - | \$ 8,000,000 | \$ 8,000,000 |
| Total Loans Payable | <u>8,000,000</u> | <u>-</u> | <u>-</u> | <u>8,000,000</u> | <u>8,000,000</u> |
| General Obligation Bonds | 283,553,029 | 20,723,381 | 41,370,000 | 262,906,410 | 19,830,000 |
| Bonds Premium Amortization - Net | <u>38,354,338</u> | <u>2,301,935</u> | <u>3,847,703</u> | <u>36,808,570</u> | <u>3,519,636</u> |
| Total Bonds Payable | <u>321,907,367</u> | <u>23,025,316</u> | <u>45,217,703</u> | <u>299,714,980</u> | <u>23,349,636</u> |
| Other Liabilities | | | | | |
| Compensated Absences | <u>2,769,084</u> | <u>546,632</u> | <u>534,576</u> | <u>2,781,140</u> | <u>534,576</u> |
| Total Other Liabilities | <u>2,769,084</u> | <u>546,632</u> | <u>534,576</u> | <u>2,781,140</u> | <u>534,576</u> |
| Total Governmental Activities | | | | | |
| Long-term Liabilities | <u>\$ 332,676,451</u> | <u>\$ 23,571,948</u> | <u>\$ 45,752,279</u> | <u>\$ 310,496,120</u> | <u>\$ 31,884,212</u> |

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, 2021

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, 2021, the balance for the State Personal and Sick Leave is \$2,781,140. The estimated amount due within a year is \$534,576. 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 | Debt Service Fund | EDA 2018 Series | Other Governmental Funds | Total |
|----------------------------------|----------------------|----------------------|--------------------|--------------------------------|----------------------|
| Property Taxes | \$ 23,617,725 | \$ 10,387,227 | \$ - | \$ - | \$ 34,004,952 |
| Penalties & Interest | 547,756 | 213,078 | - | - | 760,834 |
| Investment Income | 190,522 | 261,270 | 92,747 | 53,077 | 597,616 |
| Rental of Facilities & Insurance | 5,500 | - | - | 11,727 | 17,227 |
| Co-curricular | 8,906 | - | - | - | 8,906 |
| Webb County Permanent Fund | - | - | - | 426,001 | 426,001 |
| Miscellaneous | 2,048,125 | 9,728 | - | 1,140,800 | 3,198,653 |
| | <u>\$ 26,418,534</u> | <u>\$ 10,871,303</u> | <u>\$ 92,747</u> | <u>\$ 1,631,605</u> | <u>\$ 39,014,189</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 2021, 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, 2021. 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, 2021

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 |
|-----------|------------------------------------|--|-----------------|----------------------------|
| 2019-2020 | \$56,348 | - | \$2,454 | \$53,894 |
| 2020-2021 | \$53,894 | - | \$2,510 | \$51,384 |

Health Insurance

The claims for the health insurance liability of \$1,720,639 reported in the Health Plan Internal Service Fund at June 30, 2021 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:

| | <u>2020</u> | <u>2021</u> |
|---------------------------------|---------------------|----------------------------------|
| Beginning of the year liability | \$ 1,456,967 | \$ 1,139,856 |
| Current year claims | 21,776,036 | 21,222,379 |
| Changes in estimates | (317,111) | 580,783 |
| Claims payments | <u>(21,776,036)</u> | <u>(21,222,379)</u> |
| End of year liability | <u>\$ 1,139,856</u> | <u>\$ 1,720,639</u> ¹ |

¹Claim liabilities are due within one year of the date of net position.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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).

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 Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <https://www.trs.texas.gov/Pages/aboutpublications.aspx>, 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. Actuarial implications of the funding provided in the manner are determined by the System's actuary. 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.

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

O. Defined Benefit Pension Plan (Continued)

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform 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 2020 ACFR, Note 11, on page 82.

| Contribution Rates | | |
|--|--------------------|--------------------|
| | <u>2020</u> | <u>2021</u> |
| Member | 7.7% | 7.7% |
| Non-Employer Contributing Entity (State) | 7.5% | 7.5% |
| Employers | 7.5% | 7.5% |
| Current Fiscal Year Employer Contributions | | \$6,402,716 |
| Current Fiscal Year Member Contributions | | \$13,846,542 |
| 2020 NECE On-Behalf Contributions | | \$9,352,693 |

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.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

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

- The District shall contribute 1.5% of the member's salary beginning in fiscal year 2020, gradually increasing to 2% in fiscal year 2025.
- 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.

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

O. Defined Benefit Pension Plan (Continued)

Actuarial Assumptions. The total pension liability in the August 31, 2019 actuarial valuation was determined using the following actuarial assumptions: *Actuarial Assumptions can be found in the 2020 TRS ACFR, Note 11 page 82 and 83.*

| | |
|--|---|
| Valuation Date | August 31, 2019 rolled forward to August 31, 2020 |
| 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 2020 ¹ | 2.33% |
| Salary Increases Including Inflation | 3.05 to 9.05% |
| Last yr. ending Aug 31 in Projection Period (100 yrs.) | 2119 |
| Ad hoc Post Employment Benefit Changes | None |

¹Source 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, 2019. For a full description of these assumptions please see the actuarial valuation report dated November 14, 2019.

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

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 long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

O. Defined Benefit Pension Plan (Continued)

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2020 (see page 53 of the TRS ACFR) are summarized below:

| Asset Class | FY 2020 Target Allocation ¹ | Long-Term Expected Arithmetic Real Rate of Return ² | Expected Contribution to Long-Term Portfolio Returns |
|--|--|--|---|
| Global Equity | | | |
| U.S. | 18.0% | 3.90% | 0.99% |
| Non-U.S. Developed | 13.0% | 5.10% | 0.92% |
| Emerging Markets | 9.0% | 5.60% | 0.83% |
| Private Equity | 14.0% | 6.70% | 1.41% |
| Stable Value | | | |
| Government Bonds | 16.0% | -0.70% | -0.05% |
| Stable Value Hedge Funds | 5.0% | 1.90% | 0.11% |
| Real Return | | | |
| Real Estate | 15.0% | 4.60% | 1.01% |
| Energy, Natural Resources & Infrastructure Commodities | 6.0% | 6.0% | 0.42% |
| Risk Parity | | | |
| Risk Parity | 8.0% | 3.0% | 0.30% |
| Leverage | | | |
| Cash | 2.0% | -1.50% | -0.03% |
| Asset Allocation Leverage | -6.0% | -1.30% | 0.08% |
| Inflation Expectation | | | 2.0% |
| Volatility Drag ³ | | | -0.67% |
| Total | 100% | | 7.33% |

¹Target allocations are based on the FY2020 policy model.

²Capital Market Assumptions come from Aon Hewitt (as of 08/31/2020)

³The volatility drag results from the conversion between arithmetic and geometric mean returns.

Discount Rate Sensitivity Analysis. The following table presents the Net Pension Liability of the plan using the discount rate of 7.25%, and what the net pension liability would be if it were calculated using a discount rate that is 1% point lower (6.25%) or one percentage point higher (8.25%) than the current rate. *The discount rate can be found in the 2020 TRS ACFR, Note 11, page 84.*

| | 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>\$125,188,894</u> | <u>\$81,186,995</u> | <u>\$45,436,417</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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, 2021, the District reported a liability of \$81,186,995 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 | \$ 81,186,995 |
| State’s proportionate share that is associated with District | 121,402,966 |
| Total | \$202,589,961 |

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, 2019 and rolled forward to August 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer’s proportion of the net pension liability was based on the employer’s contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2019 thru August 31, 2020.

At August 31, 2020 the employer’s proportion of the collective net pension liability was 0.1515871690% which was a decrease of -0.0067128656% from its proportionate measured as of August 31, 2019.

Changes since the Prior Actuarial Valuation. There were no changes in assumptions since the prior measurement date.

For the year ended June 30, 2021, the District recognized pension expense of \$26,620,380 and revenue of \$14,602,081 for support provided by the State.

At June 30, 2021, the District reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expected and actual actuarial experience | \$148,241 | \$2,265,714 |
| Changes in actuarial assumptions | 18,838,271 | 8,009,902 |
| Difference between projected and actual investment earnings | 1,643,561 | - |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 3,130,961 | 3,483,420 |
| Total as of August 31, 2020 measurement date | 23,761,034 | 13,759,036 |
| Contributions paid to TRS subsequent to the measurement date | 5,399,494 | - |
| Total as of fiscal year-end | 29,160,528 | 13,759,036 |

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

O. Defined Benefit Pension Plan (Continued)

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 |
|---------------------|------------------------|
| 2022 | \$3,414,476 |
| 2023 | 3,763,397 |
| 2024 | 3,501,825 |
| 2025 | 794,455 |
| 2026 | (1,315,488) |
| Thereafter | (156,667) |

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 1/1/21 through 12/31/21 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 7/1/2021 through 12/31/2021. The District contribution increased to \$525.00 for qualified employees in 1/1/2021 through the end of the calendar year.

The District offered three (3) benefit plan options: Basic, Low, High, (1/1/2021-12/31/2021) 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 2,862 employees as of June 30, 2021. 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 all 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, 2021, the state made contributions of \$783,237 related to on-behalf Medicare Part D payments. These revenues equal expenditures and are reflected in the fund financial statements for the General Fund.

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

Q. Construction Commitments

As of June 30, 2021, 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 | \$ 99,617,330 | \$ 31,691,084 | \$ 67,926,246 | \$ 2,068,724 |
| Environmental Services | 405,994 | 137,079 | 268,915 | - |
| Architect Services | 3,997,394 | 2,000,368 | 1,997,026 | - |
| Total | \$ 104,020,718 | \$ 33,828,531 | \$ 70,192,187 | \$ 2,068,724 |

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 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.

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

S. Fund Balance (Continued)

As of June 30, 2021, the District has classified its Committed and Assigned Fund Balances as follows:

| | <u>General Funds</u> | <u>Nonmajor Funds</u> | <u>Total Governmental Funds</u> |
|---|----------------------------|---------------------------|---|
| <u>Committed Fund Balance</u> | | | |
| <i>Other Committed Fund Balance</i> | | | |
| E-Rate projects | \$ 961,035 | \$ - | \$ 961,035 |
| Secondary band instruments | 950,000 | - | 950,000 |
| Secondary Marachi / Orchestra supplies | 500,000 | - | 500,000 |
| Stabilization arrangement ¹ | 1,155 | - | 1,155 |
| Campus activity funds | - | 305,658 | 305,658 |
| <i>Total Other Committed Fund Balance</i> | <u>\$ 2,412,190</u> | <u>\$ 305,658</u> | <u>\$ 2,717,848</u> |
| <u>Assigned Fund Balance</u> | | | |
| <i>Other Assigned Fund Balance</i> | | | |
| Technology COM account | \$ 301,900 | \$ - | \$ 301,900 |
| Incentive hoodies | 120,000 | - | 120,000 |
| Activity vehicles | 152,132 | - | 152,132 |
| School logo wraps | 80,000 | - | 80,000 |
| Cheerleader floor mats for Secondary schools | 60,200 | - | 60,200 |
| Martin HS roof repairs | 120,000 | - | 120,000 |
| Martin HS canopy | 84,000 | - | 84,000 |
| Martin HS ROTC water fountains | 5,000 | - | 5,000 |
| Nixon HS chiller | 170,000 | - | 170,000 |
| Nixon HS band hall flooring | 25,000 | - | 25,000 |
| Lara Academy hardware locksets | 20,000 | - | 20,000 |
| Christen MS furniture | 15,000 | - | 15,000 |
| Christen MS wrought iron fence | 90,000 | - | 90,000 |
| Christen MS front yard beautification | 15,000 | - | 15,000 |
| Memorial MS retaining wall | 15,000 | - | 15,000 |
| Memorial MS facility painting | 85,000 | - | 85,000 |
| Daiches ES canopy | 89,000 | - | 89,000 |
| Farias ES gym painting | 15,000 | - | 15,000 |
| Farias ES stage curtains | 20,000 | - | 20,000 |
| Milton ES canopy | 125,000 | - | 125,000 |
| Milton ES canopy | 74,000 | - | 74,000 |
| Milton ES mobile trailer | 10,000 | - | 10,000 |
| Santo Nino ES new sidewalks | 17,000 | - | 17,000 |
| Zachry softball canopy | 91,000 | - | 91,000 |
| Ligarde ES furniture | 30,000 | - | 30,000 |
| District wide power washers | 10,000 | - | 10,000 |
| District wide HVAC | 88,000 | - | 88,000 |
| District wide musical instruments | 40,000 | - | 40,000 |
| Information Technology roof | 27,000 | - | 27,000 |
| High School vehicle certifications | 7,912 | - | 7,912 |
| Districtwide attendance incentives | 10,000 | - | 10,000 |
| Lifeguard certifications for ROTC instructors | 240 | - | 240 |
| To meet debt service requirement | 7,410,102 | - | 7,410,102 |
| Construction proj. & acquisition of real property | 4,017,345 | - | 4,017,345 |
| Health benefit initiative | 750,000 | - | 750,000 |
| Surveys and replat services | 62,220 | - | 62,220 |
| Canopy repairs | 37,000 | - | 37,000 |
| District-Wide Projects | 2,010,190 | 6,844 | 2,017,034 |
| <i>Total Other Assigned Fund Balance</i> | <u>\$16,299,241</u> | <u>\$ 6,844</u> | <u>\$ 16,306,085</u> |

¹Stabilization arrangement

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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 TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. 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. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

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.gov/Pages/aboutpublications.aspx>; 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

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

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

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. There are no automatic post-employment benefit changes; including automatic COLAs.

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

| TRS-Care Monthly for Retirees | | |
|--------------------------------------|-------------------|---------------------|
| | Medicare | Non-Medicare |
| | <u>Basic Plan</u> | <u>Basic Plan</u> |
| 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 .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75% of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

| Contribution Rates | | |
|---|-------------|-------------|
| | <u>2020</u> | <u>2021</u> |
| 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% |
| Current Fiscal Year Employer Contributions | | \$1,584,476 |
| Current Fiscal Year Member Contributions | | \$1,168,904 |
| 2020 NECE On-Behalf Contributions | | \$2,126,475 |

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.

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

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

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$230.8 million in fiscal year 2020 to maintain premiums and benefit levels in the 2020-2021 biennium.

Actuarial Assumptions

The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2020. The actuarial valuation was determined using the following actuarial assumptions: Actuarial Assumptions can be found in the 2020 TRS ACFR, Note 9, page 75.

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. All the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in the OPEB valuation were identical to those used in the respective TRS pension valuation. The demographic assumptions were developed in experience study performed for TRS for the period ending August 31, 2017.

The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2019, TRS pension actuarial valuation that was rolled forward to August 31, 2020:

- 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, 2019, rolled forward to August 31, 2020 |
| Actuarial Cost Method | Individual Early Age Normal |
| Inflation | 2.30% |
| Single Discount Rate ¹ | 2.33% as of August 31, 2020 |
| 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 ² | 3.05% to 9.05% |
| Healthcare Trend Rates ³ | 7.50% to 10.25% |
| Election Rates | Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65. 25% of pre-65 retirees are assumed to discontinue coverage as of age 65 |
| Ad hoc post-employment benefit changes | None |

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

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

¹This was a decrease of .30 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.

²Includes Inflation increases

³Initial trend rates were 9.0% for Medicare retirees and 7.30% for non-Medicare retirees. Initial prescription drug trend rate of 9.0% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 13 years.

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

Discount Rate. A single discount rate of 2.33% was used to measure the total OPEB liability. There was a decrease of .30 percent in the discount rate since the previous year. *The Discount Rate can be found in the 2020 TRS ACFR on page 76.* 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.

The source of the municipal bond rate is the Fidelity “20 year Municipal GO AA Index” as of August 31, 2020 using the fixed-income municipal bonds with 20 years to maturity that included only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1 percentage point lower than and 1 percentage point higher than the discount rate that was used (2.33%) in measuring the Net OPEB Liability.

| | 1% Decrease | Discount | | 1% Increase |
|--|--------------|--------------|--|--------------|
| | in Discount | | | in Discount |
| | Rate (1.33%) | Rate (2.33%) | | Rate (3.33%) |
| Proportionate share of the net OPEB liability: | \$94,977,538 | \$79,148,099 | | \$66,645,114 |

LAREDO INDEPENDENT SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

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

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2021, the District reported a liability of \$79,148,099 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 | \$79,148,099 |
| State’s proportionate share that is associated with District | 106,356,073 |
| Total | \$185,504,172 |

Healthcare Cost Trend Rates Sensitivity Analysis. The net OPEB liability was measured as of August 31, 2020 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, 2019 thru August 31, 2020.

At August 31, 2020, the employer’s proportion of the collective net OPEB liability was 0.2082049378% which was an increase of -0.0041987176% from its proportion measured as of August 31, 2019.

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: | \$64,653,857 | \$79,148,099 | \$98,452,382 |

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 ACFR on page 76.*

- The discount rate changed from 2.63 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the TOL.
- The participation rate for post-65 retirees was lowered from 50% to 40%. This change lowered the TOL.
- The ultimate health care trend assumptions was lowered from 4.5% to 4.25% as a result of Congress’ repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the TOL.

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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

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, 2021, the District recognized OPEB expense of \$2,324,516 and revenue of \$738,496 for support provided by the State.

At June 30, 2021, 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 | \$4,144,163 | \$36,222,217 |
| Changes in actuarial assumptions | 4,881,792 | 21,734,477 |
| Difference between projected and actual investment earnings | 25,720 | - |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 1,470,922 | 3,500,175 |
| Total as of August 31, 2020 measurement date | \$10,522,597 | \$61,456,869 |
| Contributions paid to TRS subsequent to the measurement date | 1,320,899 | - |
| Total as of fiscal year-end | \$11,843,496 | \$61,456,869 |

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 |
|----------------------------|----------------------------|
| 2022 | (\$8,359,966) |
| 2023 | (\$8,363,405) |
| 2024 | (\$8,365,371) |
| 2025 | (\$8,364,833) |
| 2026 | (\$6,250,754) |
| Thereafter | (\$11,229,943) |

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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 | \$ 203,360 |
| UISD | 568,796 |
| JHCISD | 16,000 |
| WCISD | <u>16,000</u> |
| | <u>\$ 804,156</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.

**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, 2021

| 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 | \$ 26,194,327 | \$ 26,385,024 | \$ 26,418,534 | \$ 33,510 |
| 5800 State Program Revenues | 201,664,725 | 199,619,015 | 196,358,560 | (3,260,455) |
| 5900 Federal Program Revenues | 25,972,000 | 14,164,430 | 10,223,991 | (3,940,439) |
| 5020 Total Revenues | 253,831,052 | 240,168,469 | 233,001,085 | (7,167,384) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| 0011 Instruction | 135,790,023 | 138,799,809 | 131,527,016 | 7,272,793 |
| 0012 Instructional Resources and Media Services | 4,721,119 | 4,828,406 | 4,575,288 | 253,118 |
| 0013 Curriculum and Instructional Staff Development | 1,758,411 | 1,826,881 | 1,338,468 | 488,413 |
| 0021 Instructional Leadership | 3,457,745 | 3,708,406 | 3,627,510 | 80,896 |
| 0023 School Leadership | 15,793,782 | 16,163,969 | 15,754,930 | 409,039 |
| 0031 Guidance, Counseling, and Evaluation Services | 7,461,156 | 7,702,287 | 7,502,632 | 199,655 |
| 0032 Social Work Services | 2,010,894 | 2,049,143 | 1,968,778 | 80,365 |
| 0033 Health Services | 2,775,701 | 2,818,985 | 2,541,698 | 277,287 |
| 0034 Student (Pupil) Transportation | 4,577,662 | 4,571,156 | 3,811,492 | 759,664 |
| 0035 Food Services | 21,891,843 | 8,516,725 | 6,681,132 | 1,835,593 |
| 0036 Extracurricular Activities | 6,538,644 | 6,725,500 | 5,177,883 | 1,547,617 |
| 0041 General Administration | 8,801,786 | 8,875,106 | 8,163,863 | 711,243 |
| 0051 Facilities Maintenance and Operations | 25,477,309 | 30,366,722 | 17,945,941 | 12,420,781 |
| 0052 Security and Monitoring Services | 5,391,618 | 6,668,133 | 4,983,854 | 1,684,279 |
| 0053 Data Processing Services | 5,028,955 | 5,383,452 | 4,975,372 | 408,080 |
| 0061 Community Services | 440,573 | 63,734 | 10,283 | 53,451 |
| Capital Outlay: | | | | |
| 0081 Facilities Acquisition and Construction | 1,296,156 | 1,947,385 | 1,017,684 | 929,701 |
| Intergovernmental: | | | | |
| 0095 Payments to Juvenile Justice Alternative Ed. Prg. | 50,000 | 50,000 | 10,902 | 39,098 |
| 6030 Total Expenditures | 253,263,377 | 251,065,799 | 221,614,726 | 29,451,073 |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | 567,675 | (10,897,330) | 11,386,359 | 22,283,689 |
| OTHER FINANCING SOURCES (USES): | | | | |
| 7915 Transfers In | 2,290,330 | 2,290,330 | 1,717,846 | (572,484) |
| 8911 Transfers Out (Use) | (3,003,413) | (5,278,833) | (4,578,751) | 700,082 |
| 7080 Total Other Financing Sources (Uses) | (713,083) | (2,988,503) | (2,860,905) | 127,598 |
| 1200 Net Change in Fund Balances | (145,408) | (13,885,833) | 8,525,454 | 22,411,287 |
| 0100 Fund Balance - July 1 (Beginning) | 79,409,063 | 79,409,063 | 79,409,063 | - |
| 3000 Fund Balance - June 30 (Ending) | \$ 79,263,655 | \$ 65,523,230 | \$ 87,934,517 | \$ 22,411,287 |

LAREDO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021

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 General Fund Budget report appears in Exhibit G-1 in RSI and the other two reports are in Exhibit J2 and J3.

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) 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.
- 7) The ESSER II CRRSA Act Fund, the Non-Major Special Revenue Funds, the EDA 2018 Series, and the Non-Major Capital Projects Funds adopt project-length budgets which do not correspond to the District's fiscal year. These funds are not legally required to adopt a budget, therefore budgetary comparison information is not presented.

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, 2021

| | FY 2021 Plan Year 2020 | FY 2020 Plan Year 2019 | FY 2019 Plan Year 2018 |
|--|---------------------------|---------------------------|---------------------------|
| District's Proportion of the Net Pension Liability (Asset) | 0.151587169% | 0.158300035% | 0.161228106% |
| District's Proportionate Share of Net Pension Liability (Asset) | \$ 81,186,995 | \$ 82,289,307 | \$ 88,743,863 |
| State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District | 121,402,966 | 115,594,823 | 127,332,071 |
| Total | <u>\$ 202,589,961</u> | <u>\$ 197,884,130</u> | <u>\$ 216,075,934</u> |
| District's Covered Payroll | \$ 179,632,946 | \$ 169,037,866 | \$ 166,820,641 |
| District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | 45.20% | 48.68% | 53.20% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 75.54% | 75.24% | 73.74% |

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, 2020 for year 2021, 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.

| FY 2018 Plan Year 2017 | FY 2017 Plan Year 2016 | FY 2016 Plan Year 2015 | FY 2015 Plan Year 2014 |
|---------------------------|---------------------------|---------------------------|---------------------------|
| 0.157603622% | 0.159388778% | 0.1644294% | 0.1020927% |
| \$ 50,393,148 | \$ 60,230,649 | \$ 58,123,604 | \$ 27,270,373 |
| 77,759,695 | 94,490,295 | 91,324,939 | 78,764,172 |
| <u>\$ 128,152,843</u> | <u>\$ 154,720,944</u> | <u>\$ 149,448,543</u> | <u>\$ 106,034,545</u> |
| \$ 163,525,595 | \$ 160,736,603 | \$ 156,283,905 | \$ 146,636,889 |
| 30.82% | 37.47% | 37.19% | 18.60% |
| 82.17% | 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 2021

| | 2021 | 2020 | 2019 |
|---|----------------|----------------|----------------|
| Contractually Required Contribution | \$ 6,402,716 | \$ 6,189,516 | \$ 4,591,757 |
| Contribution in Relation to the Contractually Required Contribution | (6,402,716) | (6,189,516) | (4,591,757) |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - |
| District's Covered Payroll | \$ 179,838,424 | \$ 178,778,811 | \$ 139,962,727 |
| Contributions as a Percentage of Covered Payroll | 3.56% | 3.46% | 3.28% |

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.

| | 2018 | 2017 | 2016 | 2015 |
|----|-------------|----------------|----------------|----------------|
| \$ | 5,431,403 | \$ 5,165,135 | \$ 5,064,178 | \$ 4,868,826 |
| | (5,431,403) | (5,165,135) | (5,064,178) | (4,868,826) |
| \$ | - | \$ - | \$ - | \$ - |
| \$ | 166,820,641 | \$ 163,525,595 | \$ 160,736,603 | \$ 156,283,905 |
| | 3.26% | 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, 2021

| | FY 2021 Plan Year 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 | 0.208204938% | 0.212403655% | 0.214778694% | 0.211202855% |
| District's Proportionate Share of Net OPEB Liability (Asset) | \$ 79,148,099 | \$ 100,448,289 | \$ 107,240,968 | \$ 91,844,198 |
| State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District | 106,356,073 | 133,473,310 | 135,014,322 | 120,356,713 |
| Total | <u>\$ 185,504,172</u> | <u>\$ 233,921,599</u> | <u>\$ 242,255,290</u> | <u>\$ 212,200,911</u> |
| District's Covered Payroll | \$ 179,632,946 | \$ 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 | 44.06% | 59.42% | 64.29% | 56.17% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 4.99% | 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 2021 are for the measurement date of August 31, 2020. The amounts 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 2021

| | 2021 | 2020 | 2019 | 2018 |
|---|----------------|----------------|----------------|----------------|
| Contractually Required Contribution | \$ 1,584,476 | \$ 1,579,934 | \$ 1,246,004 | \$ 1,481,666 |
| Contribution in Relation to the Contractually Required Contribution | (1,584,476) | (1,579,934) | (1,246,004) | (1,481,666) |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - |
| District's Covered Payroll | \$ 179,838,424 | \$ 178,778,811 | \$ 139,962,727 | \$ 166,820,988 |
| Contributions as a Percentage of Covered Payroll | 0.88% | 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, 2021

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

There were no changes in assumptions since the prior measurement date.

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 2.63 percent as of August 31, 2019, to 2.33 percent as of August 31, 2020. This change increased the Total OPEB Liability.
2. The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.
3. The ultimate health care trend rate assumption was lowered from 4.50 percent to 4.25 percent as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB Liability.

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.

211 ESEA, Title I, Part A – Improving Basic Programs

This fund classification is to provide supplemental resources to LEAs beyond local and state funds. The funds, based on specific formulas, flow at each level from the United States Department of Education (USDE) to each state education agency, or the Texas Education Agency (TEA) in Texas. The intent and purpose of Title I, Part A, is to provide-supplemental resources to LEA's to help schools with high concentrations of students from low-income families provide high-quality education that will enable all children to meet the state student performance standards.

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

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

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).

244 Perkins V: Strengthening CTE for 21st Century

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.

253 IDEA, Part C Deaf – Early Intervention

This fund classification is to be used to account, on a project basis, for funds granted to operate educational intervention program for children, birth to three, with disabilities and development delays.

255 ESEA, Title II, Part A – Supporting 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.

266 (ESSER) of the Coronavirus Aid, Relief, and Economic Security (CARES) Act

This fund classification is used to account for federal stimulus Elementary and ESSER funds granted to LEAs through the CARES Act to support LEAs' ability to operate and instruct their students during the COVID-19 pandemic.

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.

276 Instructional Continuity Grant

The Instructional Continuity Grant is designed to provide supplemental resources to districts to support improved student outcomes on targeted support and improvement campuses. The purpose of this grant is to increase the capacity of a district to facilitate instructional continuity and distance, remote, and/or virtual learning for identified campuses that have been affected by campus closures due to COVID-19.

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

277 Coronavirus Relief Fund (CRF) of the CARES Act

This code is used to account for federal stimulus CRF granted to LEAs through the CARES Act for necessary expenditures incurred due to the public health emergency with respect to COVID-19 and to reimburse LEAs for expenses related to COVID-19.

288 HHS Cares Act Provider Relief Grant

This fund classification is to be used to account, on a project basis, for funds granted to provide financial support to providers who experienced lost revenues and increased expenses during the pandemic attributable to coronavirus.

289 Federally Funded Special Revenue Funds

These funds are to be used to account, on a project basis, for federally funded special revenue funds that have not been previously mentioned.

- 289-000 ESSA, Title IV, Part A – Student Support and Academic Enrichment
- 289-FTS Farm to School Grant
- 289-SSV Stop School Violence Mental Health Cycle Grant
- 289-LSS Lone Star Stem Cycle 3 Grant

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.

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 State Funded Special Revenue Funds

State funded special revenue funds not listed above are to be accounted for in this fund.

- 429-CTE Summer Career Technical Education Grant
- 429-GYO Grow Your Own Grant, Cycle 2
- 429-JET Jobs and Education for Texans Grant
- 429-BAG Body Armor Grant
- 429-MIE Math Innovation zones Grant, Cycle 2, Year 2 Execution

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

- 426-MIP Math Innovation Zones Grant, Cycle 1, Year 2 Pilot
- 429-MIZ Math Innovation Zones Grant, Cycle 2, Year 1 Planning
- 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.

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 9th and 10th graders; summer bridge program at Laredo College; dual credit college courses for 9th and 10th grade students; scholarships and books and professional development opportunities for faculty.

**NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS**

499 Locally Funded Special Revenue Funds

Locally funded special revenue funds not listed above are to be accounted in this fund.

- 499 Strength Breakfast Grant

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LAREDO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

| Data Control Codes | 206 ESEA Title X, Pt.C Homeless | 211 ESEA I, A Improving Basic Program | 212 ESEA, Title I Part C Migrant |
|---|--|--|---|
| ASSETS | | | |
| 1110 Cash and Cash Equivalents | \$ - | \$ - | \$ - |
| 1240 Due from Other Governments | 2,229 | 4,786,354 | 109,333 |
| 1260 Due from Other Funds | - | 1,420 | 4 |
| 1290 Other Receivables | - | - | - |
| 1000 Total Assets | <u>\$ 2,229</u> | <u>\$ 4,787,774</u> | <u>\$ 109,337</u> |
| LIABILITIES | | | |
| 2110 Accounts Payable | \$ - | \$ 32,271 | \$ - |
| 2160 Accrued Wages Payable | - | 1,662,323 | 33,505 |
| 2170 Due to Other Funds | 2,229 | 3,077,341 | 15,583 |
| 2180 Due to Other Governments | - | - | 60,249 |
| 2300 Unearned Revenue | - | 15,839 | - |
| 2000 Total Liabilities | <u>2,229</u> | <u>4,787,774</u> | <u>109,337</u> |
| FUND BALANCES | | | |
| 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> |
| 4000 Total Liabilities and Fund Balances | <u>\$ 2,229</u> | <u>\$ 4,787,774</u> | <u>\$ 109,337</u> |

| 224 IDEA - Part B Formula | 225 IDEA - Part B Preschool | 226 IDEA - Part B Discretionary | 242 Summer Feeding Program | 244 Perkins V Strengthening CTE 21st Cent | 253 IDEA Part C Deaf - Early Intervention | 255 ESEA Title II Supporting Effective Ins | 263 Title III, A English Lang. Acquisition |
|---------------------------------|-----------------------------------|---------------------------------------|-------------------------------------|--|--|---|---|
| \$ - | \$ - | \$ - | \$ 101,114 | \$ - | \$ - | \$ - | \$ - |
| 829,560 | 6,725 | 24,031 | 824,888 | 62,564 | - | 341,506 | 223,860 |
| 977 | - | - | 9,706 | 17 | - | 46 | 122 |
| - | - | - | - | - | - | - | - |
| <u>\$ 830,537</u> | <u>\$ 6,725</u> | <u>\$ 24,031</u> | <u>\$ 935,708</u> | <u>\$ 62,581</u> | <u>\$ -</u> | <u>\$ 341,552</u> | <u>\$ 223,982</u> |
| \$ 5,397 | \$ 2,775 | \$ - | \$ 463,108 | \$ 3,910 | \$ - | \$ 7,880 | \$ - |
| 466,324 | - | - | 163,217 | 24,514 | - | 162,099 | 117,954 |
| 358,816 | 3,950 | 24,031 | 309,383 | 34,157 | - | 171,573 | 61,979 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 44,049 |
| <u>830,537</u> | <u>6,725</u> | <u>24,031</u> | <u>935,708</u> | <u>62,581</u> | <u>-</u> | <u>341,552</u> | <u>223,982</u> |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>\$ 830,537</u> | <u>\$ 6,725</u> | <u>\$ 24,031</u> | <u>\$ 935,708</u> | <u>\$ 62,581</u> | <u>\$ -</u> | <u>\$ 341,552</u> | <u>\$ 223,982</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

| Data Control Codes | 266 ESSER CARES Act | 274 College Now Career Connected! | 276 Instructional Continuity Grant | 277 Coronavirus Relief Fund CARES Act |
|---|---------------------------|--|---|--|
| ASSETS | | | | |
| 1110 Cash and Cash Equivalents | \$ - | \$ - | \$ - | \$ - |
| 1240 Due from Other Governments | 2,126 | 131,545 | - | - |
| 1260 Due from Other Funds | - | - | - | - |
| 1290 Other Receivables | - | - | - | - |
| 1000 Total Assets | <u>\$ 2,126</u> | <u>\$ 131,545</u> | <u>\$ -</u> | <u>\$ -</u> |
| LIABILITIES | | | | |
| 2110 Accounts Payable | \$ - | \$ 15,073 | \$ - | \$ - |
| 2160 Accrued Wages Payable | - | 42,687 | - | - |
| 2170 Due to Other Funds | 2,126 | 73,785 | - | - |
| 2180 Due to Other Governments | - | - | - | - |
| 2300 Unearned Revenue | - | - | - | - |
| 2000 Total Liabilities | <u>2,126</u> | <u>131,545</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | |
| 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>\$ 2,126</u> | <u>\$ 131,545</u> | <u>\$ -</u> | <u>\$ -</u> |

| 288 Provider Relief Fund CARES | 289 Other Federal Special Revenue Funds | 397 Advanced Placement Incentives | 410 Instructional Materials Allotment | 424 LEOSE | 427 Math & Literacy Academies | 429 Other State Special Revenue Funds | 435 SSA Regional Day School - Deaf |
|---|--|--|--|-----------------|--|--|---|
| \$ 307 | \$ - | \$ 1,377 | \$ 101,857 | \$ 6,511 | \$ - | \$ - | \$ 807,982 |
| - | 291,860 | - | - | - | - | 91,250 | 5,334 |
| - | - | - | 1,052 | - | - | - | 76 |
| - | - | - | - | - | - | - | - |
| <u>\$ 307</u> | <u>\$ 291,860</u> | <u>\$ 1,377</u> | <u>\$ 102,909</u> | <u>\$ 6,511</u> | <u>\$ -</u> | <u>\$ 91,250</u> | <u>\$ 813,392</u> |
| \$ - | \$ 64,081 | \$ - | \$ 12,032 | \$ - | \$ - | \$ 29,213 | \$ - |
| - | 143,763 | - | - | - | - | 16,035 | 133,780 |
| - | 18,569 | - | 32,419 | - | - | 46,002 | - |
| - | - | - | - | - | - | - | - |
| 307 | 65,447 | - | 37,707 | 6,511 | - | - | - |
| <u>307</u> | <u>291,860</u> | <u>-</u> | <u>82,158</u> | <u>6,511</u> | <u>-</u> | <u>91,250</u> | <u>133,780</u> |
| - | - | 1,377 | 20,751 | - | - | - | 679,612 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | 1,377 | 20,751 | - | - | - | 679,612 |
| <u>\$ 307</u> | <u>\$ 291,860</u> | <u>\$ 1,377</u> | <u>\$ 102,909</u> | <u>\$ 6,511</u> | <u>\$ -</u> | <u>\$ 91,250</u> | <u>\$ 813,392</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

| Data Control Codes | 461 Campus Activity Funds | 482 Dr. Hochman Classroom Grant | 483 Equitable Sharing Program | 484 OCDETF |
|---|------------------------------------|--|--|------------------|
| ASSETS | | | | |
| 1110 Cash and Cash Equivalents | \$ 308,181 | \$ 1,276 | \$ 88,051 | \$ - |
| 1240 Due from Other Governments | - | - | - | 13,354 |
| 1260 Due from Other Funds | 4 | - | 6,702 | 11,402 |
| 1290 Other Receivables | 1,798 | - | - | - |
| 1000 Total Assets | <u>\$ 309,983</u> | <u>\$ 1,276</u> | <u>\$ 94,753</u> | <u>\$ 24,756</u> |
| LIABILITIES | | | | |
| 2110 Accounts Payable | \$ 2,498 | \$ 339 | \$ - | \$ - |
| 2160 Accrued Wages Payable | 775 | - | - | - |
| 2170 Due to Other Funds | 1,052 | - | 11,402 | 24,756 |
| 2180 Due to Other Governments | - | - | - | - |
| 2300 Unearned Revenue | - | - | 83,351 | - |
| 2000 Total Liabilities | <u>4,325</u> | <u>339</u> | <u>94,753</u> | <u>24,756</u> |
| FUND BALANCES | | | | |
| Restricted Fund Balance: | | | | |
| 3450 Federal or State Funds Grant Restriction | - | 937 | - | - |
| 3470 Capital Acquisition and Contractual Obligation | - | - | - | - |
| 3490 Administration Building WCPSF | - | - | - | - |
| Committed Fund Balance: | | | | |
| 3510 Construction | - | - | - | - |
| 3545 Other Committed Fund Balance | 305,658 | - | - | - |
| Assigned Fund Balance: | | | | |
| 3590 Other Assigned Fund Balance | - | - | - | - |
| 3000 Total Fund Balances | <u>305,658</u> | <u>937</u> | <u>-</u> | <u>-</u> |
| 4000 Total Liabilities and Fund Balances | <u>\$ 309,983</u> | <u>\$ 1,276</u> | <u>\$ 94,753</u> | <u>\$ 24,756</u> |

| 488 Advertising | 489 Texas Mutual Grant | 490 J.Martinez Performing Arts Complex | 497 AEP Foundation Grant | 499 Other Local Special Revenue Funds | Total Nonmajor Special Revenue Funds | 616 Local Funds Capital Projects | 694 EDA 2014 Series |
|--------------------|---------------------------------|---|-----------------------------------|--|---|---|------------------------------|
| \$ 6,844 | \$ - | \$ 6,985 | \$ - | \$ 52,630 | \$ 1,483,115 | \$ 18,562,577 | \$ 4,756,516 |
| - | - | - | 385,263 | - | 8,131,782 | - | - |
| - | - | - | - | - | 31,528 | - | - |
| - | - | - | - | - | 1,798 | - | - |
| <u>\$ 6,844</u> | <u>\$ -</u> | <u>\$ 6,985</u> | <u>\$ 385,263</u> | <u>\$ 52,630</u> | <u>\$ 9,648,223</u> | <u>\$ 18,562,577</u> | <u>\$ 4,756,516</u> |
| \$ - | \$ - | \$ 1,933 | \$ - | \$ 670 | \$ 641,180 | \$ 1,569,921 | \$ 1,050,133 |
| - | - | 1,307 | 1,581 | - | 2,969,864 | - | - |
| - | - | - | 383,485 | 1,942 | 4,654,580 | - | - |
| - | - | - | - | - | 60,249 | - | - |
| - | - | 3,745 | 197 | 50,018 | 307,171 | - | - |
| <u>-</u> | <u>-</u> | <u>6,985</u> | <u>385,263</u> | <u>52,630</u> | <u>8,633,044</u> | <u>1,569,921</u> | <u>1,050,133</u> |
| - | - | - | - | - | 702,677 | - | - |
| - | - | - | - | - | - | 1,255,939 | 3,706,383 |
| - | - | - | - | - | - | 4,227,868 | - |
| - | - | - | - | - | - | 11,508,849 | - |
| - | - | - | - | - | 305,658 | - | - |
| 6,844 | - | - | - | - | 6,844 | - | - |
| <u>6,844</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,015,179</u> | <u>16,992,656</u> | <u>3,706,383</u> |
| <u>\$ 6,844</u> | <u>\$ -</u> | <u>\$ 6,985</u> | <u>\$ 385,263</u> | <u>\$ 52,630</u> | <u>\$ 9,648,223</u> | <u>\$ 18,562,577</u> | <u>\$ 4,756,516</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

| Data Control Codes | Total Nonmajor Capital Project Funds | Total Nonmajor Governmental Funds |
|---|---|--|
| ASSETS | | |
| 1110 Cash and Cash Equivalents | \$ 23,319,093 | \$ 24,802,208 |
| 1240 Due from Other Governments | - | 8,131,782 |
| 1260 Due from Other Funds | - | 31,528 |
| 1290 Other Receivables | - | 1,798 |
| 1000 Total Assets | <u>\$ 23,319,093</u> | <u>\$ 32,967,316</u> |
| LIABILITIES | | |
| 2110 Accounts Payable | \$ 2,620,054 | \$ 3,261,234 |
| 2160 Accrued Wages Payable | - | 2,969,864 |
| 2170 Due to Other Funds | - | 4,654,580 |
| 2180 Due to Other Governments | - | 60,249 |
| 2300 Unearned Revenue | - | 307,171 |
| 2000 Total Liabilities | <u>2,620,054</u> | <u>11,253,098</u> |
| FUND BALANCES | | |
| Restricted Fund Balance: | | |
| 3450 Federal or State Funds Grant Restriction | - | 702,677 |
| 3470 Capital Acquisition and Contractual Obligation | 4,962,322 | 4,962,322 |
| 3490 Administration Building WCPSF | 4,227,868 | 4,227,868 |
| Committed Fund Balance: | | |
| 3510 Construction | 11,508,849 | 11,508,849 |
| 3545 Other Committed Fund Balance | - | 305,658 |
| Assigned Fund Balance: | | |
| 3590 Other Assigned Fund Balance | - | 6,844 |
| 3000 Total Fund Balances | <u>20,699,039</u> | <u>21,714,218</u> |
| 4000 Total Liabilities and Fund Balances | <u>\$ 23,319,093</u> | <u>\$ 32,967,316</u> |

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LAREDO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

| Data Control Codes | 206 ESEA Title X, Pt.C Homeless | 211 ESEA I, A Improving Basic Program | 212 ESEA, Title I Part C Migrant |
|---|--|--|---|
| REVENUES: | | | |
| 5700 Total Local and Intermediate Sources | \$ - | \$ 99,996 | \$ - |
| 5800 State Program Revenues | - | - | - |
| 5900 Federal Program Revenues | 34,028 | 17,966,873 | 153,315 |
| 5020 Total Revenues | <u>34,028</u> | <u>18,066,869</u> | <u>153,315</u> |
| EXPENDITURES: | | | |
| Current: | | | |
| 0011 Instruction | 33,428 | 12,251,745 | 68,455 |
| 0012 Instructional Resources and Media Services | - | 273,917 | - |
| 0013 Curriculum and Instructional Staff Development | - | 1,601,122 | 1,166 |
| 0021 Instructional Leadership | 600 | 494,202 | 73,911 |
| 0023 School Leadership | - | 104,102 | - |
| 0031 Guidance, Counseling, and Evaluation Services | - | 783,907 | - |
| 0032 Social Work Services | - | 282,875 | - |
| 0033 Health Services | - | 1,110,376 | - |
| 0035 Food Services | - | - | - |
| 0036 Extracurricular Activities | - | - | - |
| 0041 General Administration | - | - | - |
| 0051 Facilities Maintenance and Operations | - | 26,531 | 1,265 |
| 0052 Security and Monitoring Services | - | 17,695 | - |
| 0053 Data Processing Services | - | - | - |
| 0061 Community Services | - | 1,120,397 | 8,518 |
| Capital Outlay: | | | |
| 0081 Facilities Acquisition and Construction | - | - | - |
| Intergovernmental: | | | |
| 0093 Payments to Fiscal Agent/Member Districts of SSA | - | - | - |
| 6030 Total Expenditures | <u>34,028</u> | <u>18,066,869</u> | <u>153,315</u> |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - |
| OTHER FINANCING SOURCES (USES): | | | |
| 7915 Transfers In | - | - | - |
| 1200 Net Change in Fund Balance | - | - | - |
| 0100 Fund Balance - July 1 (Beginning) | - | - | - |
| 3000 Fund Balance - June 30 (Ending) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

| 224 IDEA - Part B Formula | 225 IDEA - Part B Preschool | 226 IDEA - Part B Discretionary | 242 Summer Feeding Program | 244 Perkins V Strengthening CTE 21st Cent | 253 IDEA Part C Deaf - Early Intervention | 255 ESEA Title II Supporting Effective Ins | 263 Title III, A English Lang. Acquisition |
|---------------------------------|-----------------------------------|---------------------------------------|-------------------------------------|--|--|---|---|
| \$ - | \$ - | \$ - | \$ 100 | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - |
| 4,195,866 | 34,719 | 160,026 | 9,784,233 | 524,100 | 365 | 1,546,731 | 1,236,379 |
| 4,195,866 | 34,719 | 160,026 | 9,784,333 | 524,100 | 365 | 1,546,731 | 1,236,379 |
| 2,390,993 | 4,884 | 153,816 | - | 350,582 | 365 | 1,119,787 | 1,133,365 |
| - | - | - | - | - | - | - | - |
| - | - | 140 | - | 99,237 | - | 375,342 | 27,266 |
| 342,218 | - | 70 | - | 26,753 | - | 50,886 | 50,936 |
| - | - | - | - | - | - | 716 | - |
| 1,359,000 | - | - | - | 3,853 | - | - | - |
| - | - | - | - | - | - | - | - |
| 103,370 | 29,835 | - | - | - | - | - | - |
| - | - | - | 9,685,135 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | 99,198 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 43,675 | - | - | - |
| 285 | - | - | - | - | - | - | 24,812 |
| - | - | - | - | - | - | - | - |
| - | - | 6,000 | - | - | - | - | - |
| 4,195,866 | 34,719 | 160,026 | 9,784,333 | 524,100 | 365 | 1,546,731 | 1,236,379 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

LAREDO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

| Data Control Codes | 266 ESSER CARES Act | 274 College Now Career Connected! | 276 Instructional Continuity Grant | 277 Coronavirus Relief Fund CARES Act |
|---|---------------------------|--|---|--|
| REVENUES: | | | | |
| 5700 Total Local and Intermediate Sources | \$ - | \$ - | \$ - | \$ - |
| 5800 State Program Revenues | - | - | - | - |
| 5900 Federal Program Revenues | 33,639 | 586,819 | 34,980 | 886,350 |
| 5020 Total Revenues | <u>33,639</u> | <u>586,819</u> | <u>34,980</u> | <u>886,350</u> |
| EXPENDITURES: | | | | |
| Current: | | | | |
| 0011 Instruction | 27,150 | 527,826 | 34,980 | 886,350 |
| 0012 Instructional Resources and Media Services | - | - | - | - |
| 0013 Curriculum and Instructional Staff Development | 556 | 47,600 | - | - |
| 0021 Instructional Leadership | - | - | - | - |
| 0023 School Leadership | - | 11,032 | - | - |
| 0031 Guidance, Counseling, and Evaluation Services | - | 361 | - | - |
| 0032 Social Work Services | - | - | - | - |
| 0033 Health Services | - | - | - | - |
| 0035 Food Services | - | - | - | - |
| 0036 Extracurricular Activities | - | - | - | - |
| 0041 General Administration | - | - | - | - |
| 0051 Facilities Maintenance and Operations | 5,933 | - | - | - |
| 0052 Security and Monitoring Services | - | - | - | - |
| 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 | <u>33,639</u> | <u>586,819</u> | <u>34,980</u> | <u>886,350</u> |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | - |
| OTHER FINANCING SOURCES (USES): | | | | |
| 7915 Transfers In | - | - | - | - |
| 1200 Net Change in Fund Balance | - | - | - | - |
| 0100 Fund Balance - July 1 (Beginning) | - | - | - | - |
| 3000 Fund Balance - June 30 (Ending) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

| 288 Provider Relief Fund CARES | 289 Other Federal Special Revenue Funds | 397 Advanced Placement Incentives | 410 Instructional Materials Allotment | 424 LEOSE | 427 Math & Literacy Academies | 429 Other State Special Revenue Funds | 435 SSA Regional Day School - Deaf |
|---|--|--|--|--------------|--|--|---|
| \$ - | \$ - | \$ - | \$ 1,740 | \$ - | \$ - | \$ - | \$ 600,796 |
| - | - | 14,850 | 1,112,483 | 2,980 | 100 | 598,214 | 203,360 |
| 85,271 | 1,590,125 | - | - | - | - | - | - |
| 85,271 | 1,590,125 | 14,850 | 1,114,223 | 2,980 | 100 | 598,214 | 804,156 |
| - | 893,096 | - | 1,112,483 | - | 100 | 367,449 | 769,753 |
| - | - | - | - | - | - | 90 | - |
| - | 261,667 | 14,850 | - | - | - | 21,304 | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | 22,787 | - | - | - | - | - | 81,585 |
| - | - | - | - | - | - | - | - |
| 31,156 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | 16,710 | - | - | - | - | 6,486 | - |
| - | - | - | - | - | - | - | - |
| 54,115 | 24,733 | - | - | - | - | - | - |
| - | 371,132 | - | - | 2,980 | - | 139,660 | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 63,225 | - |
| - | - | - | - | - | - | - | - |
| 85,271 | 1,590,125 | 14,850 | 1,112,483 | 2,980 | 100 | 598,214 | 851,338 |
| - | - | - | 1,740 | - | - | - | (47,182) |
| - | - | - | - | - | - | - | - |
| - | - | - | 1,740 | - | - | - | (47,182) |
| - | - | 1,377 | 19,011 | - | - | - | 726,794 |
| \$ - | \$ - | \$ 1,377 | \$ 20,751 | \$ - | \$ - | \$ - | \$ 679,612 |

LAREDO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

| Data Control Codes | 461 Campus Activity Funds | 482 Dr. Hochman Classroom Grant | 483 Equitable Sharing Program | 484 OCDETF |
|---|------------------------------------|--|--|---------------|
| REVENUES: | | | | |
| 5700 Total Local and Intermediate Sources | \$ 47,536 | \$ 5,000 | \$ 70 | \$ - |
| 5800 State Program Revenues | - | - | - | - |
| 5900 Federal Program Revenues | - | - | 40,655 | 17,752 |
| 5020 Total Revenues | <u>47,536</u> | <u>5,000</u> | <u>40,725</u> | <u>17,752</u> |
| EXPENDITURES: | | | | |
| Current: | | | | |
| 0011 Instruction | 37,067 | 4,842 | - | - |
| 0012 Instructional Resources and Media Services | 8,898 | - | - | - |
| 0013 Curriculum and Instructional Staff Development | - | - | - | - |
| 0021 Instructional Leadership | - | - | - | - |
| 0023 School Leadership | 21,895 | - | - | - |
| 0031 Guidance, Counseling, and Evaluation Services | - | - | - | - |
| 0032 Social Work Services | - | - | - | - |
| 0033 Health Services | - | - | - | - |
| 0035 Food Services | - | - | - | - |
| 0036 Extracurricular Activities | 18,639 | - | - | - |
| 0041 General Administration | - | - | - | - |
| 0051 Facilities Maintenance and Operations | 693 | - | - | - |
| 0052 Security and Monitoring Services | 775 | - | 40,725 | 17,752 |
| 0053 Data Processing Services | - | - | - | - |
| 0061 Community Services | 10,656 | - | - | - |
| Capital Outlay: | | | | |
| 0081 Facilities Acquisition and Construction | - | - | - | - |
| Intergovernmental: | | | | |
| 0093 Payments to Fiscal Agent/Member Districts of SSA | - | - | - | - |
| 6030 Total Expenditures | <u>98,623</u> | <u>4,842</u> | <u>40,725</u> | <u>17,752</u> |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | (51,087) | 158 | - | - |
| OTHER FINANCING SOURCES (USES): | | | | |
| 7915 Transfers In | - | - | - | - |
| 1200 Net Change in Fund Balance | (51,087) | 158 | - | - |
| 0100 Fund Balance - July 1 (Beginning) | <u>356,745</u> | <u>779</u> | <u>-</u> | <u>-</u> |
| 3000 Fund Balance - June 30 (Ending) | <u>\$ 305,658</u> | <u>\$ 937</u> | <u>\$ -</u> | <u>\$ -</u> |

| 488 Advertising | 489 Texas Mutual Grant | 490 J.Martinez Performing Arts Complex | 497 AEP Foundation Grant | 499 Other Local Special Revenue Funds | Total Nonmajor Special Revenue Funds | 616 Local Funds Capital Projects | 694 EDA 2014 Series |
|--------------------|---------------------------------|---|-----------------------------------|--|---|---|------------------------------|
| \$ 28 | \$ 330 | \$ 11,727 | \$ 340,753 | \$ 44,982 | \$ 1,153,058 | \$ 455,487 | \$ 23,060 |
| - | - | - | - | - | 1,931,987 | - | - |
| - | - | - | - | - | 38,912,226 | - | - |
| 28 | 330 | 11,727 | 340,753 | 44,982 | 41,997,271 | 455,487 | 23,060 |
| - | 330 | - | 336,379 | - | 22,505,225 | - | - |
| - | - | - | - | - | 282,905 | - | - |
| - | - | - | 4,374 | - | 2,454,624 | - | - |
| - | - | - | - | - | 1,039,576 | - | - |
| - | - | - | - | - | 137,745 | - | - |
| - | - | - | - | - | 2,251,493 | - | - |
| - | - | - | - | - | 282,875 | - | - |
| - | - | - | - | - | 1,274,737 | - | - |
| - | - | - | - | 44,982 | 9,730,117 | - | - |
| 17,445 | - | - | - | - | 59,280 | - | - |
| - | - | 64,732 | - | - | 64,732 | - | - |
| - | - | 108,777 | - | - | 321,245 | - | - |
| - | - | 6,669 | - | - | 597,388 | - | - |
| - | - | - | - | - | 43,675 | - | - |
| - | - | 7,146 | - | - | 1,171,814 | - | - |
| - | - | - | - | - | 63,225 | 9,938,811 | 7,916,420 |
| - | - | - | - | - | 6,000 | - | - |
| 17,445 | 330 | 187,324 | 340,753 | 44,982 | 42,286,656 | 9,938,811 | 7,916,420 |
| (17,417) | - | (175,597) | - | - | (289,385) | (9,483,324) | (7,893,360) |
| - | - | 175,597 | - | - | 175,597 | 1,885,532 | - |
| (17,417) | - | - | - | - | (113,788) | (7,597,792) | (7,893,360) |
| 24,261 | - | - | - | - | 1,128,967 | 24,590,448 | 11,599,743 |
| \$ 6,844 | \$ - | \$ - | \$ - | \$ - | \$ 1,015,179 | \$ 16,992,656 | \$ 3,706,383 |

LAREDO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

| Data Control Codes | Total Nonmajor Capital Project Funds | Total Nonmajor Governmental Funds |
|---|---|--|
| REVENUES: | | |
| 5700 Total Local and Intermediate Sources | \$ 478,547 | \$ 1,631,605 |
| 5800 State Program Revenues | - | 1,931,987 |
| 5900 Federal Program Revenues | - | 38,912,226 |
| 5020 Total Revenues | <u>478,547</u> | <u>42,475,818</u> |
| EXPENDITURES: | | |
| Current: | | |
| 0011 Instruction | - | 22,505,225 |
| 0012 Instructional Resources and Media Services | - | 282,905 |
| 0013 Curriculum and Instructional Staff Development | - | 2,454,624 |
| 0021 Instructional Leadership | - | 1,039,576 |
| 0023 School Leadership | - | 137,745 |
| 0031 Guidance, Counseling, and Evaluation Services | - | 2,251,493 |
| 0032 Social Work Services | - | 282,875 |
| 0033 Health Services | - | 1,274,737 |
| 0035 Food Services | - | 9,730,117 |
| 0036 Extracurricular Activities | - | 59,280 |
| 0041 General Administration | - | 64,732 |
| 0051 Facilities Maintenance and Operations | - | 321,245 |
| 0052 Security and Monitoring Services | - | 597,388 |
| 0053 Data Processing Services | - | 43,675 |
| 0061 Community Services | - | 1,171,814 |
| Capital Outlay: | | |
| 0081 Facilities Acquisition and Construction | 17,855,231 | 17,918,456 |
| Intergovernmental: | | |
| 0093 Payments to Fiscal Agent/Member Districts of SSA | - | 6,000 |
| 6030 Total Expenditures | <u>17,855,231</u> | <u>60,141,887</u> |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | (17,376,684) | (17,666,069) |
| OTHER FINANCING SOURCES (USES): | | |
| 7915 Transfers In | <u>1,885,532</u> | <u>2,061,129</u> |
| 1200 Net Change in Fund Balance | (15,491,152) | (15,604,940) |
| 0100 Fund Balance - July 1 (Beginning) | <u>36,190,191</u> | <u>37,319,158</u> |
| 3000 Fund Balance - June 30 (Ending) | <u>\$ 20,699,039</u> | <u>\$ 21,714,218</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 JUNE 30, 2021

| | 865 Student Activity Fund | 876 Back to School Program | 878 Donations | 879 Scholarships | Total Custodial Funds |
|--|------------------------------------|-------------------------------------|------------------|---------------------|-----------------------------|
| ASSETS | | | | | |
| Current Assets: | | | | | |
| Cash and Cash Equivalents | \$ 618,172 | \$ 2,902 | \$ 55,281 | \$ 135,969 | \$ 812,324 |
| Total Assets | <u>618,172</u> | <u>2,902</u> | <u>55,281</u> | <u>135,969</u> | <u>812,324</u> |
| LIABILITIES | | | | | |
| Current Liabilities: | | | | | |
| Accounts Payable | - | - | 2,405 | - | 2,405 |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>2,405</u> | <u>-</u> | <u>2,405</u> |
| NET POSITION | | | | | |
| Restricted for Scholarships | \$ - | \$ - | \$ - | \$ 135,969 | \$ 135,969 |
| Restricted for Individuals and Organizations | 618,172 | 2,902 | 52,876 | - | 673,950 |
| Total Net Position | <u>\$ 618,172</u> | <u>\$ 2,902</u> | <u>\$ 52,876</u> | <u>\$ 135,969</u> | <u>\$ 809,919</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 FOR FISCAL YEAR 2021

| | 865 Student Activity Fund | 876 Back to School Program | 878 Donations | 879 Scholarships | Total Total Custodial Funds |
|--------------------------------------|------------------------------------|-------------------------------------|------------------|---------------------|--------------------------------------|
| ADDITIONS: | | | | | |
| Student Group Fundrasing Activities | \$ 161,886 | \$ - | \$ - | \$ - | \$ 161,886 |
| Earnings from Temporary Deposits | 243 | - | - | 13 | 256 |
| Contributions, Gifts and Donations | 19,312 | - | 12,870 | 93,108 | 125,290 |
| Total Additions | <u>181,441</u> | <u>-</u> | <u>12,870</u> | <u>93,121</u> | <u>287,432</u> |
| DEDUCTIONS: | | | | | |
| Professional and Contracted Services | 44,771 | - | 2,904 | - | 47,675 |
| Supplies and Materials | 119,454 | 3,621 | 741 | - | 123,816 |
| Other Deductions | 245,774 | - | 12,062 | 53,445 | 311,281 |
| Total Deductions | <u>409,999</u> | <u>3,621</u> | <u>15,707</u> | <u>53,445</u> | <u>482,772</u> |
| Change in Net Position | (228,558) | (3,621) | (2,837) | 39,676 | (195,340) |
| Net Position - July 1 (Beginning) | <u>846,730</u> | <u>6,523</u> | <u>55,713</u> | <u>96,293</u> | <u>1,005,259</u> |
| Net Position - June 30 (Ending) | <u>\$ 618,172</u> | <u>\$ 2,902</u> | <u>\$ 52,876</u> | <u>\$ 135,969</u> | <u>\$ 809,919</u> |

T.E.A. REQUIRED SCHEDULES

LAREDO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FISCAL YEAR ENDED JUNE 30, 2021

| Last 10 Years | (1) | (2) | (3) |
|--------------------------------|-------------|--------------|--|
| | Tax Rates | | Assessed/Appraised Value for School Tax Purposes |
| | Maintenance | Debt Service | |
| 2012 and prior years | Various | Various | \$ 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 | 0.970000 | 0.426500 | 2,445,512,710 |
| 2021 (School year under audit) | 0.966400 | 0.426500 | 2,453,443,033 |
| 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 6/30/21: This total agrees with Exhibit A-1, Balance Sheet, memorandum totals for current year, for Asset Code 1220 - Property Taxes Delinquent.

| (10) Beginning Balance 7/1/2020 | (20) Current Year's Total Levy | (31) Maintenance Collections | (32) Debt Service Collections | (40) Entire Year's Adjustments | (50) Ending Balance 6/30/2021 |
|--|---|------------------------------------|-------------------------------------|---|--|
| \$ 740,735 | \$ - | \$ 66,855 | \$ 12,840 | \$ (2) | \$ 661,038 |
| 114,556 | - | 12,064 | 2,715 | - | 99,777 |
| 118,398 | - | 12,521 | 2,817 | - | 103,060 |
| 135,993 | - | 11,270 | 4,018 | - | 120,705 |
| 137,225 | - | 15,352 | 5,248 | 197 | 116,822 |
| 180,274 | - | 19,770 | 6,647 | (1,120) | 152,737 |
| 246,991 | - | 32,714 | 10,371 | (9,493) | 194,413 |
| 465,568 | - | 93,722 | 38,435 | (42,668) | 290,743 |
| 2,040,841 | - | 1,065,355 | 468,427 | (73,876) | 433,183 |
| - | 34,174,008 | 22,510,491 | 9,934,525 | (427,964) | 1,301,028 |
| <u>\$ 4,180,581</u> | <u>\$ 34,174,008</u> | <u>\$ 23,840,114</u> | <u>\$ 10,486,043</u> | <u>\$ (554,926)</u> | <u>\$ 3,473,506</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, 2021

| 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 | \$ 171,500 | \$ 31,685 | \$ 23,802 | \$ (7,883) |
| 5800 State Program Revenues | 92,000 | 75,000 | 85,002 | 10,002 |
| 5900 Federal Program Revenues | 21,970,000 | 8,600,366 | 5,605,400 | (2,994,966) |
| 5020 Total Revenues | <u>22,233,500</u> | <u>8,707,051</u> | <u>5,714,204</u> | <u>(2,992,847)</u> |
| EXPENDITURES: | | | | |
| Current: | | | | |
| 0035 Food Services | 21,891,843 | 8,516,725 | 6,681,132 | 1,835,593 |
| 0051 Facilities Maintenance and Operations | 316,057 | 166,726 | 142,352 | 24,374 |
| Capital Outlay: | | | | |
| 0081 Facilities Acquisition and Construction | <u>25,600</u> | <u>23,600</u> | <u>18,044</u> | <u>5,556</u> |
| 6030 Total Expenditures | <u>22,233,500</u> | <u>8,707,051</u> | <u>6,841,528</u> | <u>1,865,523</u> |
| 1200 Net Change in Fund Balances | - | - | (1,127,324) | (1,127,324) |
| 0100 Fund Balance - July 1 (Beginning) | <u>3,660,254</u> | <u>3,660,254</u> | <u>3,660,254</u> | <u>-</u> |
| 3000 Fund Balance - June 30 (Ending) | <u>\$ 3,660,254</u> | <u>\$ 3,660,254</u> | <u>\$ 2,532,930</u> | <u>\$ (1,127,324)</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, 2021

| 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 | \$ 10,597,238 | \$ 10,597,238 | \$ 10,871,303 | \$ 274,065 |
| 5800 State Program Revenues | 20,498,959 | 20,498,959 | 21,425,288 | 926,329 |
| 5020 Total Revenues | 31,096,197 | 31,096,197 | 32,296,591 | 1,200,394 |
| EXPENDITURES: | | | | |
| Debt Service: | | | | |
| 0071 Principal on Long-Term Debt | 19,095,000 | 19,380,000 | 19,380,000 | - |
| 0072 Interest on Long-Term Debt | 13,891,582 | 13,606,582 | 13,582,706 | 23,876 |
| 0073 Bond Issuance Cost and Fees | 20,000 | 330,864 | 307,686 | 23,178 |
| 6030 Total Expenditures | 33,006,582 | 33,317,446 | 33,270,392 | 47,054 |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | (1,910,385) | (2,221,249) | (973,801) | 1,247,448 |
| OTHER FINANCING SOURCES (USES): | | | | |
| 7911 Capital Related Debt Issued | - | 18,885,000 | 18,885,000 | - |
| 7915 Transfers In | 409,888 | 799,776 | 799,776 | - |
| 7916 Premium or Discount on Issuance of Bonds | - | 2,301,935 | 2,301,935 | - |
| 8949 Payments to Refunded Bond Escrow Agent | - | (20,876,071) | (20,876,071) | - |
| 7080 Total Other Financing Sources (Uses) | 409,888 | 1,110,640 | 1,110,640 | - |
| 1200 Net Change in Fund Balances | (1,500,497) | (1,110,609) | 136,839 | 1,247,448 |
| 0100 Fund Balance - July 1 (Beginning) | 34,675,881 | 34,675,881 | 34,675,881 | - |
| 3000 Fund Balance - June 30 (Ending) | \$ 33,175,384 | \$ 33,565,272 | \$ 34,812,720 | \$ 1,247,448 |

LAREDO INDEPENDENT SCHOOL DISTRICT
STATE COMPENSATORY EDUCATION AND BILINGUAL EDUCATION PROGRAM EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2021 (UNAUDITED)

Section A: Compensatory Education Programs

| | | |
|-------|--|------------|
| AP1 | Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year? | Yes |
| <hr/> | | |
| AP2 | Does the LEA have written policies and procedures for its state compensatory education program? | Yes |
| <hr/> | | |
| AP3 | List the total state allotment funds received for state compensatory education programs during the district's fiscal year. | 37,846,184 |
| <hr/> | | |
| AP4 | List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. | 20,855,096 |
| <hr/> | | |

Section B: Bilingual Education Programs

| | | |
|-------|---|-----------|
| AP5 | Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year? | Yes |
| <hr/> | | |
| AP6 | Does the LEA have written policies and procedures for its bilingual education program? | Yes |
| <hr/> | | |
| AP7 | List the total state allotment funds received for bilingual education programs during the LEA's fiscal year. | 6,987,960 |
| <hr/> | | |
| AP8 | List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25,35) | 3,877,328 |
| <hr/> | | |

CAPITAL ASSETS

LAREDO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF GENERAL FIXED ASSETS BY LOCATION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2021

| LOCATION AND ACTIVITY | TOTALS | LAND | BUILDINGS & IMPROVEMENTS | FURNITURE & EQUIPMENT |
|-----------------------------------|---------------|------------|-----------------------------|--------------------------|
| High Schools: | | | | |
| Martin | \$ 76,159,466 | \$ 280,824 | \$ 73,397,586 | \$ 2,481,056 |
| Nixon | 75,402,267 | 3,250,112 | 69,857,303 | 2,294,852 |
| Cigarroa | 35,828,569 | 872,258 | 32,552,746 | 2,403,565 |
| VMT Communications & Arts | 22,402,868 | 60,105 | 21,463,472 | 879,291 |
| 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 |
| Middle Schools: | | | | |
| Christen | 29,445,331 | 117,596 | 28,575,732 | 752,003 |
| Lamar | 40,210,747 | 186,887 | 39,144,813 | 879,047 |
| Cigarroa | 17,025,440 | 2,950,272 | 13,687,448 | 387,720 |
| Memorial | 15,448,070 | 447,337 | 14,285,519 | 715,214 |
| Elementary Schools: | | | | |
| Bruni | 8,331,784 | 6,139 | 7,936,153 | 389,492 |
| Jose Gallegos | 10,594,751 | 694,545 | 9,506,333 | 393,873 |
| Daiches | 9,381,657 | 28,111 | 9,021,821 | 331,725 |
| Farias | 12,208,180 | 1,750,761 | 10,024,941 | 432,478 |
| Heights | 8,753,628 | 972,788 | 7,197,184 | 583,656 |
| Tarver | 7,035,621 | 75,100 | 6,708,318 | 252,203 |
| Leyendecker | 11,781,162 | 133,989 | 11,107,627 | 539,546 |
| Macdonell | 7,965,174 | 1,348,364 | 6,230,665 | 386,145 |
| Milton | 7,325,488 | 164,517 | 6,873,345 | 287,626 |
| Alma Pierce | 10,335,338 | 47,542 | 9,729,401 | 558,395 |
| Ryan | 11,085,906 | 238,047 | 10,473,891 | 373,968 |
| Santa Maria | 7,581,676 | 20,950 | 7,208,608 | 352,118 |
| Santo Nino | 9,872,281 | 132,267 | 9,279,287 | 460,727 |
| D. D. Hachar | 11,672,148 | 484,686 | 10,649,226 | 538,236 |
| J. C. Martin | 13,239,592 | 240,525 | 12,415,474 | 583,593 |
| H. B. Zachry | 24,898,401 | 101,298 | 24,389,317 | 407,786 |
| J. Kawas | 11,267,397 | 238,434 | 10,640,292 | 388,671 |
| 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 | 10,188,243 | 120,000 | 9,651,668 | 416,575 |
| Other Departments: | | | | |
| Pregnancy, Education & Parenting | 58,876 | - | 58,876 | - |
| Superintendent's Office | 422,542 | 5,545 | 83,582 | 333,415 |
| Board of Education | 42,455 | 34,455 | - | 8,000 |
| Tax Office | 26,623 | - | 21,038 | 5,585 |
| Risk Management | 26,506 | - | - | 26,506 |
| Financial Management | 1,653,859 | 10,000 | 1,512,578 | 131,281 |
| Human Resources | 112,383 | - | - | 112,383 |
| 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 | 1,442,568 | 149,990 | 527,234 | 765,344 |
| 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, 2021

| 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 | 12,684,193 | 1,153,262 | 10,275,962 | 1,254,969 |
| 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 | 14,058,471 | 78,925 | 4,188,435 | 9,791,111 |
| Athletic | 779,250 | - | 243,017 | 536,233 |
| Special Education | 384,540 | 4,705 | 362,088 | 17,747 |
| Printing/Creative Services | 398,431 | - | - | 398,431 |
| Instructional Television | 1,006,442 | 52,647 | 416,406 | 537,389 |
| Technology Services | 4,892,437 | - | 711,695 | 4,180,742 |
| Division of Operations | 661,991 | - | 159,935 | 502,056 |
| Construction | 5,586 | - | - | 5,586 |
| LISD Police | 1,243,335 | - | 15,172 | 1,228,163 |
| Food Service | 10,411,858 | 121,287 | 7,058,564 | 3,232,007 |
| Migrant | 150,508 | 630 | 149,878 | - |
| Total Assets by Location | <u>601,980,508</u> | <u>22,871,938</u> | <u>535,200,922</u> | <u>43,907,648</u> |
| Construction in Progress | 50,179,514 | - | - | - |
| Total General Fixed Assets | <u>\$ 652,160,022</u> | <u>\$ 22,871,938</u> | <u>\$ 535,200,922</u> | <u>\$ 43,907,648</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY LOCATION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2021

| Location and Activity | Balance at Beginning of Year | Additions | Deletions | Balance at End of Year |
|-----------------------------------|---------------------------------|------------|-------------|---------------------------|
| High Schools: | | | | |
| Martin | \$ 75,386,079 | \$ 778,944 | \$ 5,557.00 | \$ 76,159,466 |
| Nixon | 75,159,200 | 269,009 | 25,942 | 75,402,267 |
| Cigarroa | 35,730,443 | 117,045 | 18,919 | 35,828,569 |
| VMT Communications & Arts | 22,385,868 | 17,000 | - | 22,402,868 |
| Francisco Lara Academy | 2,696,454 | - | - | 2,696,454 |
| Garcia Early College @ TAMIU | 9,595,619 | - | - | 9,595,619 |
| Valdez | 901,708 | - | - | 901,708 |
| Middle Schools: | | | | |
| Christen | 29,406,451 | 38,880 | - | 29,445,331 |
| Lamar | 40,192,572 | 24,384 | 6,209 | 40,210,747 |
| Cigarroa | 16,948,974 | 76,466 | - | 17,025,440 |
| Memorial | 15,396,412 | 51,658 | - | 15,448,070 |
| Elementary Schools: | | | | |
| Bruni | 8,292,806 | 38,978 | - | 8,331,784 |
| Jose Gallegos | 10,594,751 | - | - | 10,594,751 |
| Daiches | 9,381,657 | - | - | 9,381,657 |
| Farias | 12,200,696 | 7,484 | - | 12,208,180 |
| Heights | 8,372,128 | 381,500 | - | 8,753,628 |
| Tarver | 7,041,936 | - | 6,315 | 7,035,621 |
| Leyendecker | 11,742,185 | 38,977 | - | 11,781,162 |
| Macdonell | 7,926,197 | 38,977 | - | 7,965,174 |
| Milton | 7,319,993 | 5,495 | - | 7,325,488 |
| Alma Pierce | 10,296,360 | 38,978 | - | 10,335,338 |
| Ryan | 11,129,120 | - | 43,214 | 11,085,906 |
| Santa Maria | 7,581,676 | - | - | 7,581,676 |
| Santo Nino | 9,844,772 | 27,509 | - | 9,872,281 |
| D. D. Hachar | 11,633,170 | 38,978 | - | 11,672,148 |
| J. C. Martin | 13,200,614 | 38,978 | - | 13,239,592 |
| H. B. Zachry | 24,900,159 | 6,445 | 8,203 | 24,898,401 |
| J. Kawas | 11,266,401 | 6,949 | 5,953 | 11,267,397 |
| Dovalina | 6,826,147 | - | - | 6,826,147 |
| H. Ligarde | 7,531,773 | - | - | 7,531,773 |
| T. Sanchez/Ochoa | 10,196,755 | - | 8,512 | 10,188,243 |
| Other Departments: | | | | |
| Pregnancy, Education & Parenting | 58,876 | - | - | 58,876 |
| Superintendent's Office | 89,127 | 333,415 | - | 422,542 |
| Board of Education | 42,455 | - | - | 42,455 |
| Tax Office | 26,623 | - | - | 26,623 |
| Risk Management | 5,000 | 21,506 | - | 26,506 |
| Financial Management | 1,653,859 | - | - | 1,653,859 |
| Human Resources | 29,608 | 82,775 | - | 112,383 |
| Procurement | 5,585 | - | - | 5,585 |
| Communications | 219,140 | - | - | 219,140 |
| Compliance & Safety | 5,585 | - | - | 5,585 |
| Internal Auditor | 15,772 | - | - | 15,772 |
| Fixed Assets & Custodial Services | 1,488,941 | - | 46,373 | 1,442,568 |
| Textbooks & Records Management | 617,979 | - | - | 617,979 |
| Performing Arts Complex | 16,399,438 | - | - | 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 | 19,106 | - | - | 19,106 |
| Staff Development | 5,586 | - | - | 5,586 |
| Career & Technology Education | 34,514 | - | - | 34,514 |

LAREDO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY LOCATION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2021

| Location and Activity | Balance at Beginning of Year | Additions | Deletions | Balance at End of Year |
|----------------------------|---------------------------------|----------------------|---------------------|---------------------------|
| | | | | (Continued) |
| District Wide | 12,756,688 | - | 72,495 | 12,684,193 |
| Hearings Officer | 5,344 | - | - | 5,344 |
| Instructional Technology | 1,149,649 | - | - | 1,149,649 |
| Health Services | 7,514 | - | - | 7,514 |
| Pupil Transportation | 14,371,205 | - | 312,734 | 14,058,471 |
| Athletic | 771,264 | 7,986 | - | 779,250 |
| Special Education | 384,540 | - | - | 384,540 |
| Printing/Creative Services | 398,431 | - | - | 398,431 |
| Instructional Television | 998,527 | 7,915 | - | 1,006,442 |
| Technology Services | 4,652,175 | 350,887 | 110,625 | 4,892,437 |
| Division of Operations | 827,902 | - | 165,911 | 661,991 |
| Construction | 5,586 | - | - | 5,586 |
| LISD Police | 1,182,168 | 61,167 | - | 1,243,335 |
| Food Service | 10,395,159 | 68,041 | 51,342 | 10,411,858 |
| Migrant | 150,508 | - | - | 150,508 |
| Total Assets by Location | <u>599,892,486</u> | <u>2,976,326</u> | <u>888,304</u> | <u>601,980,508</u> |
| Construction in Progress | <u>16,442,722</u> | <u>34,457,768</u> | <u>720,976</u> | <u>50,179,514</u> |
| Total General Fixed Assets | <u>\$ 616,335,208</u> | <u>\$ 37,434,094</u> | <u>\$ 1,609,280</u> | <u>\$ 652,160,022</u> |

LAREDO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDING ENDED JUNE 30, 2021

| Function | Land | Buildings & Improvements | Furniture & Equipment | Construction in Progress | Total |
|--|----------------------|-----------------------------|--------------------------|-----------------------------|-----------------------|
| Prior Year Data | \$ 22,501,975 | \$ 534,479,946 | \$ 42,910,565 | \$ 16,442,722 | \$ 616,335,208 |
| Instruction | - | - | 178,997 | - | 178,997 |
| Instructional Resources and Media Services | - | - | (5,557) | - | (5,557) |
| School Leadership | - | - | 21,380 | - | 21,380 |
| Student Transportation | - | - | (312,734) | - | (312,734) |
| Food Services | - | - | (8,900) | - | (8,900) |
| Extracurricular Activities | - | - | (25,736) | - | (25,736) |
| General Administration | - | - | 21,506 | - | 21,506 |
| Facilities Maintenance and Operations | - | - | (212,501) | - | (212,501) |
| Security and Monitoring Services | - | - | 767,938 | - | 767,938 |
| Data Processing Services | - | - | (14,398) | - | (14,398) |
| Facilities Acquisition and Construction | <u>369,963</u> | <u>720,976</u> | <u>587,088</u> | <u>33,736,792</u> | <u>35,414,819</u> |
| Total Expenditures | <u>\$ 22,871,938</u> | <u>\$ 535,200,922</u> | <u>\$ 43,907,648</u> | <u>\$ 50,179,514</u> | <u>\$ 652,160,022</u> |



STATISTICAL SECTION



Statistical Section (Unaudited)

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

| <u>Contents</u> | <u>Page</u> |
|---|--------------------|
| Financial Trends <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> | 126 - 132 |
| Revenue Capacity <i>These schedules contain information to help the reader assess the District's most significant local revenue sources.</i> | 133 - 136 |
| Debt Capacity <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> | 137 -140 |
| Demographic and Economic Information <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> | 141 - 142 |
| Operating Information <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> | 143 - 153 |

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

| | Fiscal Year | | | | | | | | | |
|---------------------------------------|-----------------------|-----------------------|--|-----------------------|-----------------------|-----------------------|----------------------|-------------------------|-----------------------|-----------------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> <u>Reclassified¹</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019²</u> | <u>2020</u> | <u>2021</u> |
| Governmental activities: | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 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 | \$ 182,367,898 |
| Restricted | | | | | | | | | | |
| Federal and State Programs | 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 | 2,810,313 |
| Debt Service | 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 | 34,812,720 |
| Capital Projects | 11,202,938 | 526,698 | 1,261,086 | 2,330,358 | 3,292,365 | 3,763,913 | 4,892,836 | 4,818,733 | 5,736,414 | 5,483,807 |
| Unrestricted | <u>76,310,038</u> | <u>73,970,082</u> | <u>90,717,823</u> | <u>55,542,611</u> | <u>50,516,231</u> | <u>40,844,602</u> | <u>(96,935,148)</u> | <u>(93,778,108)</u> | <u>(109,587,730)</u> | <u>(108,826,110)</u> |
| Total primary government net position | <u>\$ 223,482,530</u> | <u>\$ 237,132,011</u> | <u>\$ 239,521,429</u> | <u>\$ 217,623,755</u> | <u>\$ 214,503,585</u> | <u>\$ 216,467,094</u> | <u>\$ 83,284,066</u> | <u>\$ 99,891,516</u> | <u>\$ 104,867,793</u> | <u>\$ 116,648,628</u> |

Notes:

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

²

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 | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------|----------------|----------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 ¹ | 2020 | 2021 |
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| 11 Instruction | \$ 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 | \$ 167,135,151 |
| 12 Instructional Resources & Media Svcs. | 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 | 5,027,155 |
| 13 Curriculum & Instructional Staff Devpt. | 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 | 3,884,321 |
| 21 Instructional Leadership | 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 | 5,047,832 |
| 23 School Leadership | 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 | 16,588,446 |
| 31 Guidance, Counseling, and Evaluation Svcs. | 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 | 10,046,135 |
| 32 Social Work Services | 1,222,820 | 1,238,760 | 1,529,866 | 1,672,827 | 1,964,672 | 1,964,935 | 1,390,842 | 1,903,535 | 2,322,490 | 2,299,437 |
| 33 Health Services | 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 | 3,906,930 |
| 34 Student (Pupil) Transportation | 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 | 3,861,906 |
| 35 Food Services | 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 | 17,222,211 |
| 36 Cocurricular/Extracurricular Activities | 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 | 7,240,553 |
| 41 General Administration | 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 | 8,559,643 |
| 51 Plant Maintenance & Operations | 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 | 26,948,533 |
| 52 Security & Monitoring Services | 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 | 9,578,708 |
| 53 Data Processing Services | 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 | 6,766,713 |
| 61 Community Services | 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 | 1,439,759 |
| 72 Debt Service - Interest on Long-Term Debt | 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 | 10,630,344 |
| 73 Bond Issuance Costs and Fees | 300,252 | 285,502 | 1,801,763 | 657,048 | 6,802 | 5,000 | 924,419 | 7,000 | 5,500 | 307,686 |
| 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. | 58,618 | 162,740 | 184,386 | 121,502 | 274,841 | 105,781 | 76,788 | 38,236 | 59,091 | 10,902 |
| Total primary government expenses | 256,626,697 | 244,822,483 | 259,433,082 | 263,419,880 | 291,387,347 | 283,772,529 | 215,818,482 | 275,976,699 | 326,338,133 | 306,508,365 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Instruction | - | - | 642,644 | - | - | - | - | - | 911,486 | 625,708 |
| Student (Pupil) Transportation | 24,898 | 41,081 | - | - | - | - | - | - | 109,378 | - |
| Food Services | 345,903 | 339,974 | 340,262 | 229,878 | 164,443 | 115,447 | 107,649 | 89,076 | 71,165 | 7,549 |
| Extracurricular Activities | 240,733 | 221,142 | 214,101 | 243,410 | 222,554 | 206,763 | 254,954 | 161,758 | 178,185 | 1,057 |
| General Administration | - | 22,121 | - | 7,005 | - | 19,249 | 52,729 | 19,470 | - | - |
| Plant Maintenance and Operations | 7,414 | 7,625 | - | - | - | - | - | - | - | 62,571 |
| Security & Monitoring Services | - | - | - | - | 6,148 | 9,624 | 7,573 | - | - | - |
| Community Services | 224,081 | 252,807 | 192,117 | 883,000 | 797,794 | 484,306 | 821,826 | 369,938 | 3,464 | - |
| Operating grants and contributions | 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 | 72,376,510 |
| Total primary government program revenues | 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 | 73,073,395 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Total primary government net expense | \$ 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 | \$ 233,434,970 |

Note:
¹ 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 3
Laredo Independent School District
General Revenues and Total Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

| | Fiscal Year | | | | | | | | | |
|---|---------------------|----------------------|--|---------------------|---------------------|---------------------|----------------------|-------------------------|---------------------|----------------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> <u>Restated¹</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019²</u> | <u>2020</u> | <u>2021</u> |
| Net (Expense)/Revenue | | | | | | | | | | |
| Total primary government net expense | \$ 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 | \$ 233,434,970 |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes levied for general purposes | 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 | 24,140,392 |
| Property taxes levied for debt service | 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 | 10,067,799 |
| Unrestricted State Aid Formula Grants | 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 | 205,197,126 |
| Unrestricted grants and contributions | 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 | 2,955,399 |
| Investment earnings | 783,823 | 607,821 | 374,341 | 548,472 | 915,144 | 1,602,039 | 2,622,607 | 4,997,702 | 4,297,751 | 597,030 |
| Miscellaneous | 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 | 2,258,059 |
| Special Item | - | - | 109,849 | - | - | - | (4,148,657) | - | - | - |
| Total primary government | <u>197,138,447</u> | <u>197,334,764</u> | <u>203,924,255</u> | <u>214,651,953</u> | <u>226,579,384</u> | <u>223,860,380</u> | <u>238,350,888</u> | <u>230,268,973</u> | <u>243,121,045</u> | <u>245,215,805</u> |
| Change in Net Position | | | | | | | | | | |
| Total primary government | <u>\$ 7,090,389</u> | <u>\$ 13,649,481</u> | <u>\$ 5,360,367</u> | <u>\$ 8,999,771</u> | <u>\$ 2,607,976</u> | <u>\$ 1,963,509</u> | <u>\$ 27,865,219</u> | <u>\$ 16,607,450</u> | <u>\$ 4,976,277</u> | <u>\$ 11,780,835</u> |

Notes:

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

² 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 | | | | | | | | | |
|------------------------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 ¹ | 2020 | 2021 |
| General Fund | | | | | | | | | | |
| Nonspendable | \$ 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 | \$ 3,278,243 |
| Restricted | 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 | 834,099 |
| 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 | 4,812,190 |
| Assigned | 10,498,376 | 5,006,798 | 617,873 | 897,673 | - | 4,453,682 | 2,095,613 | - | 7,938,779 | 16,299,241 |
| Unassigned | 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 | 62,710,744 |
| Total General Fund | <u>\$ 92,885,481</u> | <u>\$ 77,536,526</u> | <u>\$ 81,701,149</u> | <u>\$ 85,538,715</u> | <u>\$ 70,050,855</u> | <u>\$ 74,756,972</u> | <u>\$ 69,640,445</u> | <u>\$ 82,239,045</u> | <u>\$ 79,409,063</u> | <u>\$ 87,934,517</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Restricted | | | | | | | | | | |
| Special Revenue Funds | \$ 2,269,378 | \$ 660,832 | \$ 530,959 | \$ 540,799 | \$ 536,635 | \$ 606,138 | \$ 627,415 | \$ 745,834 | \$ 747,961 | \$ 702,677 |
| Debt Service Funds | 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 | 34,812,720 |
| Capital Projects Funds | 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 | 89,412,452 |
| Other Funds | - | - | - | - | - | 3,689,811 | 4,818,733 | 4,818,733 | 4,818,733 | 4,227,868 |
| Committed | | | | | | | | | | |
| Special Revenue Funds | 305,522 | 334,011 | 411,447 | 366,907 | 343,451 | 297,499 | 276,767 | 318,333 | 356,745 | 305,658 |
| Capital Projects Funds | - | - | - | - | - | 14,953,389 | 16,889,095 | 21,976,085 | 18,854,034 | 11,508,849 |
| Assigned | | | | | | | | | | |
| Special Revenue Funds | - | - | 29,175 | 121,383 | 76,167 | 72,152 | 93,887 | 96,175 | 24,261 | 6,844 |
| Total all Other Governmental Funds | <u>\$ 79,598,422</u> | <u>\$ 72,222,776</u> | <u>\$ 106,619,640</u> | <u>\$ 74,847,350</u> | <u>\$ 83,636,226</u> | <u>\$ 63,742,553</u> | <u>\$ 155,565,194</u> | <u>\$ 180,310,387</u> | <u>\$ 173,310,109</u> | <u>\$ 140,977,068</u> |

Notes:
¹ 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 | | | | | | | | | |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-----------------------|-----------------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019¹</u> | <u>2020</u> | <u>2021</u> |
| Federal Sources: | | | | | | | | | | |
| Federal Grants | \$ 41,978,269 | \$ 39,913,339 | \$ 36,613,595 | \$ 29,020,689 | \$ 31,396,178 | \$ 29,986,003 | \$ 29,097,894 | \$ 30,366,050 | \$ 46,680,619 | \$ 51,626,877 |
| Food Services | 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 | 5,605,400 |
| Total Federal Sources | <u>57,720,463</u> | <u>56,389,117</u> | <u>53,550,072</u> | <u>47,557,038</u> | <u>50,200,099</u> | <u>49,270,244</u> | <u>48,813,187</u> | <u>47,649,364</u> | <u>62,111,617</u> | <u>57,232,277</u> |
| State Sources: | | | | | | | | | | |
| Per Capita and Foundation | 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 | 183,771,838 |
| Instructional Facilities Allotment | 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 | 10,703,190 |
| Teacher Retirement System on Behalf | 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 | 12,218,961 |
| Other State Programs | 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 | 13,018,866 |
| Other Governmental Agencies | 14,278 | 10,000 | 600 | 4,761 | 2,153 | 1,225 | 295 | 3,466 | - | 2,980 |
| Total State Sources | <u>173,901,887</u> | <u>169,122,637</u> | <u>178,397,468</u> | <u>188,092,043</u> | <u>204,106,585</u> | <u>199,253,385</u> | <u>200,155,392</u> | <u>195,540,513</u> | <u>216,091,459</u> | <u>219,715,835</u> |
| Local Sources: | | | | | | | | | | |
| Property Taxes | 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 | 34,004,952 |
| Food Service Sales | 345,903 | 337,567 | 337,180 | - | - | - | - | - | - | - |
| Investment Income | 785,814 | 608,346 | 374,341 | 548,472 | 915,144 | 1,605,953 | 2,624,210 | 5,000,374 | 4,305,222 | 597,616 |
| Penalties, Interest, and Other Fees | 680,304 | 681,600 | 631,631 | 740,642 | 627,167 | 716,478 | 613,964 | 543,080 | 712,232 | 760,834 |
| Co-Curricular | 2,744,310 | 558,709 | 554,362 | 463,024 | 384,585 | 320,276 | 338,489 | 249,990 | 250,409 | 8,906 |
| Other Revenues | 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 | 3,641,881 |
| Total Local Sources | <u>32,059,849</u> | <u>33,023,322</u> | <u>32,812,569</u> | <u>36,793,301</u> | <u>34,491,504</u> | <u>35,602,809</u> | <u>38,879,150</u> | <u>43,869,840</u> | <u>42,974,164</u> | <u>39,014,189</u> |
| Total Revenues | <u>\$ 263,682,199</u> | <u>\$ 258,535,076</u> | <u>\$ 264,760,109</u> | <u>\$ 272,442,382</u> | <u>\$ 288,798,188</u> | <u>\$ 284,126,438</u> | <u>\$ 287,847,729</u> | <u>\$ 287,059,717</u> | <u>\$ 321,177,240</u> | <u>\$ 315,962,301</u> |

Note:
¹ 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 | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 ² | 2020 | 2021 |
| 11 Instruction | \$ 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 | \$ 155,555,163 |
| 12 Instructional Resources & Media Svcs. | 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 | 4,858,193 |
| 13 Curriculum & Instructional Staff Devpt. | 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 | 3,793,092 |
| 21 Instructional Leadership | 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 | 4,667,086 |
| 23 School Leadership | 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 | 15,892,675 |
| 31 Guidance, Counseling, and Evaluation Svcs. | 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 | 9,754,125 |
| 32 Social Work Services | 1,216,784 | 1,235,284 | 1,541,127 | 1,698,787 | 1,882,047 | 1,858,103 | 1,955,339 | 1,729,127 | 2,144,434 | 2,251,653 |
| 33 Health Services | 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 | 3,816,435 |
| 34 Student (Pupil) Transportation | 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 | 3,811,492 |
| 35 Food Services | 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 | 16,411,249 |
| 36 Extracurricular Activities | 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 | 5,237,163 |
| 41 General Administration | 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 | 8,228,595 |
| 51 Facilities Maintenance & Operations | 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 | 24,840,324 |
| 52 Security & Monitoring Services | 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 | 5,581,242 |
| 53 Data Processing Services | 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 | 5,019,047 |
| 61 Community Services | 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 | 1,182,097 |
| 71 Principal on Long-Term Debt | 19,474,301 | 20,885,585 | 13,234,622 | 14,711,406 | 13,200,573 | 13,188,573 | 13,265,764 | - | 16,545,000 | 19,380,000 |
| 72 Interest on Long Term Debt | 12,176,157 | 10,661,786 | 10,304,574 | 10,849,966 | 13,737,689 | 13,744,539 | 13,666,365 | 6,725,241 | 14,448,731 | 13,582,706 |
| 73 Bond Issuance Cost and Fees | 18,950 | 17,950 | 1,801,762 | 657,048 | 6,802 | 5,000 | 924,419 | 7,000 | 5,500 | 307,686 |
| 81 Facilities Acquisition/Construction | 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 | 35,893,827 |
| 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. Prg. | 58,618 | 162,740 | 184,386 | 121,502 | 274,841 | 105,781 | 76,788 | 38,236 | 59,091 | 10,902 |
| Total Expenditures | \$ 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 | \$ 340,080,752 |

| | | | | | | | | | | |
|--|--------|--------|-------|--------|-------|--------|--------|-------|--------|--------|
| Debt Service as a percentage of noncapital expenditures ¹ | 13.06% | 13.71% | 7.31% | 10.14% | 9.84% | 10.48% | 10.19% | 3.08% | 10.35% | 10.89% |
|--|--------|--------|-------|--------|-------|--------|--------|-------|--------|--------|

Notes:

¹ Percentage was calculated as follows: (Debt Service Principal + Interest Payments) / (Total Expenditures - Capital)
(19,380,000+13,582,706) / (340,080,752 - 37,434,094) Capital Assets increased by \$37,434,094. See Note G to the Basic Financial Statements.

² 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 | | | | | | | | | |
|---|-----------------|-----------------|-------------------|-----------------|---------------|-----------------|--------------------|--------------------------|--------------------|-----------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> ¹ | <u>2020</u> | <u>2021</u> |
| Excess of Revenues over (under) Expenditures | \$ (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) | \$ (24,118,451) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Capital Related Debt Issued | - | - | 144,585,000 | 68,560,000 | - | - | 90,375,000 | - | - | 18,885,000 |
| Premium or Discount on Issuance of Bond | - | - | 29,678,827 | 10,466,511 | - | - | 12,544,420 | - | - | 2,301,935 |
| Sale of Real and Personal Property | - | - | 109,849 | - | 11,500 | - | - | 450,504 | - | - |
| Payments to Refunded Bond Escrow Agent | - | - | (98,931,152) | (78,337,969) | - | - | - | - | - | (20,876,071) |
| Transfers In | 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 | 4,578,751 |
| Transfers Out | (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) | (4,578,751) |
| Total Other Financing Sources (Uses) | - | - | <u>75,442,524</u> | <u>688,542</u> | <u>11,500</u> | - | <u>101,980,843</u> | <u>(749,496)</u> | <u>(2,000,000)</u> | <u>310,864</u> |
| Net Change in Fund Balances | \$ (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) | \$ (23,807,587) |

Note:
¹ 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

| Fiscal Year | Actual Value | | Less: Exemptions | Total Taxable Value² | Total Direct Rate¹ |
|--------------------|-----------------------------|--------------------------|-------------------------|--|--------------------------------------|
| | Residential Property | Personal Property | | | |
| 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 |
| 2021 | 3,531,036,252 | 308,439,885 | 1,386,033,104 | 2,453,443,033 | 1.393 |

Source: LISD Tax Office

Notes:

¹ Per \$100 of assessed value.

² 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 ¹ | | |
|-------------|--------------------------|--------------|--------|--------------------------------|----------------|---------------------------|
| | Maintenance & Operations | Debt Service | Total | Laredo Community College | City of Laredo | Webb County Road & Bridge |
| 2012 | 1.0400 | 0.2340 | 1.2740 | 0.2585 | 0.6370 | 0.4206 |
| 2013 | 1.0400 | 0.2340 | 1.2740 | 0.2578 | 0.6370 | 0.4206 |
| 2014 | 1.0400 | 0.2340 | 1.2740 | 0.2552 | 0.6370 | 0.4201 |
| 2015 | 1.0400 | 0.3708 | 1.4108 | 0.2972 | 0.6370 | 0.4147 |
| 2016 | 1.0400 | 0.3555 | 1.3955 | 0.3302 | 0.6370 | 0.4147 |
| 2017 | 1.0400 | 0.3497 | 1.3897 | 0.3430 | 0.6370 | 0.4147 |
| 2018 | 1.0400 | 0.3297 | 1.3697 | 0.3381 | 0.6340 | 0.4147 |
| 2019 | 1.0400 | 0.4265 | 1.4665 | 0.3271 | 0.6340 | 0.4120 |
| 2020 | 0.9700 | 0.4265 | 1.3965 | 0.3286 | 0.6340 | 0.4120 |
| 2021 | 0.9664 | 0.4265 | 1.3929 | 0.3255 | 0.6340 | 0.4120 |

Source: LISD Tax Office

Note:
¹ 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 2020 | | | Tax Year 2011 | | |
|----------------------------------|-----------------------|------|-------------------------------------|-----------------------|------|-------------------------------------|
| | Assessed Valuation | Rank | Percentage Total Assessed Valuation | Assessed Valuation | Rank | Percentage Total Assessed Valuation |
| Laredo Texas Hospital Co LP | \$ 89,709,170 | 1 | 2.32% | \$ 97,468,480 | 1 | 3.22% |
| Laredo Outlet Shoppes LLC | 47,166,650 | 2 | 1.22% | - | - | - |
| AEP Texas Central Company | 37,838,360 | 3 | 0.98% | 14,347,250 | 5 | 0.47% |
| Webb Hospital Holdings LLC | 34,761,550 | 4 | 0.90% | 16,549,000 | 3 | 0.55% |
| International Bank of Commerce | 16,437,011 | 5 | 0.42% | 16,014,570 | 4 | 0.53% |
| HE Butt Grocery Co | 12,733,990 | 6 | 0.33% | 17,036,870 | 2 | 0.56% |
| MPT of Laredo LLC | 11,784,420 | 7 | 0.30% | 13,569,460 | 6 | 0.45% |
| The Laredo National Bank | 11,254,480 | 8 | 0.29% | 12,982,580 | 7 | 0.43% |
| Union Pacific Railroad Company | 9,707,890 | 9 | 0.25% | - | - | - |
| Southwestern Bell Telephone LP | 7,262,090 | 10 | 0.19% | 9,508,800 | 8 | 0.31% |
| BIA Acquisition LTD | - | - | - | 9,174,774 | 9 | 0.30% |
| TWE-Advance-Newhouse Partnership | - | - | - | 8,068,580 | 10 | 0.27% |
| | <u>\$ 278,655,611</u> | | <u>7.20%</u> | <u>\$ 214,720,364</u> | | <u>7.09%</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 | | |
|-------------------|--------------------------------|---------------------------------|---------------|--|--------------------|---------------------------------|---------------------------|----------------------|-----------------------------|
| | | | | Amount Collected | Percentage of Levy | | Amount Collected | Outstanding Tax Levy | Percentage of Adjusted Levy |
| 2012 | 27,000,439 | (40,111) | 26,960,328 | 25,976,529 | 96.21% | 890,208 | 26,866,737 | 93,591 | 99.65% |
| 2013 | 27,206,649 | (7,426) | 27,199,222 | 26,296,681 | 96.66% | 802,763 | 27,099,446 | 99,777 | 99.63% |
| 2014 | 26,748,591 | (155,841) | 26,592,750 | 25,914,276 | 96.88% | 575,415 | 26,489,691 | 103,060 | 99.61% |
| 2015 | 29,441,531 | (65,808) | 29,375,723 | 28,602,811 | 97.15% | 652,208 | 29,255,019 | 120,704 | 99.59% |
| 2016 | 28,436,615 | (73,169) | 28,363,446 | 27,555,738 | 96.90% | 690,885 | 28,246,624 | 116,822 | 99.59% |
| 2017 | 29,235,914 | (177,916) | 29,057,998 | 28,384,510 | 97.09% | 520,750 | 28,905,261 | 152,737 | 99.47% |
| 2018 | 30,162,537 | (117,934) | 30,044,603 | 29,311,871 | 97.18% | 538,320 | 29,850,191 | 194,412 | 99.35% |
| 2019 ¹ | 34,424,187 | (403,609) | 34,020,578 | 32,266,906 | 93.73% | 1,462,929 | 33,729,835 | 290,743 | 99.15% |
| 2020 | 33,782,012 | (73,876) | 33,708,136 | 31,741,171 | 93.96% | 1,533,782 | 33,274,953 | 433,183 | 98.71% |
| 2021 | 33,746,044 | - | 33,746,044 | 32,445,016 | 96.14% | - | 32,445,016 | 1,301,028 | 96.14% |

Source: LISD Tax Office

Note:

¹ 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 | | Total | Percentage of Personal Income | Total | Per Capita Income ¹ |
|-------------------|--------------------|------------|-------------------------|-------------------------------|------------------------------------|--------------------------------|
| | Bonds | Loans | Primary Government Debt | | Primary Government Debt Per Capita | |
| 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 ² | 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 |
| 2021 | 299,714,980 | 8,000,000 | 307,714,980 | 4.43% | 1,104 | 24,929 |

Notes:

¹ See Schedule 16 for personal income and population data.

² 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, 2021
 Unaudited

| <u>Governmental Unit</u> | <u>Estimated Gross Debt</u> | <u>Estimated Percentage Applicable¹</u> | <u>Estimated Share of Direct and Overlapping Debt</u> |
|--|-------------------------------------|--|---|
| City of Laredo | \$ 809,025,777 | 20.39% | \$ 164,960,356 |
| County of Webb | 123,279,153 | 13.62% | 16,790,621 |
| Laredo College | 168,896,802 | 20.39% | <u>34,438,058</u> |
| Subtotal, overlapping debt | | | 216,189,034 |
| District Direct Debt | 307,714,980 | 100.00% | <u>307,714,980</u> |
| Total Direct and Overlapping Debt | | | <u><u>\$ 523,904,014</u></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.

¹ 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 2021

| | | | |
|---|----|-------------|-----------------------|
| Net Assessed value of 2020 taxable property | | \$ | 2,453,443,033 |
| Plus: Exemptions | | | 1,386,033,104 |
| Total Assessed Value | | | <u>3,839,476,137</u> |
| Debt limit (10% of total assessed value) | | | 383,947,614 |
| Amount of debt applicable to said maximum debt limit: | | | |
| Total (net) general bonded debt | \$ | 299,714,980 | |
| (Percentage of debt to total assessed value) | | | 7.81% |
| Less: Debt Service Fund Balance as of 6/30/21 | | 34,812,720 | |
| Total amount of debt applicable to debt limit | | | <u>264,902,260</u> |
| Debt margin | | | <u>\$ 119,045,354</u> |

| <u>Fiscal Year</u> | <u>Debt limit</u> | <u>Total net debt applicable to limit</u> | <u>Debt Margin</u> | <u>Total Net Debt Applicable to the Limit As a Percentage of Debt Limit</u> |
|--------------------|-------------------|---|--------------------|---|
| 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 | 247,999,034 | 119,045,354 | 67.57% |
| 2020 | 383,271,338 | 287,231,486 | 96,039,852 | 74.94% |
| 2021 | 383,947,614 | 264,902,260 | 119,045,354 | 68.99% |

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 Bond Series 2013, 2014, 2018 as well the 2011, 2014, 2015, 2020 and 2021 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 Value¹ | 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 Enrollment² | Net Bonded Debt per Student |
|--------------------|-----------------------------------|---------------------------------------|--|------------------------|---|-------------------|-----------------------------------|---------------------------------------|------------------------------------|
| 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 ³ | 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% | 273,467 | 1,050 | 23,706 | 12,116 |
| 2021 | 2,453,443,033 | 299,714,980 | 34,812,720 | 264,902,260 | 10.80% | 278,650 | 951 | 22,040 | 12,019 |

Notes:

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

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

³ 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

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

| Calendar Year | Population ¹ | Personal Income ² | Per Capita Personal Income ⁴ | Unemployment Rate ⁶ |
|---------------|-------------------------|------------------------------|---|--------------------------------|
| 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 ³ | 25,366 ⁵ | 4.00% |
| 2020 | 276,183 | 6,945,173,901 ³ | 25,147 ⁵ | 9.80% |
| 2021 | 278,650 | 6,946,465,850 ³ | 24,929 ⁵ | 5.80% |

Sources:

- ¹ Demographics.texas.gov
- ² Texas Workforce Commission
- ³ Personal income is the product of population and per capita personal income.
- ⁴ Texas County Profile
- ⁵ Open Data Network
- ⁶ FRED Economic Data | St. Louis Fed

Notes:

¹ 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

| Employer | 2021 | | | 2012 | | |
|------------------------------------|-------------------------------|-------------|---------------------------------------|------------------|-------------|---------------------------------------|
| | Employees ¹ | Rank | Percentage of Total Employment | Employees | Rank | Percentage of Total Employment |
| United Independent School District | 6,493 | 1 | 26.27% | 6,179 | 1 | 26.92% |
| Laredo Independent School District | 4,000 | 2 | 16.18% | 4,500 | 2 | 19.60% |
| City of Laredo | 2,659 | 3 | 10.76% | 2,371 | 3 | 10.33% |
| Wal-Mart | 2,496 | 4 | 10.10% | 937 | 10 | 4.08% |
| H-E-B | 2,000 | 5 | 8.09% | 1,552 | 5 | 6.76% |
| Webb County | 1,800 | 6 | 7.28% | 1,500 | 6 | 6.53% |
| Laredo Sector Border Patrol | 1,800 | 7 | 7.28% | 2,000 | 4 | 8.71% |
| Laredo Medical Center | 1,275 | 8 | 5.16% | 1,500 | 7 | 6.53% |
| US CBP-Customs Field Officers | 1,200 | 9 | 4.85% | - | - | - |
| Convergys | 995 | 10 | 4.03% | - | - | - |
| Texas A&M International University | - | - | - | 1,215 | 8 | 5.29% |
| McDonald's Restaurant | - | - | - | 1,200 | 9 | 5.23% |
| Annual Labor Force | 24,718 | | 100.00% | 22,954 | | 100% |

Source: Laredo Economic Development Corporation - 2021
Laredo Development Foundation - 2012
Field Operations CBP Laredo Field Office

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

| | Fiscal Year | | | | | | | | | | Percentage Change 2012-2021 |
|------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----------------------------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | |
| Teachers | | | | | | | | | | | |
| Pre-K & Kindergarten | 198 | 215 | 206 | 206 | 205 | 213 | 223 | 222 | 227 | 221 | |
| Elementary | 625 | 629 | 557 | 535 | 535 | 524 | 517 | 522 | 517 | 522 | |
| Secondary | 576 | 543 | 630 | 625 | 639 | 679 | 680 | 681 | 713 | 725 | |
| All Level | 95 | 67 | 62 | 74 | 64 | 35 | 36 | 20 | 22 | 21 | |
| Total Teachers | 1,494 | 1,454 | 1,455 | 1,440 | 1,443 | 1,450 | 1,455 | 1,445 | 1,479 | 1,489 | -0.33% |
| Support Staff | | | | | | | | | | | |
| Supervisors | - | - | - | 1 | 1 | 1 | 1 | 1 | 3 | 2 | |
| Counselors | 65 | 64 | 67 | 69 | 72 | 74 | 73 | 72 | 70 | 72 | |
| Educ Diagnosticians | 14 | 15 | 15 | 15 | 17 | 17 | 17 | 15 | 17 | 18 | |
| Librarians | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | |
| Nurses/Physicians | 38 | 33 | 35 | 35 | 34 | 34 | 32 | 31 | 31 | 31 | |
| Therapists | 21 | 22 | 22 | 22 | 21 | 22 | 19 | 15 | 14 | 13 | |
| Other Support Staff | 172 | 167 | 172 | 167 | 172 | 177 | 168 | 170 | 178 | 186 | |
| Total Support Staff | 337 | 328 | 338 | 336 | 344 | 351 | 336 | 331 | 340 | 349 | 3.56% |
| Administrators | | | | | | | | | | | |
| Admin/Instr Officers | 31 | 29 | 35 | 36 | 37 | 38 | 34 | 32 | 29 | 34 | |
| Principals | 27 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 30 | 29 | |
| Assistant Principals | 54 | 51 | 53 | 53 | 53 | 53 | 52 | 51 | 53 | 54 | |
| Superintendents | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Asst Superintendents | - | - | - | - | - | - | 7 | 7 | 7 | 6 | |
| Total Administrators | 113 | 110 | 118 | 119 | 119 | 121 | 123 | 120 | 120 | 124 | 9.73% |
| Educational Aides | 355 | 370 | 413 | 403 | 387 | 387 | 461 | 459 | 457 | 431 | 21.41% |
| Certified Interpreter | - | - | - | - | 1 | 1 | 2 | 2 | 2 | 2 | 200% |
| Auxiliary Staff | 1,268 | 1,273 | 1,221 | 1,258 | 1,329 | 1,320 | 1,247 | 1,334 | 1,326 | 1,296 | 2.21% |
| Total | 3,567 | 3,535 | 3,545 | 3,556 | 3,623 | 3,630 | 3,624 | 3,691 | 3,724 | 3,691 | 3.48% |

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 ¹ | Operating Expenditures ² | Cost per Pupil | Percentage Change | Teaching Staff | Pupil-Teacher Ratio | Percentage of Students Receiving Free or Reduced-Price Meals |
|-------------------|-------------------------|-------------------------------------|----------------|-------------------|----------------|---------------------|--|
| 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 ³ | 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% |
| 2021 | 22,040 | 270,916,533 | 12,292 | 4.55% | 1,489 | 14.8 | 94.57% |

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

Notes:

- ¹ Enrollment is as of the October reporting date to TEA through the Public Education Information System (PEIMS).
- ² Operating Expenditures are total governmental fund expenditures less debt service, facilities acquisition and construction (functions 71, 72, 73 and 81).
- ³ 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 ¹ | 40+ Years Experience Salary ¹ | District Average Salary ² | County Average Salary ² | Statewide Average Salary ² |
|--------------------|---|---|---|---|--|
| 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 |
| 2021 | 51,200 | 74,074 ³ | 60,485 | 59,718 | 57,641 |

Sources:

- ¹ District records
- ² Texas Education Agency Fall PEIMS Submission
- ³ Based at 35 Years of Experience Salary

Notes:

- ¹ 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 2020-2021 | Percentage of Capacity in Use |
|---|-----------------------|--------------------------|--|-----------------------------|------------------|------------------|----------------------|-------------------------------|
| HIGH SCHOOLS (9th - 12th) | | | | | | | | |
| Dr. Leonides G. Cigarroa | 1983 | | 2004, 2005, 2006, 2011, & 2013 | 270,833 | 87 | 2,175 | 1,593 | 73% |
| Raymond & Tirza Martin | 1937 | | 2003, 2007, 2008, 2009, 2010, & 2011 | 391,695 | 93 | 2,325 | 2,052 | 88% |
| Joseph W. Nixon | 1964 | | 2003, 2005, 2006, 2007, & 2011, 2015, 2016 | 406,084 | 83 | 2,075 | 2,233 | 108% |
| Early College at Texas A&M International University | 2007 | 2012 | | 42,500 | 20 | 500 | 426 | 85% |
| Francisco S. Lara Academy (Alternative School) | 1997 | | 1997 | 28,883 | 17 | 255 | 20 | 8% |
| TOTAL HIGH SCHOOLS: | | | | 1,139,995 | 300 | 7,330 | 6,324 | 86% |
| MIDDLE SCHOOLS (6th - 8 th) | | | | | | | | |
| Louis J. Christen | 1930 | 2006 | 2008 | 194,507 | 82 | 2,050 | 1,165 | 57% |
| 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 | 1,390 | 71% |
| Memorial | 1937-39 | 2005 | 2008 | 133,081 | 48 | 1,200 | 685 | 57% |
| TOTAL MIDDLE SCHOOLS: | | | | 755,773 | 282 | 7,050 | 4,505 | 64% |
| ELEMENTARY SCHOOLS (PK- 5th) | | | | | | | | |
| Antonio M. Bruni | 1927 | 2004 | | 81,549 | 38 | 836 | 466 | 56% |
| Don Jose Gallego | 1946 | 2007 | | 92,305 | 39 | 858 | 645 | 75% |
| Leon Daiches | 1920 | 2006 | | 92,905 | 33 | 726 | 435 | 60% |
| Anita T. Dovalina | 1983 | | 2002, 2010 | 69,511 | 30 | 660 | 438 | 66% |
| Francisco Farias | 1958 | 2002 | 2010, 2011 | 108,465 | 47 | 1,034 | 619 | 60% |
| Demetrio D. Hachar | 1974 | 2008 | | 88,814 | 30 | 660 | 481 | 73% |
| Heights | 1923 | 2007 | | 68,500 | 26 | 572 | 532 | 93% |
| Jesus A. Kawas | 1983 | | 2003, 2010, 2017 | 73,850 | 34 | 748 | 428 | 57% |
| John Z. Leyendecker | 1953 | | 2008 | 97,752 | 38 | 836 | 422 | 50% |
| Honore Ligarde | 1988 | | 2003 | 80,252 | 39 | 858 | 654 | 76% |
| Christopher M. Macdonell | 1930 | 2004 | | 77,965 | 38 | 836 | 466 | 56% |
| Joseph C. Martin | 1972 | 2009 | | 94,728 | 32 | 704 | 510 | 72% |
| Clarence L. Milton | 1960 | | 2003 | 88,070 | 51 | 1,122 | 756 | 67% |
| Alma A. Pierce | 1963 | 2004 | 2010 | 93,233 | 43 | 946 | 761 | 80% |
| Michael S. Ryan | 1954 | | 2006 | 94,404 | 49 | 1,078 | 799 | 74% |
| Tomas Sanchez/Hermelinda Ochoa | 1953 | 2002 | 2017 | 95,004 | 43 | 946 | 595 | 63% |
| Santa Maria | 1972 | 2003 | | 81,669 | 34 | 748 | 543 | 73% |
| Santo Niño | 1960 | | 2003, 2017 | 99,357 | 43 | 946 | 633 | 67% |
| Katherine F. Tarver | 1960 | | 2005 | 81,982 | 29 | 638 | 400 | 63% |
| Henry B. Zachry | 1998 | 2016 | 2003 | 100,535 | 34 | 748 | 621 | 83% |
| TOTAL ELEMENTARY SCHOOLS: | | | | 1,760,850 | 750 | 16,500 | 11,204 | 68% |
| SPECIAL CAMPUSES (9th-12th) | | | | | | | | |
| 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 | | | |
| TOTAL SPECIAL CAMPUSES: | | | | 122,682 | | | (6) | |
| Total Square Footage (2): | 3,779,300 | | | | | | | |
| Total Minimum Capacity (3): | 30,880 | | | | | | | |
| Total Enrollment (4): | 22,033 | | | | | | | |
| Total Capacity Utilization (5): | 71% | | | | | | | |

(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 2020-2021 (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 | Maximum Capacity | Maximum Capacity | Enrollment 2019-2020 | Percentage of Capacity in Use |
|---|-----------------------|--------------------------|--|-----------------------------|------------------|------------------|----------------------|-------------------------------|
| HIGH SCHOOLS (9th - 12th) | | | | | | | | |
| 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% |
| TOTAL HIGH SCHOOLS: | | | | 1,139,995 | 300 | 7,330 | 6,422 | 88% |
| MIDDLE SCHOOLS (6th - 8th) | | | | | | | | |
| 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% |
| TOTAL MIDDLE SCHOOLS: | | | | 755,773 | 282 | 7,050 | 4,659 | 66% |
| ELEMENTARY SCHOOLS (PK- 5th) | | | | | | | | |
| 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% |
| TOTAL ELEMENTARY SCHOOLS: | | | | 1,760,850 | 750 | 16,500 | 12,613 | 76% |
| SPECIAL CAMPUSES (9th-12th) | | | | | | | | |
| 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 | | | |
| TOTAL SPECIAL CAMPUSES: | | | | 122,682 | | | (6) | |

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 |
|---|-----------------------|--------------------------|--|--------------------------|------------|------------------|----------------------|-------------------------------|
| HIGH SCHOOLS (9th - 12th) | | | | | | | | |
| 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% |
| TOTAL HIGH SCHOOLS: | | | | 1,139,995 | 300 | 7,330 | 6,273 | 86% |
| MIDDLE SCHOOLS (6th - 8 th) | | | | | | | | |
| 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% |
| TOTAL MIDDLE SCHOOLS: | | | | 705,314 | 282 | 7,050 | 4,641 | 66% |
| ELEMENTARY SCHOOLS (PK- 5th) | | | | | | | | |
| 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% |
| TOTAL ELEMENTARY SCHOOLS: | | | | 1,760,850 | 750 | 16,500 | 12,721 | 77% |
| SPECIAL CAMPUSES (9th-12th) | | | | | | | | |
| 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 | | | |
| TOTAL SPECIAL CAMPUSES: | | | | 122,682 | | | (6) | |
| 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 ¹ | Original Building ¹ | Facility Replacement ¹ | Facility Additions and Renovations ¹ | Square Footage | Classrooms | Minimum Capacity | Enrollment 2017 - 2018 | Percentage of Capacity in Use |
|---|--------------------------------|-----------------------------------|---|---------------------------|------------|------------------|------------------------|-------------------------------|
| HIGH SCHOOLS (9th - 12th) | | | | | | | | |
| 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% |
| TOTAL HIGH SCHOOLS: | | | | 1,139,995 | 300 | 7,330 | 6,324 | 86% |
| MIDDLE SCHOOLS (6th - 8 th) | | | | | | | | |
| 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% |
| TOTAL MIDDLE SCHOOLS: | | | | 705,314 | 282 | 7,050 | 4,684 | 66% |
| ELEMENTARY SCHOOLS (PK- 5th) | | | | | | | | |
| 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% |
| TOTAL ELEMENTARY SCHOOLS: | | | | 1,760,850 | 750 | 16,500 | 13,043 | 79% |
| SPECIAL CAMPUSES (9th-12th) | | | | | | | | |
| 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 | | | |
| TOTAL SPECIAL CAMPUSES*: | | | | 122,682 | | | | |
| 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 ¹ | Original Building ¹ | Facility Replacement ¹ | Facility Additions and Renovations ¹ | Square Footage | Classrooms | Minimum Capacity | Enrollment 2016-2017 | Percentage of Capacity in Use |
|---|--------------------------------|-----------------------------------|---|----------------------------|------------|------------------|----------------------|-------------------------------|
| HIGH SCHOOLS (9th - 12th) | | | | | | | | |
| 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% |
| TOTAL HIGH SCHOOLS: | | | | 1,114,695 | 300 | 7,330 | 6,316 | 86% |
| MIDDLE SCHOOLS (6th - 8th) | | | | | | | | |
| 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% |
| TOTAL MIDDLE SCHOOLS: | | | | 682,515 | 282 | 7,050 | 4,595 | 65% |
| ELEMENTARY SCHOOLS (PK-5th) | | | | | | | | |
| 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% |
| TOTAL ELEMENTARY SCHOOLS: | | | | 1,760,850 | 750 | 16,500 | 13,298 | 81% |
| SPECIAL CAMPUSES (9th-12th) | | | | | | | | |
| 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 | | | |
| TOTAL SPECIAL CAMPUSES⁶: | | | | 122,682 | | | | |
| Total Square Footage ² : | 3,680,742 | | | | | | | |
| Total Minimum Capacity ³ : | 30,880 | | | | | | | |
| Total Enrollment ⁴ : | 24,209 | | | | | | | |
| 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 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

HIGH SCHOOLS (9th - 12th)

| | | | | | | | | |
|---|------|------|--------------------------------------|------------------|------------|--------------|--------------|------------|
| 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% |
| TOTAL HIGH SCHOOLS: | | | | 1,138,880 | 300 | 7,330 | 6,029 | 82% |

MIDDLE SCHOOLS (6th - 8 th)

| | | | | | | | | |
|------------------------------|---------|------|----------------------------|----------------|------------|--------------|--------------|------------|
| Louis J. Christen | 1930 | 2006 | 2008 2004, 2005, 2006 & | 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% |
| TOTAL MIDDLE SCHOOLS: | | | | 728,488 | 282 | 7,050 | 4,670 | 66% |

ELEMENTARY SCHOOLS (PK- 5th)

| | | | | | | | | |
|----------------------------------|------|------|------------|------------------|------------|---------------|---------------|------------|
| 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 | 40 | 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 | 34 | 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% |
| TOTAL ELEMENTARY SCHOOLS: | | | | 1,717,872 | 750 | 16,500 | 13,482 | 82% |

SPECIAL CAMPUSES (9th-12th)

| | | | | | | | | |
|---|------|------|------------|---------------------------|----|--|--|--|
| 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 | | | |
| TOTAL SPECIAL CAMPUSES⁶: | | | | 122,682 | | | | |

| | |
|---|-----------|
| Total Square Footage ² : | 3,707,922 |
| Total Minimum Capacity ³ : | 30,880 |
| Total Enrollment ⁴ : | 24,181 |
| 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 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 ¹ | Original Building ¹ | Facility Replacement ¹ | Facility Additions and Renovations ¹ | Square Footage | Classrooms | Minimum Capacity | Enrollment 2014 - 2015 | Percentage of Capacity in Use |
|---|--------------------------------|-----------------------------------|---|--------------------------|------------|------------------|------------------------|-------------------------------|
| HIGH SCHOOLS (9th - 12th) | | | | | | | | |
| 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% |
| TOTAL HIGH SCHOOLS: | | | | 1,138,880 | 300 | 7,330 | 5,888 | 80% |
| MIDDLE SCHOOLS (6th - 8 th) | | | | | | | | |
| Louis J. Christen | 1930 | 2006 | 2008 | 194,507 | 82 | 2,050 | 1,369 | 67% |
| Dr. Joaquin G. Cigarroa | 1983 | 2006 | 2004, 2005, 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% |
| TOTAL MIDDLE SCHOOLS: | | | | 728,488 | 282 | 7,050 | 4,859 | 69% |
| ELEMENTARY SCHOOLS (PK- 5th) | | | | | | | | |
| 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% |
| TOTAL ELEMENTARY SCHOOLS: | | | | 1,717,872 | 750 | 16,500 | 13,951 | 85% |
| SPECIAL CAMPUSES (9th-12th) | | | | | | | | |
| 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 | | | |
| TOTAL SPECIAL CAMPUSES⁵: | | | | 122,682 | | | | |
| Total Square Footage ² : | 3,707,922 | | | | | | | |
| Total Minimum Capacity ³ : | 30,880 | | | | | | | |
| Total Enrollment ⁴ : | 24,698 | | | | | | | |
| Total Capacity Utilization ⁷ : | 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 ¹ | Original Building ¹ | Facility Replacement ¹ | Facility Additions and Renovations ¹ | Square Footage | Classrooms | Minimum Capacity | Enrollment 2013 - 2014 | Percentage of Capacity in Use |
|---|--------------------------------|-----------------------------------|---|-----------------------------|------------|------------------|------------------------|-------------------------------|
| HIGH SCHOOLS (9th - 12th) | | | | | | | | |
| 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% |
| TOTAL HIGH SCHOOLS: | | | | 1,138,880 | 300 | 7,330 | 5,732 | 78% |
| MIDDLE SCHOOLS (6th - 8 th) | | | | | | | | |
| Louis J. Christen | 1930 | 2006 | 2008 | 194,507 | 53 | 1,325 | 1,402 | 106% |
| Dr. Joaquin G. Cigarroa | 1983 | 2006 | 2004, 2005, 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% |
| TOTAL MIDDLE SCHOOLS: | | | | 728,488 | 183 | 4,575 | 4,951 | 108% |
| ELEMENTARY SCHOOLS (PK- 5th) | | | | | | | | |
| 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% |
| TOTAL ELEMENTARY SCHOOLS: | | | | 1,717,872 | 688 | 15,136 | 14,242 | 94% |
| SPECIAL CAMPUSES (9th-12th) | | | | | | | | |
| 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 | | | | |
| TOTAL SPECIAL CAMPUSES: | | | | 94,119 | | | | |
| Total Square Footage ² : | 3,679,359 | | | | | | | |
| Total Minimum Capacity ³ : | 27,041 | | | | | | | |
| Total Enrollment ⁴ : | 24,925 | | | | | | | |
| Total Capacity Utilization ⁵ : | 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.

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SINGLE AUDIT SECTION



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*

Board of School Trustees
Laredo Independent School District
Laredo, Texas

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 the Laredo Independent School District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 8, 2021.

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) as a basis for designing 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 entity'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*.

We noted a certain matter that we reported to management of the District in a separate letter dated November 8, 2021.

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 entity'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.

A handwritten signature in cursive script, appearing to read "George Gonzalez".

November 8, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Board of School Trustees
Laredo Independent School District
Laredo, Texas

Report on Compliance for Each Major Federal Program

We have audited Laredo Independent School District's (the District) 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, 2021. 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, contracts, and 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

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

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



George Gonzalez
Accountant

November 8, 2021

LAREDO INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2021

SECTION I --- SUMMARY OF AUDITOR'S RESULTS

| <i>Financial Statements</i> | | | |
|-----------------------------|--|------------|--------------------------|
| | Type of auditor's report issued on GAAP financial statements: | Unmodified | |
| | Internal control over financial reporting: • Material weakness(es) identified? | ___ Yes | <u> X </u> No |
| | • Significant deficiency(ies) identified not considered to be material weaknesses? | ___ Yes | <u> X </u> None Reported |
| | Noncompliance material to financial statements noted? | ___ Yes | <u> X </u> No |

| <i>Federal Awards</i> | | | |
|-----------------------|--|------------|--------------------------|
| | Internal control over major programs: • Material weakness(es) identified? | ___ Yes | <u> X </u> No |
| | • Significant deficiency(ies) identified not considered to be material weaknesses? | ___ Yes | <u> X </u> None Reported |
| | Type of auditor's report issued on compliance for major programs | Unmodified | |

LAREDO INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2021

| | | |
|--|---------|--------|
| Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, Section 200.516(a)? | ___ Yes | _X_ No |
|--|---------|--------|

(Continued)

SECTION I --- SUMMARY OF AUDITOR'S RESULTS (Continued)

| <i>Identification of Major Federal Programs</i> | |
|--|---|
| CFDA Numbers(s) | Name of Federal Program or Cluster |
| 21.019 | Covid 19 Coronavirus Relief Fund |
| 10.558 | Child & Adult Care Food Program |
| 84.424A | Student Support and Academic Enrichment Programs ESSA Title IV, Part A |
| 84.425D | Elementary & Secondary Emergency Relief Fund |
| Dollar threshold used to distinguish between Type A and Type B programs: | \$1,666,534 |
| Auditee qualified as low-risk auditee? | _X_ Yes ___ No |

LAREDO INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2021

SECTION II --- FINANCIAL STATEMENT FINDINGS

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards*.

SECTION III --- FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings and questioned costs required to be reported in accordance with Uniform Guidance, Section 200.516(a).

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LAREDO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

| (1) | (2) | (3) | (4) |
|---|--------------------------------------|--|-------------------------|
| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE | Federal Assistance Listing No. | Pass-Through Entity Identifying Number | Federal Expenditures |
| DEPARTMENT OF THE TREASURY | | | |
| <u>Passed Through State Department of Education</u> | | | |
| COVID - 19 Coronavirus Relief Fund - Bulk Purchase | 21.019 | 20522001 | \$ 886,350 |
| Total Passed Through State Department of Education | | | 886,350 |
| <u>Passed Through- Texas Division of Emergency Mgmt</u> | | | |
| COVID - 19 Coronavirus Relief Fund | 21.019 | 2020-CF-21019 | 1,362,063 |
| Total Passed Through- Texas Division of Emergency Mgmt | | | 1,362,063 |
| TOTAL DEPARTMENT OF THE TREASURY | | | 2,248,413 |
| U.S. DEPARTMENT OF DEFENSE | | | |
| <u>Direct Programs</u> | | | |
| ROTC | 12.9999 | N/A | 176,818 |
| Total Direct Programs | | | 176,818 |
| TOTAL U.S. DEPARTMENT OF DEFENSE | | | 176,818 |
| U.S. DEPARTMENT OF EDUCATION | | | |
| <u>Passed Through State Department of Education</u> | | | |
| ESEA, Title X, Part C -Homeless Children | 84.196A | 214600057110045 | 35,280 |
| ESEA, Title I, Part A - Improving Basic Programs | 84.010A | 20610101240901 | 2,337,272 |
| ESEA, Title I, Part A - Improving Basic Programs | 84.010A | 21610101240901 | 16,243,008 |
| Total Assistance Listing Number 84.010A | | | 18,580,280 |
| ESEA, Title I, Part C - Migratory Children | 84.011A | 20615001240901 | 158,773 |
| ESEA, Title II, Part A, Teacher Principal Training | 84.367A | 20694501240901 | 419,699 |
| ESEA, Title II, Part A, Teacher Principal Training | 84.367A | 21694501240901 | 1,185,942 |
| Total Assistance Listing Number 84.367A | | | 1,605,641 |
| ESSA, Title IV, Part A - Student Support | 84.424A | 20680101240901 | 485,231 |
| ESSA, Title IV, Part A - Student Support | 84.424A | 21680101240901 | 1,045,963 |
| Total Assistance Listing Number 84.424A | | | 1,531,194 |
| *IDEA - Part B, Formula | 84.027A | 206600012409016000 | 688,728 |
| *IDEA - Part B, Formula | 84.027A | 216600012409016600 | 3,666,380 |
| *IDEA - Part B, Discretionary | 84.027A | 206600112409016673 | 89,740 |
| *IDEA - Part B, Discretionary | 84.027A | 216600112409016673 | 76,180 |
| Total Assistance Listing Number 84.027A | | | 4,521,028 |
| *IDEA - Part B, Preschool | 84.173A | 206610012409016610 | 30,244 |
| *IDEA - Part B, Preschool | 84.173A | 216610012409016610 | 5,814 |
| Total Assistance Listing Number 84.173A | | | 36,058 |
| Total Special Education Cluster (IDEA) | | | 4,557,086 |
| IDEA, Part C - Early Intervention (Deaf) | 84.181A | 213911012409013911 | 379 |
| Title III, Part A - English Language Acquisition | 84.365A | 20671001240901 | 206,763 |
| Title III, Part A - English Language Acquisition | 84.365A | 21671001240901 | 1,054,343 |
| Total Assistance Listing Number 84.365A | | | 1,261,106 |

LAREDO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

| (1) | (2) | (3) | (4) |
|---|--------------------------------------|--|-------------------------|
| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE | Federal Assistance Listing No. | Pass-Through Entity Identifying Number | Federal Expenditures |
| Carl D Perkins Basic Formula Grant | 84.048A | 20420006240901 | 125,824 |
| Carl D Perkins Reserve | 84.048A | 20420028711046 | 15,508 |
| Perkins V Strengthening CTE 21st Century | 84.048A | 21420006240901 | 398,076 |
| Total Assistance Listing Number 84.048A | | | 539,408 |
| Elementary & Secondary School Emergency Relief Fd | 84.425D | 20521001240901 | 402,716 |
| Elementary Secondary School Emergency Relief II | 84.425D | 21521001240901 | 6,573,138 |
| COVID - 19 ESSER II Prior Purchase Reimb Program | 84.425D | 20521019 | 1,522,922 |
| Total Assistance Listing Number 84.425 | | | 8,498,776 |
| Lone Star Stem Cycle 3 Year 1 Grant | 84.411B | U411B18004018A | 50,000 |
| College Now - Career Connected! | 84.334S | P334A180025 | 586,819 |
| Instructional Continuity Grant | 84.377A | 17610740240901 | 34,980 |
| Total Passed Through State Department of Education | | | 37,439,722 |
| TOTAL U.S. DEPARTMENT OF EDUCATION | | | 37,439,722 |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| <u>Direct Programs</u> | | | |
| HHS Cares Act Provider Relief | 93.498 | N/A | 85,271 |
| Total Direct Programs | | | 85,271 |
| <u>Passed Through Texas Dept of Human Services</u> | | | |
| Medicaid Administrative Claiming Program - MAC | 93.778 | 529-07-0157-00277 | 117,109 |
| Total Passed Through Texas Dept of Human Services | | | 117,109 |
| TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | 202,380 |
| U.S. DEPARTMENT OF JUSTICE | | | |
| <u>Direct Programs</u> | | | |
| Equitable Sharing Program | 16.922 | N/A | 40,655 |
| Organized Crime Drug Enforcement Task Force | 16.111 | N/A | 17,752 |
| Total Direct Programs | | | 58,407 |
| TOTAL U.S. DEPARTMENT OF JUSTICE | | | 58,407 |
| U.S. DEPARTMENT OF AGRICULTURE | | | |
| <u>Passed Through the State Department of Agriculture</u> | | | |
| *School Breakfast Program | 10.553 | 806780706 | 227,234 |
| *National School Lunch Program - Cash Assistance | 10.555 | 806780706 | 361,965 |
| *National School Lunch Prog. - Non-Cash Assistance | 10.555 | 806780706 | 1,156,081 |
| Total Assistance Listing Number 10.555 | | | 1,518,046 |
| *Summer Feeding Program - Cash Assistance | 10.559 | 806780706 | 9,784,233 |
| Total Child Nutrition Cluster | | | 11,529,513 |
| Child & Adult Care Food Program - Cash Assistance | 10.558 | 806780706 | 2,191,674 |
| USDA CACFP Emergency Operational Costs | 10.558 | 806780706 | 128,069 |
| Total Assistance Listing Number 10.558 | | | 2,319,743 |
| USDA Food Storage/Delivery Fees | 10.555 | 806780706 | 19,651 |
| USDA Emergency Operational Costs | 10.555 | 806780706 | 769,540 |
| Total Assistance Listing Number 10.555 | | | 789,191 |

LAREDO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2021

| (1) | (2) | (3) | (4) |
|---|--------------------------------------|--|-----------------------------|
| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE | Federal Assistance Listing No. | Pass-Through Entity Identifying Number | Federal Expenditures |
| Fresh Fruit & Vegetable Program | 10.582 | 806780706 | 751,186 |
| Farm to School Grant | 10.575 | CN-F2S-IMP-19-TX-2 | 35,774 |
| Total Passed Through the State Department of Agriculture | | | <u>15,425,407</u> |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | | <u>15,425,407</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | <u><u>\$ 55,551,147</u></u> |

*Clustered Programs

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 year ended June 30, 2021. 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)**.

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

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 a Special Revenue Fund, or in some instances, in the General Fund which are Governmental Fund type funds.

With this measurement focus, only current assets and current liabilities and the fund balance 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 unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable, available financial resources.

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

B. Summary of Significant Accounting Policies (Continued)

The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance of Federal Funds, 3 CFR Section 200.343(b).

C. Indirect Cost Rate

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

Indirect cost reimbursement for federal program for this fiscal year was received in the amount of \$1,281,471.

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, funds from the Department of the Treasury passed through the Texas Department of Emergency Management (TDEM), 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 TDEM funds of \$1,362,063 were expended in fiscal year 2020, however, the grant award was not received until fiscal year 2021. Accordingly, the expenditures were not reported in the schedule of Expenditures of Federal Awards until the reimbursement of \$1,362,063 was received in FY2021. 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.

| | |
|--|----------------------------|
| Amount reported on the Schedule of Expenditures of Federal Awards, Exhibit K-1 | \$55,551,147 |
| School Health and Related Services (SHARS) Revenue reported in General Fund | <u>1,681,130</u> |
| Federal Program Revenue Reported on Exhibit C-3 | <u><u>\$57,232,277</u></u> |

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INDEPENDENT SCHOOL DISTRICT